

## DRAFT LETTER OF OFFER

### THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer is being sent to you, the registered shareholder of Welspun Enterprises Limited (the “**Company**”) as on the Record Date (as defined hereinafter) (“**Eligible Shareholders**”/ “**Beneficial Owners**”), in accordance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, for the time being in force including any statutory modifications and amendments from time to time (“**Buy-back Regulations**”). If you require any clarifications regarding the action to be taken, you may, consult your stock brokers or investment consultants or the Manager to the Buy-back or the Registrar to the Buy-back. Please see the section entitled “*Definition of Key Terms*” for the definition of the capitalized terms used herein.



### WELSPUN ENTERPRISES LIMITED

**Registered Office:** Welspun City, Village Versamedi, Taluka Anjar, Kutch – 370110, Gujarat, India  
**Contact Person:** Ms. Nidhi Tanna, Company Secretary & Compliance Officer  
**Tel. No.:** +91 22 6613 6000 **E-mail:** companysecretary\_wel@welspun.com **Website:** www.welspunenterprises.com  
**Corporate Identity Number:** L45201GJ1994PLC023920

**BUY-BACK OF UP TO 1,17,50,000 (ONE CRORE SEVENTEEN LAKH AND FIFTY THOUSAND) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (“EQUITY SHARES”), REPRESENTING 7.834% OF THE TOTAL EQUITY SHARES IN THE TOTAL ISSUED AND PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY, ON A PROPORTIONATE BASIS, FROM THE ELIGIBLE SHAREHOLDERS HOLDING EQUITY SHARES AS ON FEBRUARY 13, 2023 (THE “RECORD DATE”), BY WAY OF A TENDER OFFER, FOR CASH AT A PRICE OF ₹ 200/- (RUPEES TWO HUNDRED ONLY) PER EQUITY SHARE FOR AN AGGREGATE AMOUNT NOT EXCEEDING ₹ 2,35,00,00,000/- (RUPEES TWO HUNDRED AND THIRTY FIVE CRORE ONLY) (BUY-BACK SIZE) EXCLUDING TRANSACTION COST (“BUY-BACK”). THE BUY-BACK SIZE REPRESENTS 14.22% AND 15.74% OF THE AGGREGATE OF THE FULLY PAID-UP EQUITY SHARE CAPITAL AND FREE RESERVES (INCLUDING SECURITIES PREMIUM ACCOUNT) AS PER THE LATEST AUDITED STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022 RESPECTIVELY.**

The Buy-back is being undertaken by the Company in accordance with Article 4A of the Articles of Association of the Company, the provisions of Sections 68, 69, 70 and other applicable provisions of the Companies Act, 2013, the rules made thereunder, and the Buy-back Regulations. The Buy-back is subject to the receipt of any approvals, permissions, sanctions and exemptions, from statutory, regulatory or governmental authorities as may be required under applicable law, including but not limited to Securities and Exchange Board of India (“**SEBI**”) and the stock exchanges where the Equity Shares of the Company are listed i.e. BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”) (hereinafter together referred to as the “**Stock Exchanges**”).

- The Buy-back Size is 14.22% and 15.74% of the aggregate of fully paid-up equity share capital and free reserves (including securities premium account) as per the latest audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2022 respectively, which is within the statutory limit of 25% of the fully paid-up equity share capital and free reserves (including securities premium account) as per the latest audited standalone and consolidated financial statements of the Company, respectively.
- The Letter of Offer shall be sent to Eligible Shareholders/Beneficial Owners holding Equity Shares of the Company as on the Record Date, i.e. Monday, February 13, 2023. A copy of the Public Announcement is available and this Draft Letter of Offer and the Letter of Offer (including the Tender Form) shall be available on the website the Company at www.welspunenterprises.com and is expected to be available on the website of the Securities and Exchange Board of India at www.sebi.gov.in. during the period of Buy-back and on the website of the Stock Exchanges at www.bseindia.com and www.nseindia.com.
- For details in relation to the procedure for acceptance and tender of Equity Shares, please see the section entitled “*Procedure for Tendering Shares and Settlement*” on page 45 of this Draft Letter of Offer. The Tender Form is enclosed together with this Draft Letter of Offer.
- For mode of payment of consideration to the Eligible Shareholders, please refer to section entitled “*Procedure for Tendering Shares and Settlement*” on page 45 of this Draft Letter of Offer.
- Eligible Shareholders are advised to read this Draft Letter of Offer and in particular, refer to the sections entitled “*Details of Statutory Approvals*” and “*Note on Taxation*” on pages 40 and 53, respectively, of this Draft Letter of Offer before tendering their Equity Shares in the Buy-back.

#### MANAGER TO THE BUY-BACK



**DAM Capital Advisors Limited**  
One BKC, Tower C, 15<sup>th</sup> Floor, Unit No.1511,  
Bandra Kurla Complex, Bandra (East)  
Mumbai 400051, Maharashtra, India  
**Tel:** +91 22 4202 2500  
**Contact Person:** Chandresh Sharma/ Nidhi Gupta  
**E-mail:** wel.buyback@damcapital.in  
**Website:** www.damcapital.in  
**SEBI Registration Number:** MB/INM000011336  
**Validity period:** Permanent  
**CIN:** U99999MH1993PLC071865

#### REGISTRAR TO THE BUY-BACK



**Link Intime India Private Limited**  
C-101, 1st Floor, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400083,  
Maharashtra, India  
**Tel:** +91 810 811 4949 **Fax:** +91 22 4918 6060  
**Email:** welspunenterprises.buyback@linkintime.co.in  
**Website:** www.linkintime.co.in  
**Investor Grievance E-mail:** welspunenterprises.buyback@linkintime.co.in  
**Contact Person:** Mr. Sumeet Deshpande  
**SEBI Registration Number:** INR000004058  
**Validity period:** Permanent  
**CIN:** U67190MH1999PTC118368

#### BUY-BACK PROGRAMME

|  |     |
|--|-----|
| Buy-back Opening Date  | [●] |
| Buy-back Closing Date  | [●] |
| Last date and time for receipt of Completed Tender Forms and other specific documents by the Registrar to the Buy-back | [●] |

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## SCHEDULE OF ACTIVITIES

| Activity  | Day and Date                |
|---|-----------------------------|
| Date of Board meeting approving the proposal of the Buy-back  | Friday, December 30, 2022   |
| Date of special resolution by the Equity Shareholders of the Company through extraordinary general meeting, approving the Buy-back                                    | Tuesday, January 24, 2023   |
| Date of publication of the Public Announcement for the Buy-back   | Wednesday, January 25, 2023 |
| Record Date for determining the Buy-back Entitlement and the names of Eligible Shareholders   | Monday, February 13, 2023   |
| Date of opening of the Buy-back   | [•]                         |
| Date of closing of the Buy-back   | [•]                         |
| Last date of receipt of completed Tender Forms and other specified documents including physical share certificates (if and as applicable) by the Registrar            | [•]                         |
| Last date of verification by the Registrar  | [•]                         |
| Last date of intimation regarding acceptance or non-acceptance of tendered Equity Shares to the Stock Exchanges by the Registrar                                      | [•]                         |
| Last date of settlement of bids on the Stock Exchanges  | [•]                         |
| Last date of dispatch of share certificate(s) by the Registrar/return of unaccepted demat Equity Shares by Stock Exchange to Shareholder Broker/Eligible Shareholders | [•]                         |
| Last date of extinguishment of Equity Shares  | [•]                         |

*Note: In case the last date is mentioned for certain activities, such activities may be completed on or before such last date.*

## DEFINITION OF KEY TERMS

*This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specified otherwise, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Draft Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the Buy-back Regulations, the Companies Act, the Depositories Act, and the rules and regulations made thereunder.*

| Term                                | Description  |
|-------------------------------------|--|
| Acceptance, Accept, or Accepted     | Acceptance of fully paid up Equity Shares tendered by Eligible Shareholders for the Buy-back   |
| Acquisition Window                  | The facility for acquisition of Equity Shares through mechanism provided by the Designated Stock Exchange in the form of a separate window in accordance with the SEBI Circulars   |
| Additional Equity Shares            | Additional eligible Equity Shares tendered by an Eligible Shareholder over and above the Buy-back Entitlement of such Eligible Shareholder   |
| Articles/ Articles of Association   | Articles of Association of the Company, as amended from time to time   |
| Board or Board of Directors         | Board of Directors of the Company (which term shall, unless repugnant to the context or meaning thereof, be deemed to include any Committee of the Board and/or officials, which the Board may constitute/ authorize)  |
| Board Approval                      | Meeting of the Board of Directors of the Company held on December 30, 2022 approving the proposal for the Buy-back.  |
| Board Meeting Date                  | Friday, December 30, 2022  |
| BSE                                 | BSE Limited  |
| Buy-back                            | Buy-back of up to 1,17,50,000 (One Crore Seventeen Lakh and Fifty Thousand) fully paid-up Equity Shares, representing 7.834% of the total Equity Shares in the total issued and paid-up equity share capital of the Company, on a proportionate basis, from the Eligible Shareholders holding equity shares as on Record Date i.e. Monday, February 13, 2023, by way of a tender offer, for cash at a price of ₹ 200/- (Rupees Two Hundred Only) per Equity Share for an aggregate amount not exceeding ₹ 2,35,00,00,000/- (Rupees Two Hundred and Thirty Five Crore Only). This excludes any expenses incurred or to be incurred for the Buy-back such as fee payable to SEBI, advisors' fees, public announcement publication expenses, printing and dispatch expenses, transaction costs viz. brokerage, applicable taxes such as buyback tax, securities transaction tax, goods and services tax, stamp duty, etc. and other incidental and related expenses |
| Buy-back Closing Date               | [•]  |
| Buy-back Committee                  | The Buy-back Committee of the Board, constituted and authorized for the purposes of the Buy-back by way of a resolution of the Board dated December 30, 2022 comprising of Mr. Balkrishan Goenka - Chairman, Mr. Rajesh Mandawewala - Member, Mr. Akhil Jindal - Member and Mr. Sandeep Garg - Member  |
| Buy-back Entitlement or Entitlement | The number of Equity Shares that an Eligible Shareholder is entitled to tender, in the Buy-back, based on the number of Equity Shares held by such Eligible Shareholder, on the Record Date and the Ratio of Buy-back applicable to such Eligible Shareholder  |
| Buy-back Offer Price                | The price at which Equity Shares will be bought back from the Shareholders, being ₹ 200/- per Equity Share, payable in cash  |
| Buy-back Opening Date               | [•]  |
| Buy-back Offer Size                 | Maximum number of Equity Shares proposed to be bought back i.e. not exceeding 1,17,50,000 (One Crore Seventeen Lakh and Fifty Thousand) Equity Shares multiplied by the Buyback Offer Price i.e. ₹ 200/- (Rupees Two Hundred only) per Equity Share aggregating to INR 235,00,00,000/- (Rupees Two Hundred and Thirty Five Crores Only), excluding Transaction Costs   |
| Buy-back Period                     | The period between the date of declaration of results of the Extra Ordinary General Meeting for the special resolution to authorize the Buy-back and the date on which the payment of consideration to the Eligible Shareholders is made   |
| Buy-back Regulations                | The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 for the time being in force including any statutory modifications and amendments from time to time   |

| <b>Term</b>                                | <b>Description</b>   |
|--|--|
| CDSL                                       | Central Depository Services (India) Limited  |
| Companies Act                              | Companies Act, 2013, along with the relevant rules made thereunder (including any statutory modifications or amendments thereof).  |
| Company or “we”                            | Welspun Enterprises Limited, unless the context states otherwise   |
| Company Broker                             | DAM Capital Advisors Limited   |
| DP   | Depository Participant   |
| Depositories                               | NSDL and CDSL  |
| Depositories Act                           | The Depositories Act, 1996   |
| Designated Stock Exchange                  | The designated stock exchange for the Buy-back, being, NSE   |
| DIN  | Director Identification Number   |
| Director(s)                                | Director(s) of the Company   |
| Draft Letter of Offer                      | This Draft Letter of Offer dated February 2, 2023, filed with SEBI   |
| Eligible Shareholders or Beneficial Owners | All persons holding Equity Shares as on the Record Date.   |
| Equity Shares                              | Fully paid-up equity shares of the Company each having a face value of ₹ 10  |
| Escrow Account                             | The Escrow Account, “[●]” opened with the Escrow Agent   |
| Escrow Agent                               | [●]  |
| Escrow Agreement                           | The escrow agreement to be entered into between the Company, the Manager and the Escrow Agent  |
| Exchange Act                               | United States Securities Exchange Act of 1934  |
| FEMA                                       | Foreign Exchange Management Act, 1999  |
| FII  | Foreign Institutional Investors  |
| FPI  | Foreign Portfolio Investors  |
| General Category                           | Eligible Shareholders other than the Small Shareholders  |
| HUF  | Hindu Undivided Family   |
| IT Act/ Income Tax Act                     | Income-tax Act, 1961 (including any statutory modifications or re-enactment thereof)   |
| Letter of Offer                            | The letter of offer dated [●] to be filed with SEBI containing disclosures in relation to the Buy-back as specified in Schedule III of the Buy-back Regulations, including comments received from SEBI on the Draft Letter of Offer.   |
| LODR Regulations                           | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the time being in force including any statutory modifications and amendments from time to time.   |
| Manager to the Buyback / Manager           | The manager to the Buy-back, being, DAM Capital Advisors Limited   |
| Non-Resident Indians                       | An individual resident outside India who is a citizen of India or is an ‘Overseas Citizen of India’ cardholder within the meaning of Section 7(A) of the Citizenship Act, 1955 and includes a non-resident Indians   |
| NSE  | National Stock Exchange of India Limited   |
| NSDL                                       | National Securities Depository Limited   |
| OCB  | Overseas Corporate Bodies  |
| PAN  | Permanent Account Number   |
| Public Announcement                        | The public announcement, made in accordance with the Buy-back Regulations, dated January 24, 2023, published in Financial Express (English – All editions), Jansatta (Hindi – All editions), Kutch Mitra and Kutch Uday (Gujarati - Bhuj Edition) (Gujarati being the regional language of Kutch, where our Registered Office is located), each with wide circulation, on January 25, 2023 |
| Ratio of Buy-back                          | The ratio of the Buy-back: (i) in case of Small Shareholders, [●] Equity Shares for every [●] Equity Shares held by such Small Shareholder on the Record Date; and (ii) for Eligible Shareholders other than Small Shareholders, [●] Equity Shares for every [●] Equity Shares held by such Eligible Shareholder on the Record Date  |
| RBI  | The Reserve Bank of India  |
| Record Date                                | Monday, February 13, 2023, being the date for the purpose of determining the entitlement and the names of the Equity Shareholders, to whom the Letter of Offer and Tender Form will be sent and who are eligible to participate in the Buy-back in accordance with the Buy-back Regulations  |
| Registered Office                          | The registered office of the Company, located at Welspun City, Village Versamedi, Taluka Anjar, Kutch - 370 110, Gujarat, India  |
| Registrar                                  | The registrar to the Buy-back, being, Link Intime India Private Limited  |

| <b>Term</b>          | <b>Description</b>  |
|----------------------|---|
| Reserved Category    | Equity Shares reserved for the Small Shareholders   |
| SEBI                 | The Securities and Exchange Board of India  |
| SEBI Circulars       | Tendering of Equity Shares by such Shareholders and settlement of the same, through the stock exchange mechanism as specified by SEBI in the circular bearing number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular bearing number CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and circular bearing number SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 and such other circulars as may be applicable, including any amendments thereof |
| SEC                  | United States Securities and Exchange Commission  |
| Shareholder Broker   | Stockbroker(s) of Eligible Shareholder(s), through whom the Eligible Shareholder(s) seeks to participate in the Buy-back  |
| Shareholders         | Holders of Equity Shares and includes beneficial owners thereof   |
| Small Shareholder    | An Eligible Shareholder of the Company, who holds Equity Shares or other specified securities whose market value, on the basis of closing price of Equity Shares, on the recognized stock exchange in which highest trading volume in respect of such Equity Shares, as on the Record Date i.e. February 13, 2023, is not more than ₹ 2,00,000, as defined in Regulation 2(1)(n) of the Buy-back Regulations.   |
| Stock Exchanges      | BSE and NSE   |
| Takeover Regulations | The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 for the time being in force including any statutory modifications and amendments from time to time   |
| Transaction Cost     | Any expenses incurred or to be incurred for the Buy-back such as fee payable to SEBI, advisors' fees, public announcement publication expenses, printing and dispatch expenses, transaction costs viz. brokerage, applicable taxes such as buyback tax, securities transaction tax, goods and services tax, stamp duty, etc. and other incidental and related expenses.   |
| Tender Form          | The Acceptance-cum-Acknowledgement form to be filled in by the Shareholders to participate in the Buy-back  |
| Tender Offer         | Tender offer shall have the meaning ascribed to it under Regulation 2(i)(q) of the Buy-back Regulations   |
| Tendering Period     | Period of 10 Working Days from the Buy-back Opening Date ([●]) till the Buy-back Closing Date ([●]) (both days inclusive)   |
| TRS                  | Transaction Registration Slip   |
| U.S.                 | United States or the United States of America   |
| Working Day          | Working day shall have the meaning ascribed to it under Regulation 2(i)(s) of the Buy-back Regulations  |

## DISCLAIMER CLAUSE

As required, a copy of this Draft Letter of Offer has been submitted to SEBI. It is to be distinctly understood that submission of this Draft Letter of Offer to SEBI should not, in any way, be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet its Buy-back commitments or for the correctness of the statements made or opinions expressed in this Draft Letter of Offer. The Manager to the Buy-back, DAM Capital Advisors Limited, has certified that the disclosures made in this Draft Letter of Offer are generally adequate and are in conformity with the provisions of the Companies Act and the Buy-back Regulations. This requirement is to facilitate Eligible Shareholders to take an informed decision in tendering their Equity Shares in the Buy-back.

It should also be clearly understood that, while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this Draft Letter of Offer, the Manager is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose, the Manager, DAM Capital Advisors Limited, has furnished to SEBI a due diligence certificate dated February 2, 2023, in accordance with the Buy-back Regulations, which reads as follows:

*“We have examined various documents and materials contained in the Public Announcement and the Draft Letter of Offer, as part of the due-diligence carried out by us in connection with the finalisation of the Public Announcement and Draft Letter of Offer. On the basis of such examination and the discussions with the Company, we hereby state that:*

- *The Public Announcement and the Draft Letter of Offer are in conformity with the documents, materials and papers relevant to the Buy-back.*
- *All the legal requirements connected with the said Buy-back including the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended have been duly complied with.*
- *The disclosures in the Public Announcement and the Draft Letter of Offer are, to the best of our knowledge, true, fair and adequate in all material respects for the shareholders of the Company to make a well- informed decision in respect of the Buy-back.*
- *Funds to be used for Buy-back shall be as per the provisions of the Companies Act, 2013, as amended.”*

The filing of this Draft Letter of Offer with SEBI, does not, however, absolve the Company from any liabilities under the provisions of the Companies Act or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Buy-back.

The Promoters and Promoter Group / Board of Directors declare and confirm that no information or material likely to have a bearing on the decision of Eligible Shareholders has been suppressed, withheld and/or incorporated in a manner that would amount to misstatement or misrepresentation and in the event of it transpiring at any point of time that any information or material has been suppressed or withheld, or amounts to a misstatement or misrepresentation, the Promoters and Promoter Group / Board of Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act and the Buy-back Regulations.

The Promoters and Promoter Group / Board of Directors, also declare and confirm that, funds borrowed from banks and financial institutions will not be used for the Buy-back.

### **Special notice to Shareholders in the United States**

The information contained in this Draft Letter of Offer is exclusively intended for persons who are not U.S. Persons as such term is defined in Regulations of the U.S. Securities Act of 1933, as amended, and who are not physically present in the U.S. This Draft Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in the U.S. or in any other jurisdiction in which such offer or invitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe any such restrictions.

### **Disclaimer for Persons in Other Foreign Countries other than the United States:**

This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. This Draft Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation would subject the Company or the Manager to the Offer to any new or additional requirements or registrations. Potential users of the

information contained in this Draft Letter of Offer are requested to inform themselves about and to observe any applicable legal requirement or restrictions.

The Public Announcement dated January 24, 2023, and this Draft Letter of Offer have been prepared for the purposes of compliance with the Buy-back Regulations. Accordingly, the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The Company and the Manager to the Buy-back are under no obligation to update the information contained herein at any time after the date of this Draft Letter of Offer.

This Draft Letter of Offer and the Letter of Offer does not and will not in any way constitute an offer to sell, or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. The Letter of Offer shall be dispatched to all Equity Shareholders whose names appear on the register of members of the Company, as of the Record Date. However, receipt of the Letter of Offer by any Equity Shareholders in a jurisdiction in which it would be illegal to make this Buy-back, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the Letter of Offer under any local securities laws), shall not be treated by such Equity Shareholders as an offer being made to them. Potential users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe any such restrictions. Any Eligible Shareholder who tenders his, her or its Equity Shares in the Buy-back shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buy-back.

### **Forward looking statements**

Certain statements contained in this Draft Letter of Offer that are not statements of historical fact constitute “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “continue”, “can”, “could”, “estimate”, “expect”, “intend”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “should”, “target”, “will”, “would”, or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about the Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, inter alia, regulatory changes pertaining to the industries in which the Company operates and its ability to respond to them, the Company’s ability to successfully implement its strategy, its growth and expansion, technological changes, exposure to market risks, general economic and political conditions in India or other key markets where it operates which have an impact on its business activities or investments, the monetary and fiscal policies, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which the Company operates.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subject to rounding-off adjustments. In certain instances, (i) the sum or percentage change of such numbers may not confirm exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not confirm exactly to the total figure given for that column or row.



## TEXT OF THE RESOLUTION PASSED AT MEETING OF THE BOARD

The Buy-back has been authorised and approved at the meeting of the Board at its meeting held on December 30, 2022. The text of the resolution of the Board is as follows:

**“RESOLVED THAT** pursuant to the provisions of Article 4A of the Articles of Association of the Company and the provisions of Sections 68, 69, 70, 100 and other applicable provisions, if any, of the Companies Act, 2013, as amended (the **“Act”**), the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Management and Administration) Rules, 2014, to the extent applicable, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the **“Listing Regulations”**) and in compliance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018, as amended, including any statutory modifications and amendments from time to time (the **“Buy-back Regulations”**), and, subject to the approval of members of the Company by special resolution and further, subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the board of directors of the Company (the **“Board”**, which expression shall include any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), the Board hereby approves the buy-back by the Company of upto 1,17,50,000 (One Crore Seventeen Lakh and Fifty Thousand Only) of its fully paid-up equity shares of ₹10/- (Rupees Ten only) each (**“Equity Shares”**) (7.84% of the total Equity Shares in the total paid up equity share capital of the Company as on March 31, 2022) at a price of ₹200/-(Rupees Two Hundred only) per Equity Share (the **“Buy-back Price”**) payable in cash for an aggregate amount not exceeding ₹ 235 Crore (Rupees Two Hundred and Thirty Five Crore Only) (excluding any expenses incurred or to be incurred for the buy-back such as fee payable to the Securities and Exchange Board of India (**“SEBI”**), advisors’ fees, public announcement publication expenses, printing and dispatch expenses, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods and services tax, stamp duty, etc. and other incidental and related expenses) (the **“Buy-back Size”**), representing 14.22% and 15.74% which is not exceeding 25% of the aggregate of the paid-up share capital and free reserves (including Securities Premium Account) of the Company based on both audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2022, respectively, out of the Free Reserves and/or the Securities Premium Account of the Company or such other source as may be permitted by the Buyback Regulations or the Act, from the members of the Company, as on record date to be determined by the Board (hereinafter referred to as the **“the Record Date”**), on a proportionate basis through **“Tender Offer”** route through Stock Exchange mechanism as prescribed under the Buyback Regulations (the **“Buyback”**).”

**“RESOLVED FURTHER THAT** the Board noted that the promoters intends to tender upto 53,50,000 equity shares out of 8,06,25,603 (53.76%) equity shares held by them.”

**“RESOLVED FURTHER THAT** the Buyback shall be implemented using the **“Mechanism for acquisition of shares through Stock Exchange”** notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular CFD/ DCR2/ CIR/ P/ 2016/131 dated December 09, 2016 and circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, including any amendments or statutory modifications for the time being in force (**“SEBI Circulars”**).”

**“RESOLVED FURTHER THAT** the Buy-back shall be made by the Company from the free reserves and securities premium of the Company and on such terms and conditions as the Board may decide from time to time in the absolute discretion of the Board as it may deem fit.”

**“RESOLVED FURTHER THAT** all of the shareholders of the Company, as on the Record Date, will be eligible to participate in the Buy-back except any shareholders who may be specifically prohibited under the Buy-back Regulations or other applicable law.”

**“RESOLVED FURTHER THAT** the Company may buyback Shares from the existing members of the Company as on the Record Date, on a proportionate basis, provided that 15% of the number of Shares under the Buyback or the number of Shares entitled as per the shareholding of small shareholders, whichever is higher, shall be reserved for small shareholders as prescribed under Regulation 6 of the Buyback Regulations.”

**“RESOLVED FURTHER THAT** the Company shall not buy-back the locked-in Equity Shares or other specified securities and non-transferable shares or other specified securities till the pendency of the lock-in or till the Equity Shares or other specified securities become transferable.”

**“RESOLVED FURTHER THAT** the Buy-back from the non-resident members of the Company, including Overseas Corporate Bodies, Foreign Institutional Investors, Foreign Portfolio Investors and members of foreign nationality, if any,

shall be subject to such approvals, if and to the extent necessary or required from concerned authorities including approvals from the Reserve Bank of India (“**RBI**”) under Foreign Exchange Management Act, 1999 and rules and regulations framed there under, if any, and that such approvals shall be required to be taken by such shareholders themselves.”

“**RESOLVED FURTHER THAT** in terms of Regulation 24(iii) of the Buy-back Regulations, the Company Secretary be and is hereby appointed as the Compliance Officer for the Buy-back.”

“**RESOLVED FURTHER THAT** in terms of the Buy-back Regulations, DAM Capital Advisors Limited (“**DAM Capital**”) be and is hereby appointed as the manager and the buyer broker for the Buy-back on such terms and conditions as agreed and as may be mutually agreed between the DAM Capital and the Company.”

“**RESOLVED FURTHER THAT** the draft of the Declaration of Solvency prepared in the prescribed form by the auditor and the supporting affidavit, placed before the meeting be and is hereby approved and that person occupying the position of Managing Director and any one of the Directors be and are hereby authorized to sign the same, for and on behalf of the Board and file the same with the Registrar of Companies, Gujarat, the SEBI and any other regulatory, governmental and statutory authorities, as required under applicable law.”

“**RESOLVED FURTHER THAT** the Board hereby takes on record the draft of the auditor report dated December 30, 2022 issued by MGB & Co. LLP, Chartered Accountants, the Statutory Auditor of the Company, as required under clause (xi) of Schedule I of the Buy-back Regulations and placed before the Board for its noting.”

“**RESOLVED FURTHER THAT** the Board hereby confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion that:

- (i) Immediately following the date of this Board meeting and the date on which the result of the members resolution in the ensuing extra-ordinary general meeting with regard to the proposed Buyback are declared (“**Special Resolution**”), there will be no grounds on which the Company could be found unable to pay its debts;
- (ii) As regards the Company’s prospects for the year immediately following the date of this Board Meeting as well as for the year immediately following the Special Resolution, and having regard to the Board’s intentions with respect to the management of the Company’s business during that year and to the amount and character of the financial resources which will in the Board’s view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board meeting as also from the date of Special Resolution;
- (iii) In forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company were being wound up under the provisions of the Companies Act, 1956 (to the extent applicable) and Companies Act, 2013 (to the extent notified), as the case may be and the Insolvency and Bankruptcy Code, 2016, as amended from time to time, as applicable, including prospective and contingent liabilities.

“**RESOLVED FURTHER THAT** the Board hereby confirms that:

- a) The Company shall not issue any equity shares or other securities (including by way of bonus) till the date of expiry of the Buy-back period;
- b) The Company shall not make any offer of buyback within a period of one year reckoned from the date of expiry of buyback period of the preceding offer of buyback, if any, unless permitted under the SEBI Regulations;
- c) The Company shall not withdraw the Buy-back after the draft letter of offer is filed with SEBI or the public announcement of the offer for the Buy-back is made;
- d) The Company shall not buyback locked-in equity shares and non-transferable shares or other specified securities till the pendency of the lock-in or till the shares or other specified securities become transferable, subject to buyback period;
- e) The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity shares purchased through the Buy-back to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited financial statements;
- f) All the Equity Shares of the Company are fully paid-up;

- g) The public shareholding post buyback shall not fall below the minimum level required as per Regulation 38 of the Listing Regulations;
- h) There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, 2013 as on date;
- i) The Company, as per the provisions of Section 68(8) of the Companies Act, will not issue same kind of shares or other securities including allotment of new shares under clause (a) of sub-section (1) of Section 62 or other specified securities within a period of 6 months after the completion of the Buy-back except by way of bonus issue or in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares;
- j) The Company is not Buying-back its Equity Shares so as to delist its Equity Shares from the stock exchanges;
- k) The Company shall not Buy-back out of the proceeds of an earlier issue of the same kind of shares or same kind of other specified securities;
- l) The ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up Equity Share capital and free reserves after the Buy-back based on both the audited standalone and consolidated financial statements of the Company as on March 31, 2022;
- m) The Company shall not directly or indirectly purchase its Equity Shares through any subsidiary company including its own subsidiary companies or through any investment company or group of investment companies;
- n) The Company shall not buyback its Equity Shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buy-back;
- o) There are no defaults subsisting in the repayment of deposits or interest thereon, redemption of debentures or interest thereon or redemption of preference shares or payment of dividend or repayment of any term loans or interest payable thereon to any shareholder or financial institution or banking company, as the case may be;
- p) That the Company has been in compliance with Sections 92, 123, 127 and 129 of the Companies Act, 2013;
- q) That funds borrowed from banks and financial Institutions, if any, will not be used for the Buy-back;
- r) The aggregate amount of the Buyback i.e. ₹235 Crore (Rupees Two Hundred and Thirty Five Crore Only) does not exceed 25% of the total paid-up equity capital and free reserves as per audited standalone and consolidated financial statements of the Company as on March 31, 2022;
- s) The maximum number of Equity Shares proposed to be purchased under the Buy-back 1,17,50,000 (One Crore Seventeen Lakh Fifty Thousand), does not exceed 25% of the total number of Equity Shares in the paid-up equity share capital as per the audited standalone balance sheet as on March 31, 2022;
- t) The Company shall not raise further capital for a period of one year, from the expiry of the Buyback period, except in discharge of subsisting obligations;"

**“RESOLVED FURTHER THAT** no information / material likely to have a bearing on the decision of investors has been suppressed / withheld and/or incorporated in the manner that would amount to mis-statement/misrepresentation and in the event of it transpiring at any point of time that any information/material has been suppressed /withheld and/or amounts to a mis-statement / misrepresentation, the Board of Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act and the Buy-back Regulations.”

**“RESOLVED FURTHER THAT** in compliance with Buyback Regulations, Link Intime India Private Limited be appointed as the Registrar for the proposed buyback transaction at such remuneration as mutually agreed.”

**“RESOLVED THAT** a Committee be and is hereby formed as **“Buy-back Committee”**, consisting of Mr. Balkrishan Goenka - Chairman, Mr. Rajesh Mandawewala - Member, Mr. Akhil Jindal - Member and Mr. Sandeep Garg - Member and the Buy-back Committee is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute

discretion, deem necessary, expedient, usual or proper, as it may consider to be in the best interests of the shareholders, including without limitation the following:

- a) To finalize/ modify the terms of the buyback, as may be permissible under the law, with regard to the fixation Record Date and entitlement ratio, the time frame for completion of the Buyback;
- b) To enter into escrow arrangements and appoint escrow agents as required or desirable in terms of the Buyback Regulations and to open, operate and close all necessary accounts including escrow account, special payment account, demat escrow account as required or desirable in terms of the Buyback Regulations and to enter into escrow and other agreements with and to give instructions to the bankers in connection therewith, and provide bank guarantee(s) as may be required on such terms as deemed fit and to decide authorized signatories to such accounts including bank accounts and escrow accounts;
- c) To appoint merchant bankers /registrars / broker(s), solicitor(s), depository participant(s), escrow agent(s), advertising agency(ies) and other advisor(s)/consultant(s) / intermediary(ies) / agency(ies), as may be required, for the implementation of the Buyback and decide and settle the remuneration for such persons/ advisors/ consultants/ intermediaries/agencies including by the payment of commission, brokerage, fee, charges etc;
- d) To decide the 'designated stock exchange' for the Buy-back;
- e) To open, operate and close necessary bank accounts (including escrow account), issuance of bank guarantee in favour of the merchant bankers, or deposit of acceptable securities with appropriate margin with the merchant bankers, entering into agreements, release of public announcement, filing of declaration of solvency, obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law;
- f) To open, operate and close one or more depository account/ trading account / buyer broker account and to open, operate and close special trading window account with the designated stock exchange and to decide the authorized signatories for depository account/trading account/buyer broker account/special trading window account;
- g) To determine, finalise and pay tax on Buyback;
- h) To authorize bankers to act upon the instructions of the Merchant Banker as required under the Buy-back Regulations;
- i) To adopt text of and to make Public Announcement, Draft Letter of Offer, Letter of Offer and all offer documents with respect to the Buy-back, whether before or after the Buy-back ("**Buy-back Offer Documents**") and any revision thereto;
- j) To file the Buy-back Offer Documents, the certificate for declaration of solvency with SEBI, the stock exchanges, the Registrar of Companies, Gujarat and other appropriate authorities, and all necessary certificates, returns, declarations, undertakings, confirmations and all other documents required to be filled in connection with the Buy-back with appropriate authorities;
- k) To decide on opening date for commencing of offer for Buy-back and closing date thereof;
- l) To decide on the time-table from the opening of the offer till the extinguishment of the shares;
- m) To carry out management discussion and analysis on the likely impact of the Buy Back on the Company's earnings, public holdings, holdings of non-resident individuals, FIIs;
- n) To issue, furnish and make disclosures, certificates, returns, confirmations etc. as may be required under the Companies Act, Buy-back Regulations, Listing Regulations or other applicable law and to file such documents with the relevant persons as may be required under the Companies Act, Buy-back Regulations, Listing Regulations or other applicable law;
- o) To initiate all necessary actions for preparation signing, issuing and filing of the Public Announcement, the Draft Letter of Offer, Letter of Offer and all other documents with respect to the Buyback with the Securities and Exchange Board of India, the stock exchanges and other appropriate authorities, as may be required;

- p) To make all necessary applications to the appropriate authorities for seeking their approvals including but not limited to approvals, as may be required, from the Securities and Exchange Board of India, Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder;
- q) To sign, execute and deliver such other documents, deeds and writings and to do all such acts, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buy-back, and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buy-back to the SEBI, RBI, Registrar of Companies, stock exchanges, depositories, SEC and/or other authorities, institutions or bodies.
- r) To deal with stock exchanges (including their clearing corporations), where the Equity Shares of the Company are listed, and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buy-back using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, including any amendments or statutory modifications for the time being in force;
- s) To obtain all necessary certificates and reports from the Statutory Auditors and other third parties as required under applicable law;
- t) To make and file 'Compliance Certificate' as required under the Buy-back Regulations;
- u) To establish Investor Service Centre/s;
- v) To verify offer/acceptances received, to finalize basis of acceptance, to pay to the members consideration for shares bought back pursuant to the Buyback;
- w) To finalize basis of acceptance;
- x) To pay to the shareholders consideration for shares bought back pursuant to the Buy-back;
- y) To issue rejection letters, if any;
- z) To extinguish dematerialized shares and destroy physical share certificates in respect of the Equity Shares bought back by the Company and filing of certificates of extinguishment required to be filed in connection with the Buy-back on behalf of the Company and/or the Board;
- aa) To file 'Return of Buy-back' with Registrar of Companies and other statutory authorities;
- bb) To authorize the Merchant Banker, Registrar or other agencies appointed for the purpose of Buy-back to carry out any of the above activities;
- cc) To give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the Buy-back;
- dd) To settle and resolve any queries or difficulties raised by SEBI, stock exchanges, Registrar of Companies and any other authorities whatsoever in connection to any matter incidental to and ancillary to the Buy-back; and
- ee) To do all such acts, matters and things incidental and in connection with the Buy-back and sign and deliver such documents as may be necessary, desirable and expedient."

**“RESOLVED FURTHER THAT** the Buy-back Committee shall have the power and authority to delegate all or any of the authorities conferred upon it to any director/ officer(s) and/ or representatives of the Company, in order to give effect to the aforesaid resolutions and to revoke and substitute such delegations/ sub- delegation of authority from time to time.”

**“RESOLVED FURTHER THAT** the quorum for any meeting of the Buy-back Committee for implementing the Buy-back shall be any two members and the Buy-back Committee may regulate its own proceedings and meet as often as may be required, to discharge its functions.”

**“RESOLVED FURTHER THAT** nothing contained herein shall confer any right on any shareholder to offer and/or any obligation on the Company or the Board to buy-back any Equity Shares, and/or impair any power of the Company or the Board to terminate any process in relation to such Buy-back, if so permissible by law.”

**“RESOLVED FURTHER THAT** the Company shall maintain a register of securities bought back wherein details of Equity Shares bought back, consideration paid for the Equity Shares bought back, date of cancellation of Equity Shares and date of extinguishing and physically destroying the Equity Shares and such other particulars as may be prescribed in relation to the Buy-back shall be entered and that the Company Secretary of the Company be and is hereby authorised to authenticate the entries made in the said register.”

**“RESOLVED FURTHER THAT** the Buy-back Committee be and is hereby severally authorised to all such acts, deeds and things as may be necessary to give effect to the above resolutions.”

**“RESOLVED FURTHER THAT** a copy of this resolution duly certified by any one of the directors of the Company or the Company Secretary be given to such authorities as may be required from time to time.”

#### **DETAILS OF THE PUBLIC ANNOUNCEMENT**

In accordance with the provisions of Regulation 7(i) of the Buy-back Regulations, the Company has made a Public Announcement dated Tuesday, January 24, 2023 in relation to the Buy-back which was issued within two Working Days from the date of declaration of results of the Extra – Ordinary General Meeting on Tuesday, January 24, 2023 for special resolution passed by the Shareholders approving the Buy-back, and published in the following newspapers on Wednesday, January 25, 2023:

| <b>Sr. No.</b> | <b>Name of the Newspaper</b> | <b>Language</b> | <b>Edition</b> |
|----------------|------------------------------|-----------------|----------------|
| 1.             | Financial Express            | English         | All editions   |
| 2.             | Jansatta                     | Hindi           | All editions   |
| 3.             | Kutch Mitra                  | Gujarati        | Bhuj Edition   |
| 4.             | Kutch Uday                   | Gujarati        | Bhuj Edition   |

The Company will publish further notices or corrigenda to or relating to the Public Announcement, if any, in the abovementioned newspapers.

A copy of the Public Announcement is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), on the website of the Company at [www.welspunenterprises.com](http://www.welspunenterprises.com) and also on the websites of the Stock Exchanges ([www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)).

## DETAILS OF THE BUY-BACK

Pursuant to the resolution passed by the Board of Directors of the Company on December 30, 2022 and the special resolution passed by the shareholders of the Company on January 24, 2023, the Company, hereby, announces the Buy-back of up to 1,17,50,000 (One Crore Seventeen Lakh and Fifty Thousand) Equity Shares (representing 7.834% of the total Equity Shares in total issued and paid-up equity share capital of the Company) from the Shareholders as on the Record Date i.e., February 13, 2023 (for further details in relation to the Record Date, refer to section entitled “*Process and Methodology of Buy-back*” of this Draft Letter of Offer), at a price of ₹ 200/- (Rupees Two Hundred Only) per Equity Share, payable in cash, for an aggregate amount not exceeding ₹ 2,35,00,00,000/- (Rupees Two Hundred and Thirty Five Crores only), excluding transaction costs (“**Maximum Buy-back Size**”) being less than 25% of the fully paid-up Equity Share capital and free reserves (including securities premium account) of the Company, as per latest audited standalone and consolidated financial statements for the financial year ended March 31, 2022, on a proportionate basis through tender offer in accordance with the provisions of the Companies Act, and in compliance with the Buy-back Regulations. The Shareholders approved the Buy-back by way of special resolution, on January 24, 2023 in the Extra – Ordinary General Meeting of the Company held on January 24, 2023. The Buy-back is subject to receipt of any approvals of statutory, regulatory or governmental authorities, as may be required, under applicable laws, including the SEBI, and the Stock Exchanges. The Maximum Buy-back Size excludes Transaction Cost. The Buy-back Size represents 14.22% and 15.74% of the aggregate of the fully paid-up Equity Share capital and free reserves (including securities premium account) as per the latest audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2022 respectively and is within the statutory limit of 25% of the aggregate of the fully paid-up equity share capital and free reserves (including securities premium) as per the latest audited standalone and consolidated financial statements of the Company.

The details of the Buy-back are provided below:

|   |  |
|---|--|
| Name of the Company   | Welspun Enterprises Limited  |
| Maximum number of Equity Shares proposed to be bought back  | Upto 1,17,50,000 (One Crore Seventeen Lakh and Fifty Thousand) fully paid up equity shares   |
| Number of Equity Shares as a percentage of the fully paid-up Equity Share capital of the Company.                                 | Aggregating up to 7.834% of the total issued and paid-up Equity Share capital of the Company).   |
| Buy-back Offer Price  | ₹ 200/- (Rupees Two Hundred Only) per Equity Share payable in cash   |
| Applicable regulations of SEBI and provisions of the Companies Act, in accordance with which the Buy-back offer is made           | The Buy-back is being undertaken in terms of Chapter III of the Buy-back Regulations, Sections 68, 69, 70 and any other applicable provisions of the Companies Act and the rules made thereunder and various circulars issued by Ministry of Corporate Affairs, LODR Regulations. Additionally, the Buy-back shall be, subject to applicable laws, facilitated by tendering of Equity Shares by such Shareholders and settlement of the same, through the stock exchange mechanism as specified by the SEBI Circulars.   |
| Methodology for the Buy-back  | The Buy-back shall be undertaken on a proportionate basis from the Shareholders as of the Record Date through the tender offer process prescribed under Regulation 4(iv)(a) of the Buy-back Regulations and in accordance with the “Mechanism for acquisition of shares through Stock Exchanges” as prescribed under the SEBI Circulars.<br><br>In this regard, the Company will request the Stock Exchanges to provide the acquisition window for facilitating tendering of Equity Shares under the Buy-back. For the purposes of this Buy-back, NSE will be the Designated Stock Exchange. |
| Maximum amount to be expensed towards the Buy-back and its percentage with respect to the paid-up share capital and free reserves | Aggregating upto ₹ 2,35,00,00,000, being upto 14.22% and 15.74% of the aggregate of fully paid-up Equity Share capital and free reserves (including securities premium account) as per the standalone and consolidated audited financial statements of the Company for the financial year ended March 31, 2022, respectively. This does not include any expenses incurred or to be incurred for the Buy-back like filing fee payable to the SEBI, advisors’ fees, public   |

|   | announcement publication expenses, printing and dispatch expenses, transaction costs viz. brokerage, applicable taxes such as buyback tax, securities transaction tax, goods and services tax, stamp duty, etc.   |                           |   |                           |   |   |                       |    |            |   |                        |     |            |   |                          |     |            |   |                                 |           |      |   |   |             |       |   |   |           |      |  |              |                    |              |
|---|---|---------------------------|---|---------------------------|---|---|-----------------------|----|------------|---|------------------------|-----|------------|---|--------------------------|-----|------------|---|---------------------------------|-----------|------|---|---|-------------|-------|---|---|-----------|------|--|--------------|--------------------|--------------|
| Shareholding of the Promoters and Promoter Group and its percentage with respect to the total paid-up Equity Share capital of the Company | <p>The aggregate shareholding of the promoters and members of the promoter group of the Company as on the date of Public Announcement i.e. January 24, 2023, is as follows:</p> <table border="1"> <thead> <tr> <th>Sr. No.</th> <th>Name of Shareholder</th> <th>No. of Equity Shares held</th> <th>% of issued Equity Share Capital (on fully diluted basis)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Mr. Balkrishan Goenka</td> <td>84</td> <td>Negligible</td> </tr> <tr> <td>2</td> <td>Mr. Rajesh Mandawewala</td> <td>120</td> <td>Negligible</td> </tr> <tr> <td>3</td> <td>Ms. Sitadevi Mandawewala</td> <td>600</td> <td>Negligible</td> </tr> <tr> <td>4</td> <td>Aryabhat Vyapar Private Limited</td> <td>32,90,063</td> <td>2.19</td> </tr> <tr> <td>5</td> <td>Balkrishan Goenka Trustee of Welspun Group Master Trust</td> <td>7,27,09,526</td> <td>48.48</td> </tr> <tr> <td>6</td> <td>Welspun Investments and Commercials Limited</td> <td>46,25,210</td> <td>3.08</td> </tr> <tr> <td></td> <td><b>Total</b></td> <td><b>8,06,25,603</b></td> <td><b>53.76</b></td> </tr> </tbody> </table> | Sr. No.                   | Name of Shareholder                                       | No. of Equity Shares held | % of issued Equity Share Capital (on fully diluted basis) | 1 | Mr. Balkrishan Goenka | 84 | Negligible | 2 | Mr. Rajesh Mandawewala | 120 | Negligible | 3 | Ms. Sitadevi Mandawewala | 600 | Negligible | 4 | Aryabhat Vyapar Private Limited | 32,90,063 | 2.19 | 5 | Balkrishan Goenka Trustee of Welspun Group Master Trust | 7,27,09,526 | 48.48 | 6 | Welspun Investments and Commercials Limited | 46,25,210 | 3.08 |  | <b>Total</b> | <b>8,06,25,603</b> | <b>53.76</b> |
| Sr. No.   | Name of Shareholder   | No. of Equity Shares held | % of issued Equity Share Capital (on fully diluted basis) |                           |   |   |                       |    |            |   |                        |     |            |   |                          |     |            |   |                                 |           |      |   |   |             |       |   |   |           |      |  |              |                    |              |
| 1   | Mr. Balkrishan Goenka   | 84                        | Negligible  |                           |   |   |                       |    |            |   |                        |     |            |   |                          |     |            |   |                                 |           |      |   |   |             |       |   |   |           |      |  |              |                    |              |
| 2   | Mr. Rajesh Mandawewala  | 120                       | Negligible  |                           |   |   |                       |    |            |   |                        |     |            |   |                          |     |            |   |                                 |           |      |   |   |             |       |   |   |           |      |  |              |                    |              |
| 3   | Ms. Sitadevi Mandawewala  | 600                       | Negligible  |                           |   |   |                       |    |            |   |                        |     |            |   |                          |     |            |   |                                 |           |      |   |   |             |       |   |   |           |      |  |              |                    |              |
| 4   | Aryabhat Vyapar Private Limited   | 32,90,063                 | 2.19  |                           |   |   |                       |    |            |   |                        |     |            |   |                          |     |            |   |                                 |           |      |   |   |             |       |   |   |           |      |  |              |                    |              |
| 5   | Balkrishan Goenka Trustee of Welspun Group Master Trust   | 7,27,09,526               | 48.48   |                           |   |   |                       |    |            |   |                        |     |            |   |                          |     |            |   |                                 |           |      |   |   |             |       |   |   |           |      |  |              |                    |              |
| 6   | Welspun Investments and Commercials Limited   | 46,25,210                 | 3.08  |                           |   |   |                       |    |            |   |                        |     |            |   |                          |     |            |   |                                 |           |      |   |   |             |       |   |   |           |      |  |              |                    |              |
|   | <b>Total</b>  | <b>8,06,25,603</b>        | <b>53.76</b>  |                           |   |   |                       |    |            |   |                        |     |            |   |                          |     |            |   |                                 |           |      |   |   |             |       |   |   |           |      |  |              |                    |              |
| Intention of the Promoters and Promoter Group of the Company to participate in the Buy-back   | In terms of the Buy-back Regulations, under the Tender Offer route, the Promoters and Promoter Group have the option to participate in the Buyback. In this regard, the Promoter Group of the Company, namely, Welspun Group Master Trust have expressed its intention to participate in the Buyback and offer up to an aggregate maximum of 53,50,000 Equity Shares or any such lower number of Equity Shares in accordance with the Buy-back Regulations out of 7,27,09,526 (48.48%) Equity Shares held by them as on date of the Public Announcement.  |                           |   |                           |   |   |                       |    |            |   |                        |     |            |   |                          |     |            |   |                                 |           |      |   |   |             |       |   |   |           |      |  |              |                    |              |
| Promoters' and Promoter Group shareholding after the Buy-back   | Pursuant to the proposed Buyback and depending on the response to the Buyback, the aggregate voting rights of the Promoters and members of the promoter group and persons in control of the Company, in the Company may change from the existing shareholding of the total equity capital and voting rights of the Company. Assuming full acceptance of Equity Shares in the Buyback, the aggregate shareholding of the Promoters and members of the promoter group of the Company, post Buyback will change from 53.76% to [●]%  |                           |   |                           |   |   |                       |    |            |   |                        |     |            |   |                          |     |            |   |                                 |           |      |   |   |             |       |   |   |           |      |  |              |                    |              |



|   |  |
|---|--|
|   | of the post Buyback equity share capital of the Company. The promoters and promoter group of the Company are in control of the Company and shall also be in control of the Company post Buy-back. Please refer section titled “ <i>Capital Structure and Shareholding Pattern</i> ” on page 21 of this Draft Letter of Offer for further details regarding shareholding (pre and post buyback) of the Promoter and members of the promoter group in the Company. |
| Statement that post Buy-back non-promoter shareholding shall not fall below the minimum level required as specified under the LODR Regulations. | The Company hereby confirms that public shareholding post Buy-back will not fall below the minimum level required as per Regulation 38 of the LODR Regulations.  |

### **AUTHORITY FOR THE BUY-BACK**

The Buy-back is being undertaken by the Company in accordance with Article 4A of Articles of Association of the Company, the provisions of Sections 68, 69, 70 and 100 and other applicable provisions of the Companies Act, the rules made thereunder, the LODR Regulations to the extent applicable, and the Buy-back Regulations. The Buy-back is subject to the receipt of any approvals, permissions, sanctions and exemptions, from statutory, regulatory or governmental authorities as may be required under applicable law, including but not limited to SEBI and the Stock Exchanges. The Buy-back has been duly authorised by a resolution of the Board dated December 30, 2022. Further, the Buy-back has been authorised by the Shareholders in the Extra – Ordinary General Meeting by a special resolution, the results for which were declared on January 24, 2023.

### **NECESSITY OF THE BUY-BACK**

The Buy-back is being undertaken for the following reasons:

- a) The Buy-back will help the Company to return surplus cash to its members, holding equity shares and tendering under the Buyback, broadly in proportion to their shareholding, thereby enhancing the overall return to the members;
- b) The Buy-back, which is being implemented through the Tender Offer route as prescribed under the Buyback Regulations, would involve allocation of higher of number of shares as per their entitlement or 15% of the number of shares to be bought back, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as “small shareholder”;
- c) The Buy-back may help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders’ value;
- d) The Buy-back gives an option to the members holding equity shares of the Company, who can choose to participate and get cash in lieu of equity shares to be accepted under the Buyback offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buyback, without any additional investment;
- e) Optimizes the capital structure and enhance investor confidence.

## MANAGEMENT DISCUSSION AND ANALYSIS OF THE LIKELY IMPACT OF THE BUY-BACK ON THE COMPANY

The Buy-back is not likely to cause any impact on the profitability or earnings of the Company, except to the extent of reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. In the event that there is 100% acceptance of the Equity Shares tendered in the Buy-back from Shareholders on a proportionate basis, the funds deployed by the Company towards the Buy-back would be ₹ 235,00,00,000/- (Rupees Two Hundred and Thirty Five Crores only) excluding the Transaction Costs.

The Buy-back is not expected to impact growth opportunities for the Company.

The Buy-back will not result in a change in control or otherwise affect the existing management structure of the Company.

In terms of the Buy-back Regulations, under the tender offer route, the Promoters and Promoter Group of the Company have the option to participate in the Buy-back. In this regard, the Promoter Group of the Company, namely Welspun Group Master Trust have expressed its intention vide its letter dated December 30, 2022 to participate in the Buy-back and offer up to an aggregate maximum of 53,50,000 Equity Shares as detailed below:

| Sr. No.      | Name of Promoter Group     | No. of Equity Shares held | Maximum number of Equity Shares intended to tender |
|--------------|----------------------------|---------------------------|--|
| 1.           | Welspun Group Master Trust | 7,27,09,526               | 53,50,000  |
| <b>TOTAL</b> |                            | <b>7,27,09,526</b>        | <b>53,50,000</b>                                   |

The details of the date and price of acquisition of the Equity Shares that Promoters and Promoter Group of the Company intend to tender are set out below:

| Sr. No. | Name of Promoter Group     | Maximum number of Equity Shares intended to tender | Type of allotment       | Date of allotment | Price                   |
|---------|----------------------------|--|-------------------------|-------------------|-------------------------|
| 1.      | Welspun Group Master Trust | 53,50,000  | Preferential Allotment* | April 27, 2010    | ₹123/- per Equity Share |

*\*The Equity Shares intended to be tendered, were initially acquired by a promoter entity in the year 2010 and were subsequently transferred/ acquired by way of inter-se transfers/ scheme of amalgamation*

Consequent to the Buyback and based on the number of shares bought back within each category of shareholders, the shareholding pattern of the Company would undergo a change.

The aggregate shareholding of the Promoters and Promoter Group as on the date of publication of Public Announcement i.e. January 24, 2023 is as follows:

| Sr. No.      | Name of Shareholder                                     | Category       | No. of Equity Shares held | Percentage (%) Shareholding |
|--------------|---|----------------|---------------------------|-----------------------------|
| 1.           | Mr. Balkrishan Goenka                                   | Promoter       | 84                        | 0.00                        |
| 2.           | Mr. Rajesh Mandawewala                                  | Promoter       | 120                       | 0.00                        |
| 3            | Ms. Sitadevi Mandawewala                                | Promoter Group | 600                       | 0.00                        |
| 4            | Aryabhat Vyapar Private Limited                         | Promoter Group | 32,90,063                 | 2.19                        |
| 5            | Balkrishan Goenka Trustee of Welspun Group Master Trust | Promoter Group | 7,27,09,526               | 48.48                       |
| 6            | Welspun Investments and Commercials Limited             | Promoter Group | 46,25,210                 | 3.08                        |
| <b>TOTAL</b> |   |                | <b>8,06,25,603</b>        | <b>53.76</b>                |

Assuming full acceptance of Equity Shares in the Buy-back the aggregate shareholding and the voting rights of the Promoters and Promoter Group of the Company, may change from the existing 53.76 % holding in the total equity capital and voting rights of the Company to [●]% of the post Buy-back Equity Share capital of the Company. The Promoters and Promoter Group of the Company are already in control over the Company and therefore such further change in voting rights of the Promoters and Promoter Group of the Company will not result in any change in control over the Company.

Assuming full acceptance of Equity Shares in the Buy-back the aggregate shareholding of the public in the Company shall change to [●]% post Buy-back from the current pre Buy-back shareholding of 46.24%.

Consequent to the Buy-back and based on the number of Equity Shares bought back from the Non-Resident Shareholders, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, the shareholding of the Promoters and Promoter Group of the Company would undergo a change.

The debt-equity ratio post Buy-back will be compliant with the permissible limit of 2:1 prescribed under Section 68(2)(d) of Companies Act, even if the response to the Buy-back is to the extent of 100% (full acceptance) from all the Eligible Shareholders.

The Company shall not issue any Equity Shares or other securities (including by way of bonus) till the expiry of the Buy-back Period. The Company shall not issue fresh shares or other specified securities (including employee stock options) during the Buy-back Period, whether by way of bonus issue or in the discharge of subsisting obligations, such as conversion of convertible loans, convertible instruments, stock options or otherwise.

The Company shall not raise further capital for a period of one year from the expiry of Buy-back Period except in discharge of its subsisting obligations.

The Company is not undertaking the Buy-back so as to delist its Equity Shares from the Stock Exchanges.

The Promoters and Promoter Group and their associates shall not deal in the Shares or other specified securities of the Company in the stock exchange or off-market, including inter-se transfer of shares among the Promoters during the period from the date of passing the board resolution till the closing of the offer in accordance with the Buy-back Regulations.

Salient financial parameters consequent to the Buyback based on the Audited Standalone Financial Statements and Audited Consolidated Financial Statements for the financial year ended March 31, 2022 are as under:

| Parameters                                   | Standalone  |                | Consolidated |                |
|--|-------------|----------------|--------------|----------------|
|  | Pre-Buyback | Post- Buyback* | Pre-Buyback  | Post- Buyback* |
| Net worth (₹ in Lakhs)                       | 1,66,296    | 1,42,796       | 1,50,349     | 1,26,849       |
| Return on Net worth (%)                      | 5.75%       | 6.20%          | 8.60%        | 9.36%          |
| Earnings Per Share (of face value ₹ 10 each) | 6.27        | 6.77           | 8.37         | 9.08           |
| Book Value per Share (₹)                     | 126.46      | 120.20         | 119.58       | 112.73         |
| Price/Earnings Ratio**                       | 11.63       | 10.78          | 8.72         | 8.04           |
| Total Debt/ Equity Ratio                     | 0.30        | 0.35           | 1.67         | 1.98           |

\* The post-Buyback numbers are calculated by reducing the net worth by the proposed Buyback amount (assuming full acceptance), without factoring in tax on buy back of shares and any impact in the statement of profit & loss or other transaction costs.

\*\*Price/Earnings ratio is calculated as closing market price of the Equity Share on NSE on the last trading day of the latest financial year, divided by Earnings Per Equity Share (Basic) for the relevant period on pre and post Buyback basis.

\* The post-Buyback numbers are calculated by reducing the net worth by the proposed Buyback amount (assuming full acceptance), without factoring in tax on buy back of shares and any impact in the statement of profit & loss or other transaction costs.

\*\*Price/Earnings ratio is calculated as closing market price of the Equity Share on NSE on the last trading day of the latest financial year, divided by Earnings Per Equity Share (Basic) for the relevant period on pre and post Buyback basis.

\*\*\* No of shares for the purpose of calculating Earnings Per Share is calculated by reducing the no. of shares proposed to be buy back from Weighted Average no. of shares as on 31.03.2022

**Note:**

1. Net worth = Total Equity – Capital Redemption Reserves – Amalgamation Reserve - Capital Reserve – Non-Controlling Interest
2. Total Debt = Long Term Borrowing + Short Term Borrowings + Current Maturities of Long-Term Borrowings.

**Key Ratios Basis**

|                                |   |
|--------------------------------|---|
| Earnings per Share – Basic (₹) | Net Profit attributable to equity shareholders / Weighted average number of Equity Shares outstanding during the year |
| Book value per Share (₹)       | (Paid up Equity Share Capital + Reserves and Surplus) / No of Equity Shares Subscribed                                |
| Return on Net Worth (%)        | Net Profit After Tax / Average Net Worth  |
| Debt-Equity Ratio              | Total Debt / Net Worth  |

## **BASIS OF CALCULATING THE BUY-BACK OFFER PRICE**

The Equity Shares of the Company are proposed to be bought back at a price of ₹ 200/- (Rupees Two Hundred only) per Equity Share.

The Buy-back Offer Price has been arrived at after considering various factors such as the accumulated free reserves (including securities premium account) as well as the cash liquidity reflected in audited standalone and consolidated financial statements of the Company for the financial year March 31, 2022, respectively, the subsequent business developments, the prevailing market price of the Equity Shares of the Company before the announcement of Board Meeting for consideration of Buy-back, the net worth of the Company and the impact of the Buy-back on the key financial ratios of the Company.

The Buyback Price of ₹ 200/- (Rupees Two Hundred Only) per equity share represents a premium of 24.22% and 24.15% over the closing price of the Equity Shares on BSE and NSE, respectively, as on December 27, 2022, being the date on which the Company intimated the Stock Exchanges of the date of the meeting of the Board wherein proposal of the Buy-back was considered.

For details in relation to the trends in the market price of the Equity Shares, please see the section entitled “*Stock Market Data*” on page 37 of this Draft Letter of Offer.

The closing market price of the Equity Shares as on the date of intimation i.e. December 27, 2022 was ₹ 161.00 and ₹ 161.10 on BSE and NSE, respectively.

The closing market price of the Equity Shares as on the Board Meeting Date i.e. December 30, 2022 was ₹ 166.35 and ₹ 166.30 on BSE and the NSE, respectively.

For financial ratios and trends in the market price of the Equity Shares, please see the section entitled “*Financial Information about the Company*” on page 34 and section entitled “*Stock Market Data*” on page 37 of this Draft Letter of Offer.

As required under Section 68(2)(d) of the Companies Act, the ratio of the aggregate of secured and unsecured debts owed by the Company will not be more than twice the paid-up capital and free reserves (including securities premium account) after the Buy-back both on the latest audited standalone and consolidated financial statements of the Company as on March 31, 2022.

### **SOURCES OF FUNDS FOR THE BUY-BACK**

Assuming full acceptance, the funds that would be employed by the Company for the purposes of the Buy-back of upto 1,17,50,000 Equity Shares at a price of ₹ 200/- (Rupees Two Hundred Only) per Equity Share and would not exceed ₹ 2,35,00,00,000 /- (Rupees Two Hundred and Thirty Five Crores Only) excluding Transaction Cost.

The funds for the implementation of the Buy-back will be sourced out of free reserves (including securities premium account) of the Company and/or such other source as may be permitted by the Buy-back Regulations or the Companies Act.

The Company shall transfer from its free reserves (including securities premium account), a sum equal to the nominal value of the Equity Shares so bought back to the Capital Redemption Reserve Account, and details of such transfer shall be disclosed in its subsequent audited financial statements.

The funds borrowed, if any, from banks and financial institutions, will not be used for the Buy-back.

## **DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT TO BE DEPOSITED THEREIN**

In accordance with Regulation 9(xi) of the Buy-back Regulations, an Escrow Agreement will be entered into amongst the Company, the Manager and the Escrow Agent.

In accordance with the Buy-back Regulations and pursuant to the Escrow Agreement, the Company will open an Escrow Account in the name and style “[●]” bearing account number [●] with the Escrow Agent, namely, [●] having its office at [●], acting through its branch, situated at [●]. In accordance with Regulation 9(xi) of the Buy-back Regulations, the Company will deposit the applicable amount in the Escrow Account on or before the Buy-back Opening Date. In accordance with the Buy-back Regulations, the Manager to the Buy-back will be empowered to operate the Escrow Account.

The Company has sufficient means and has made firm arrangement for financial resources required to fund its obligations under the Buy-back. H K Shah & Co., Chartered Accountants, an independent chartered accountant has certified through letter dated February 1, 2023 that the Company has adequate funds for the purposes of the Buy-back. The details of the independent chartered accountant are as follows:

**Name of the Firm:** H K Shah & Co., Chartered Accountants

**Address:** 404 ‘SARAP’ Complex, Opp. Navjeevan Press Road, Ashram Road, Ahmedabad, Gujarat 380014

**Tel:** +079 27544995 / +91 99099 19785

**Fax:** -

**Membership No. of signing partner:** 181302

**ICAI Firm Registration No.:** 109583W

Based on the aforementioned certificate, the Manager to the Buy-back confirms that they are satisfied that firm arrangements for fulfilling the obligations under the Buy-back are in place and that the Company has the ability to implement the Buy-back in accordance with the Buy-back Regulations.

## CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

The capital structure of the Company as at the date of the Draft Letter of Offer and post the Buy-back (assuming full acceptance) is provided below:

( ₹ in lakhs, except share data)

|          |   | Aggregate value at face value |
|----------|---|-------------------------------|
| <b>A</b> | <b>AUTHORISED SHARE CAPITAL</b>                                   |                               |
|          | 27,50,00,000 Equity Shares  | 27,500.00                     |
| <b>B</b> | <b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE BUY-BACK</b> |                               |
|          | 14,99,83,056 Equity Shares  | 14,998.31                     |
| <b>C</b> | <b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE BUY-BACK</b>  |                               |
|          | 13,82,33,056 Equity Shares*                                       | 13,823.31*                    |

\*Assuming 100% i.e. full acceptance of Equity Shares in the Buy-back. However, the post-Buyback issued, subscribed and paid-up capital may differ depending upon the actual number of Equity Shares bought back.

### Confirmations

There have been no other buyback programmes of the Company over the last 3 years prior to the date of the Draft Letter of Offer.

The Company confirms that it is in compliance with Section 68(2)(g) of the Companies Act and Regulation 4(vii) of the Buy-back Regulations.

As on the date of the Draft Letter of Offer, the Company confirms that there are no outstanding preference shares, partly paid-up Equity Shares or calls in arrears.

The Company confirms that it shall not issue, including through a bonus issue, Equity Shares or any other specified securities, until the expiry of the Buy-back Period in accordance with Regulation 24(i)(b) of the Buy-back Regulations.

The Company does not have any convertible securities.

There is no pending scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act.

### Shareholding pattern of the Company

The shareholding pattern of the Company before the Buy-back, as on the Record Date i.e. Monday, February 13, 2023, and after the Buy-back is provided below:

| Particulars   | Pre Buyback         |                             | Post Buyback*       |                             |
|---|---------------------|-----------------------------|---------------------|-----------------------------|
|   | Number of Shares    | % to existing share capital | Number of Shares    | % to existing share capital |
| Promoters and persons acting in concert                                 | 8,06,25,603         | 53.76                       | [●]                 | [●]                         |
| Foreign Investors (OCBs/FIIs/NRIs/Non-residents/Non-domestic companies) | [●]                 | [●]                         |                     |                             |
| Indian Financial Institutions/Banks/Mutual Funds/Govt. Companies        | [●]                 | [●]                         | [●]                 | [●]                         |
| Public including other Bodies Corporate                                 | [●]                 | [●]                         |                     |                             |
| <b>Total</b>  | <b>14,99,83,056</b> | <b>100.00</b>               | <b>13,82,33,056</b> | <b>100.00</b>               |

\* Assuming full acceptance of 1,17,50,000 Equity Shares in the Buyback in the ratio of their entitlement. However, the post-Buyback shareholding pattern may differ depending upon the actual number of Equity Shares bought back.

### Shareholding of the Promoters and Promoter Group

The shareholding of the Promoter and Promoter Group as on the date of Public Announcement is as below:

| Sr. No.      | Name of Shareholder                                     | Category       | No. of Equity Shares held pre buy back | % of Issued Equity Share Capital (on fully diluted basis) |
|--------------|---|----------------|--|---|
| 1            | Mr. Balkrishan Goenka                                   | Promoter       | 84                                     | Negligible  |
| 2            | Mr. Rajesh Mandawewala                                  | Promoter       | 120                                    | Negligible  |
| 3            | Ms. Sitadevi Mandawewala                                | Promoter Group | 600                                    | Negligible  |
| 4            | Aryabhat Vyapar Private Limited                         | Promoter Group | 32,90,063                              | 2.19  |
| 5            | Balkrishan Goenka Trustee of Welspun Group Master Trust | Promoter Group | 7,27,09,526                            | 48.48   |
| 6            | Welspun Investments and Commercials Limited             | Promoter Group | 46,25,210                              | 3.08  |
| <b>Total</b> |   |                | <b>8,06,25,603</b>                     | <b>53.76</b>  |

### Shareholding of the directors of the promoter group companies

The shareholding of the directors of promoter group companies as on the date of Public Announcement is as below:

| Sr. No. | Directors of Promoter Group   | No. of Equity Shares held | % of issued Equity Share Capital of Welspun Enterprises Limited (on fully diluted basis) |
|---------|---|---------------------------|--|
| 1       | Mr. Devendra Patil (Director of Aryabhat Vyapar Private Limited)            | 1                         | Negligible   |
| 2       | Mr. Lal Hotwani (Director of Aryabhat Vyapar Private Limited)               | 5,000                     | Negligible   |
| 3       | Mr. Lal Hotwani (Director of Welspun Investments and Commercials Limited)   | 5,000                     | Negligible   |
| 4       | Mr. Atul Desai (Directors of Welspun Investments and Commercials Limited)   | 120                       | Negligible   |
| 5       | Ms. Mala Todarwal (Director of Welspun Investments and Commercials Limited) | 800                       | Negligible   |

### Shareholding of the Directors and Key Managerial Persons of the Company as on date of Public Announcement

The shareholding of the Directors and Key Managerial Persons of the Company as on the date of Public Announcement is as below:

| Sr. No. | Name                      | Designation                              | Number of Equity Shares Held | % of Issued Equity Share Capital (on fully diluted basis) |
|---------|---------------------------|--|------------------------------|---|
| 1.      | Mr. Balkrishan Goenka     | Executive Director, Chairperson          | 84                           | Negligible  |
| 2.      | Mr. Sandeep Garg          | Executive Director, Managing Director    | 28,00,000                    | 1.87  |
| 3.      | Mr. Rajesh R. Mandawewala | Non-Executive - Non Independent Director | 120                          | Negligible  |
| 4.      | Ms. Dipali Goenka         | Non-Executive - Non Independent Director | Nil                          | Nil   |



| Sr. No. | Name                     | Designation                            | Number of Equity Shares Held | % of Issued Equity Share Capital (on fully diluted basis) |
|---------|--------------------------|--|------------------------------|---|
| 5.      | Mr. Mohan Krishna Tandon | Non-Executive - Independent Director   | Nil                          | Nil   |
| 6.      | Mr. Raghav Chandra       | Non-Executive - Independent Director   | Nil                          | Nil   |
| 7.      | Dr. Aruna Sharma         | Non-Executive - Independent Director   | Nil                          | Nil   |
| 8.      | Dr. Anoop Kumar Mittal   | Non-Executive - Independent Director   | Nil                          | Nil   |
| 9.      | Mr. Sudhir Mital         | Non-Executive - Independent Director   | Nil                          | Nil   |
| 10.     | Ms. Nidhi Tanna          | Company Secretary & Compliance Officer | 1                            | Negligible  |

**Aggregate Equity Shares purchased or sold by the Promoters, Promoter Group, directors of the promoter group companies, Directors and Key Managerial Persons of the Company during a period of 12 (twelve) months preceding the date of the Public Announcement**

No Equity Shares of the Company have been purchased/sold by any of the Promoters and Promoter Group, directors of the Promoters and Promoter Group and the persons who are in control of the Company during the period of twelve months preceding the date of the Public Announcement except as mentioned below:

| Name of Shareholder                         | Nature of Transaction | No. of equity shares | Minimum price (₹) | Date of Minimum Price | Maximum price (₹) | Date of Maximum Price |
|---|-----------------------|----------------------|-------------------|-----------------------|-------------------|-----------------------|
| Welspun Investments and Commercials Limited | Purchase              | 1,14,408             | 93.0541           | June 28, 2022         | 98.1000           | June 28, 2022         |
|   | Purchase              | 3,02,997             | 98.0480           | June 29, 2022         | 101.1100          | June 29, 2022         |
|   | Purchase              | 82,595               | 96.1000           | June 30, 2022         | 98.9349           | June 30, 2022         |
|   | <b>Total</b>          | <b>5,00,000</b>      |                   |                       |                   |                       |

None of the Directors or Key Managerial Personnel have purchased or sold any Equity Shares of the Company during a period of 12 (twelve) months preceding the date of Public Announcement i.e. January 24, 2023:

| Name of Shareholder | Nature of Transaction | No. of equity shares | Minimum price (₹)                              | Date of Minimum Price | Maximum price (₹) | Date of Maximum Price |
|---------------------|-----------------------|----------------------|--|-----------------------|-------------------|-----------------------|
| Mr. Sandeep Garg    | ESOP Allotment        | 7,69,000*            | Exercise price was Nil for the shares allotted |                       |                   |                       |

\*Date of Allotment – 12.02.2022

Assuming full acceptance of Equity Shares in the Buy-back, the aggregate shareholding of the Promoters and Promoter Group of the Company may change from the existing 53.76% holding in the total equity capital and voting rights of the Company to [●]% of the post Buy-back equity share capital of the Company.

## BRIEF INFORMATION OF THE COMPANY

### History of the Company

Welspun Enterprises Limited, part of the Welspun Group, is an operating company as well as a holding company. It was incorporated on December 20, 1994, as MSK Projects Limited. Upon the change of control from MSK group to Welspun group, the Company's name was changed from MSK Projects Limited to Welspun Projects Limited with effect from December 03, 2010. Subsequently, pursuant to the Scheme of Arrangement and Amalgamation between erstwhile Welspun Enterprises Limited, Welspun Infratech Limited, Welspun Plastics Private Limited, Welspun Infra Projects Private Limited (Transferor Companies) and Welspun Projects Limited (Transferee Company) ("Scheme") sanctioned by the Hon'ble High Court of Gujarat and Hon'ble High Court of Bombay, which became effective from May 11, 2015, the name of the Company was changed from Welspun Projects Limited to Welspun Enterprises Limited with effect from May 29, 2015.

The Company's key focus is in the infrastructure business. The Company has developed and operated PPP projects in various sectors like roads, water, and urban infrastructure. In the highway sector, the Company has successfully completed BOT (Toll) Road projects.

The Company's growth journey in infrastructure development started with the Delhi-Meerut Expressway Package I project – one of the first Hybrid Annuity Model ('HAM') road projects.

The company has subsequently built-up a portfolio of HAM and BOT (Toll) road projects across NHAI and Maharashtra PWD. Six of these development projects were part of a recent divestment transaction with Actis Highways. The company presently has two HAM road projects under development, and is also involved in the construction of road and water projects.

Besides roads and water, the Company also operates in Oil & Gas Exploration business through its joint venture.

The Registered Office of the Company is situated at Welspun City, Village Versamedi, Taluka Anjar, Kutch - 370110, Gujarat, India.

The total authorised share capital of the Company is ₹ 2,75,00,00,000/- consisting of 27,50,00,000 Equity Shares of ₹ 10/- each. As on date, the subscribed, issued and paid up share capital of the Company consisted of 14,99,83,056 Equity Shares of ₹ 10/- each aggregating ₹ 1,49,98,30,560/-.

The Company's equity shares are listed on NSE (Symbol: WELENT) and BSE (Security ID: WELENT, Code: 532553) since November 04, 2004.

### Equity Share Capital History of the Company

The details of the changes in share capital of the Company since incorporation are as follows:

| Date of Issue/<br>Allotment /<br>Reduction | Number of<br>Equity Shares | Face Value<br>per Equity<br>Share (₹) | Issue Price<br>per Equity<br>Share (₹) | Particulars<br>of<br>Issue/Allotment  | Consideration<br>(₹) | Cumulative<br>Equity Share<br>Capital (₹) |
|--|----------------------------|---------------------------------------|--|---|----------------------|---|
| December 20,<br>1994                       | 9,32,886                   | 10                                    | 10                                     | Allotted to partners of firm M. S. Khurana on registration and incorporation as Company under Part IX of the Companies Act, 1956. | 93,28,860            | 93,28,860                                 |
| January 01,<br>1995                        | 7,97,060                   | 10                                    | 10                                     | Allotted to Shareholders of M. S.   | 79,70,600            | 1,72,99,460                               |

| Date of Issue/<br>Allotment /<br>Reduction | Number of<br>Equity Shares | Face Value<br>per Equity<br>Share (₹) | Issue Price<br>per Equity<br>Share (₹) | Particulars<br>of<br>Issue/Allotment   | Consideration<br>(₹) | Cumulative<br>Equity Share<br>Capital (₹) |
|--|----------------------------|---------------------------------------|--|--|----------------------|---|
|  |                            |                                       |  | Khurana<br>(Eng. &<br>Contractors<br>Pvt. Limited)   |                      |   |
| January 01,<br>1995                        | 1,40,165                   | 10                                    | 10                                     | Allotted to<br>Shareholders<br>of Emsons<br>Construction<br>Pvt. Ltd.  | 14,01,650            | 1,87,01,110                               |
| April 01, 1995                             | 4,220                      | 10                                    | 10                                     | Allotted to<br>partners of<br>Emsons<br>Construction<br>Company  | 42,200               | 1,87,43,310                               |
| September 03,<br>1996                      | 7,20,897                   | 10                                    | -                                      | Bonus issue<br>in the ratio of<br>5:13   | -                    | 2,59,52,280                               |
| March 03, 1999                             | 14,54,645                  | 10                                    | -                                      | Bonus issue<br>in the ratio of<br>14:25  | -                    | 4,04,98,730                               |
| March 31, 1999                             | 7,80,000                   | 10                                    | 10                                     | Allotment of<br>Shares to<br>Myraj<br>Consultancy<br>Ltd.  | 78,00,000            | 4,82,98,730                               |
| July 10, 2000                              | 12,35,547                  | 10                                    | -                                      | Bonus issue<br>in the ratio of<br>11:43  | -                    | 6,06,54,200                               |
| July 10, 2000                              | 41,400                     | 10                                    | 10                                     | Allotment of<br>Shares to<br>individual  | 4,14,000             | 6,10,68,200                               |
| October 27,<br>2004                        | 60,10,958                  | 10                                    | 40                                     | Shares<br>allotted<br>pursuant to<br>Initial Public<br>Offer   | 24,04,38,320         | 12,11,77,780                              |
| August 29, 2005                            | 25,00,000                  | 10                                    | 70                                     | Allotment of<br>shares on<br>preferential<br>basis to: A.<br>Subhkam<br>Monetary<br>Services<br>Private<br>Limited:<br>14,00,000<br>Shares; B. | 17,50,00,000         | 14,61,77,780                              |

| Date of Issue/<br>Allotment /<br>Reduction | Number of<br>Equity Shares | Face Value<br>per Equity<br>Share (₹) | Issue Price<br>per Equity<br>Share (₹) | Particulars<br>of<br>Issue/Allotment   | Consideration (₹) | Cumulative<br>Equity Share<br>Capital (₹) |
|--|----------------------------|---------------------------------------|--|--|-------------------|---|
|  |                            |                                       |  | Pragya<br>Mercantile<br>Pvt. Limited:<br>3,00,000<br>Shares; C.<br>Santosh<br>Industries<br>Limited:<br>3,00,000<br>Shares; and<br>D. Vashi<br>Constructions<br>Pvt. Ltd.:<br>5,00,000<br>Shares |                   |   |
| July 29, 2006                              | 13,99,566                  | 10                                    | -                                      | Allotment of<br>shares to<br>subscriber of<br>Series A of<br>USD<br>3,000,000<br>Foreign<br>Currency<br>Convertible<br>Bonds on<br>conversion of<br>bonds into<br>equity shares                  | -                 | 16,01,73,440                              |
| October 20,<br>2007                        | 18,83,015                  | 10                                    | -                                      | Allotment of<br>shares upon<br>conversion of<br>USD<br>4,000,000<br>Foreign<br>Currency<br>Convertible<br>Bonds to the<br>holder of<br>FCCBs   | -                 | 17,90,03,590                              |
| October 20,<br>2007                        | 44,50,000                  | 10                                    | 84                                     | Allotment of<br>shares on<br>preferential<br>basis to the<br>following: A.<br>M/s.<br>Subhkam<br>Holdings Pvt<br>Ltd :<br>40,00,000<br>Shares B.<br>M/s. Ashka<br>Construction                   | 37,38,00,000      | 22,35,03,590                              |

| Date of Issue/<br>Allotment /<br>Reduction | Number of<br>Equity Shares | Face Value<br>per Equity<br>Share (₹) | Issue Price<br>per Equity<br>Share (₹) | Particulars<br>of<br>Issue/Allotment  | Consideration<br>(₹) | Cumulative<br>Equity Share<br>Capital (₹) |
|--|----------------------------|---------------------------------------|--|---|----------------------|---|
|  |                            |                                       |  | Pvt Ltd :<br>3,00,000<br>Shares C.<br>Brescon<br>Corporate<br>Advisor Pvt<br>Ltd : 1,50,000<br>Shares   |                      |   |
| December 03,<br>2007                       | 4,70,753                   | 10                                    | -                                      | Allotment of<br>shares upon<br>conversion of<br>USD<br>1,000,000<br>Foreign<br>Currency<br>Convertible<br>Bonds to the<br>holder of<br>FCCBs.   | -                    | 22,82,11,120                              |
| April 27, 2010                             | 1,71,78,888                | 10                                    | 123                                    | Allotment of<br>equity shares<br>to Welspun<br>Infratech<br>Limited on<br>Preferential<br>Basis   | 2,11,30,03,22<br>4   | 40,00,00,000                              |
| May 11, 2015                               | (2,44,48,445)              | 10                                    | -                                      | Reduction in<br>share capital<br>on<br>cancellation<br>of shares held<br>by Welspun<br>Infratech<br>Limited in the<br>Company,<br>pursuant to<br>Scheme of<br>Amalgamation<br>between<br>Erstwhile<br>Welspun<br>Enterprises<br>Limited,<br>Welspun<br>Infratech<br>Limited,<br>Welspun<br>Plastics<br>Private<br>Limited,<br>Welspun Infra<br>Projects | -                    | 15,55,15,550                              |

| Date of Issue/<br>Allotment /<br>Reduction | Number of<br>Equity Shares | Face Value<br>per Equity<br>Share (₹) | Issue Price<br>per Equity<br>Share (₹) | Particulars<br>of<br>Issue/Allotment   | Consideration (₹) | Cumulative<br>Equity Share<br>Capital (₹) |
|--|----------------------------|---------------------------------------|--|--|-------------------|---|
|  |                            |                                       |  | Private Limited (transferor companies) and the Company (Transferee Company) which became effective w.e.f. May 11, 2015   |                   |   |
| June 15, 2015                              | 15,77,68,980               | 10                                    | -                                      | Allotment of equity shares to shareholders of erstwhile Welspun Enterprises Limited pursuant to Scheme of Amalgamation between Erstwhile Welspun Enterprises Limited, Welspun Infratech Limited, Welspun Plastics Private Limited, Welspun Infra Projects Private Limited (transferor companies) and the Company (Transferee Company) which became effective w.e.f. May 11, 2015 | -                 | 1,73,32,05,350                            |
| February 22, 2016                          | 7,20,000                   | 10                                    | -                                      | Shares allotted to MD under Company MD   | -                 | 1,74,04,05,350                            |

| Date of Issue/<br>Allotment /<br>Reduction | Number of<br>Equity Shares | Face Value<br>per Equity<br>Share (₹) | Issue Price<br>per Equity<br>Share (₹) | Particulars<br>of<br>Issue/Allotment   | Consideration<br>(₹) | Cumulative<br>Equity Share<br>Capital (₹) |
|--|----------------------------|---------------------------------------|--|--|----------------------|---|
|  |                            |                                       |  | ESOP<br>Scheme   |                      |   |
| July 18, 2016                              | 2,40,000                   | 10                                    | -                                      | Shares<br>allotted to<br>MD under<br>Company MD<br>ESOP<br>Scheme  | -                    | 1,74,28,05,350                            |
| March 29, 2017                             | 2,69,87,479                | 10                                    | -                                      | Buy back of<br>Equity Shares   | -                    | 14,72,93,056                              |
| August 01, 2017                            | 2,40,000                   | 10                                    | -                                      | Shares<br>allotted to<br>MD under<br>Company MD<br>ESOP<br>Scheme  | -                    | 14,75,33,056                              |
| October 10,<br>2018                        | 5,50,000                   | 10                                    | -                                      | Shares<br>allotted<br>pursuant to<br>Welspun<br>Enterprises<br>Limited –<br>Employee<br>Stock Option<br>Plan 2017. | -                    | 14,80,83,056                              |
| November 20,<br>2019                       | 3,75,000                   | 10                                    | -                                      | Shares<br>allotted<br>pursuant to<br>Welspun<br>Enterprises<br>Limited –<br>Employee<br>Stock Option<br>Plan 2017. | -                    | 14,84,58,056                              |
| May 15, 2020                               | 2,25,000                   | 10                                    | -                                      | Shares<br>allotted to<br>Welspun<br>Enterprises<br>Limited –<br>Employee<br>Stock Option<br>Plan 2017              | -                    | 14,86,83,056                              |

| Date of Issue/<br>Allotment /<br>Reduction | Number of<br>Equity Shares | Face Value<br>per Equity<br>Share (₹) | Issue Price<br>per Equity<br>Share (₹) | Particulars<br>of<br>Issue/Allotment  | Consideration<br>(₹) | Cumulative<br>Equity Share<br>Capital (₹) |
|--|----------------------------|---------------------------------------|--|---|----------------------|---|
| October 12,<br>2020                        | 1,50,000                   | 10                                    | -                                      | Shares allotted pursuant to Welspun Enterprises Limited – Employee Stock Option Plan 2017 | -                    | 14,88,64,056                              |
| March 31, 2021                             | 31,000                     | 10                                    | -                                      | Shares allotted pursuant to Welspun Enterprises Limited – Employee Stock Option Plan 2017 | -                    | 14,89,64,056                              |
| August 14, 2021                            | 1,00,000                   | 10                                    | -                                      | Shares allotted pursuant to Welspun Enterprises Limited – Employee Stock Option Plan 2017 | -                    | 14,89,64,056                              |
| December 11,<br>2021                       | 50,000                     | 10                                    | -                                      | Shares allotted pursuant to Welspun Enterprises Limited – Employee Stock Option Plan 2017 | -                    | 14,90,14,056                              |
| February 12,<br>2022                       | 7,69,000                   | 10                                    | -                                      | Shares allotted pursuant to Welspun Enterprises Limited – Employee Stock Option Plan 2017 | -                    | 14,97,83,056                              |
| April 06, 2022                             | 1,50,000                   | 10                                    | -                                      | Shares allotted pursuant to Welspun Enterprises Limited –                                 | -                    | 14,99,33,056                              |



| Date of Issue/<br>Allotment /<br>Reduction | Number of<br>Equity Shares | Face Value<br>per Equity<br>Share (₹) | Issue Price<br>per Equity<br>Share (₹) | Particulars<br>of<br>Issue/Allotment  | Consideration<br>(₹) | Cumulative<br>Equity Share<br>Capital (₹) |
|--|----------------------------|---------------------------------------|--|---|----------------------|---|
|  |                            |                                       |  | Employee<br>Stock Option<br>Plan 2017   |                      |   |
| August 08, 2022                            | 50,000                     | 10                                    | -                                      | Shares<br>allotted<br>pursuant to<br>Welspun<br>Enterprises<br>Limited –<br>Employee<br>Stock Option<br>Plan 2017 | -                    | 14,99,83,056                              |

### Board of Directors of the Company

The following table provides the details regarding the Board of Directors of the Company as of the date of filing this Draft Letter of Offer:

| Name, Designation, Date of Appointment, Qualification and Occupation   | Age<br>(in years) | Other Directorships  |
|--|-------------------|--|
| <p><b>Name:</b> Balkrishan Goenka<br/> <b>Designation:</b> Chairman and Executive Director<br/> <b>DIN:</b> 00270175<br/> <b>Date of Appointment:</b> 27/04/2010<br/> <b>Qualification:</b> B. Com<br/> <b>Occupation:</b> Business</p>              | 56                | <ul style="list-style-type: none"> <li>• Welspun India Limited</li> <li>• Welspun Specialty Solutions Limited</li> <li>• Welspun Corp Limited</li> <li>• Welspun Advanced Materials (India) Limited</li> <li>• Welspun Steel Limited</li> <li>• Adani Welspun Exploration Limited</li> <li>• Welspun Logistics Limited</li> <li>• Welspun One Logistics Parks Private Limited</li> <li>• The Associated Chambers of Commerce and Industry of India</li> <li>• Welspun New Energy Limited</li> </ul>  |
| <p><b>Name:</b> Rajesh Mandawewala<br/> <b>Designation:</b> Non-Executive Non-Independent Director<br/> <b>DIN:</b> 00007179<br/> <b>Date of Appointment:</b> 06/07/2012<br/> <b>Qualification:</b> C.A. (ICAI)<br/> <b>Occupation:</b> Business</p> | 60                | <ul style="list-style-type: none"> <li>• Welspun Global Brands Limited</li> <li>• RRM Realty Trader Private Limited</li> <li>• Welspun One Logistics Parks Private Limited</li> <li>• RRM Enterprises Private Limited</li> <li>• Yura Realities Private Limited</li> <li>• Welspun New Energy Limited</li> <li>• Mahatva Plastic Products and Building Materials Private Limited</li> <li>• Angel Power And Steel Private Limited</li> <li>• Welspun Advanced Materials (India) Limited</li> <li>• Welspun Flooring Limited</li> <li>• Mandawewala Enterprises Limited</li> <li>• AYM Syntex Limited</li> <li>• Welspun Corp Limited</li> <li>• Welspun India Limited</li> </ul> |

| Name, Designation, Date of Appointment, Qualification and Occupation  | Age (in years) | Other Directorships  |
|---|----------------|--|
| <b>Name:</b> Sandeep Garg<br><b>Designation:</b> Managing Director<br><b>DIN:</b> 00036419<br><b>Date of Appointment:</b> 08/08/2022<br><b>Qualification:</b> B.E. (Electrical)<br><b>Occupation:</b> Service   | 62             | <ul style="list-style-type: none"> <li>• Adani Welspun Exploration Limited</li> <li>• Welspun Financial Services Limited</li> <li>• Welspun New Energy Limited</li> </ul>  |
| <b>Name:</b> Mr. Mohan Tandon<br><b>Designation:</b> Non-Executive Independent Director<br><b>DIN:</b> 00026460<br><b>Date of Appointment:</b> 31/01/2012<br><b>Qualification:</b> M.Com, L.L.B<br><b>Occupation:</b> Retired from service  | 80             | <ul style="list-style-type: none"> <li>• AYM Syntex Limited</li> </ul>   |
| <b>Name:</b> Dipali Balkrishan Goenka<br><b>Designation:</b> Non-Executive Non-Independent Director<br><b>DIN:</b> 00007199<br><b>Date of Appointment:</b> 16/06/2021<br><b>Qualification:</b> Graduate in Psychology and a Harvard Alumnus<br><b>Occupation:</b> Business  | 53             | <ul style="list-style-type: none"> <li>• Welspun India Limited</li> <li>• Welspun Corp Limited</li> <li>• Welspun Flooring Limited</li> <li>• Welspun Advanced Materials (India) Limited</li> <li>• Welspun Zucchi Textiles Limited</li> <li>• Welspun Captive Power Generation Limited</li> <li>• MGN Agro Properties Private Limited</li> <li>• Welspun Logistics Limited</li> <li>• Welspun Global Brands Limited</li> <li>• Friends Connections Private Limited</li> <li>• Sequence Apartments Private Limited</li> <li>• Koolkanya Private Limited</li> </ul> |
| <b>Name:</b> Raghav Chandra<br><b>Designation:</b> Non-Executive Independent Director<br><b>DIN:</b> 00057760<br><b>Date of Appointment:</b> 15/05/2019<br><b>Qualification:</b> Masters of Public Administration and Masters of Mathematics<br><b>Occupation:</b> Retired Civil Servant                                | 64             | <ul style="list-style-type: none"> <li>• Vardhman Special Steels Limited</li> <li>• J. Kumar Infraprojects Limited</li> <li>• Welspun Aunta-Simaria Project Private Limited</li> <li>• GR Highways Investment Manager Private Limited</li> <li>• 1234 Intellimap Private Limited</li> </ul>  |
| <b>Name:</b> Dr. Aruna Sharma<br><b>Designation:</b> Non-Executive Independent Director<br><b>DIN:</b> 06515361<br><b>Date of Appointment:</b> 29/01/2019<br><b>Qualification:</b> PhD in Development Economics, Masters in Development Studies, MA in English Literature and B.Sc.<br><b>Occupation:</b> Self Employed | 64             | <ul style="list-style-type: none"> <li>• 3i Infotech Limited</li> <li>• Arjas Steel Private Limited</li> <li>• Welspun Aunta-Simaria Project Private Limited</li> <li>• Iquippo Services Limited</li> </ul>  |
| <b>Name:</b> Sudhir Mital<br><b>Designation:</b> Non-Executive Independent Director<br><b>DIN:</b> 08314675<br><b>Date of Appointment:</b> 12/05/2022<br><b>Qualification:</b> Masters degree in Indian History, Masters in Rural Development<br><b>Occupation:</b> Retired Civil Servant                               | 69             | <ul style="list-style-type: none"> <li>• Hindalco Industries Limited</li> <li>• Jaiprakash Power Ventures Limited</li> </ul>   |
| <b>Name:</b> Dr. Anoop Kumar Mittal<br><b>Designation:</b> Non-Executive Independent Director<br><b>DIN:</b> 05177010<br><b>Date of Appointment:</b> 16/06/2021<br><b>Qualification:</b> Bachelor's degree in Civil Engineering<br><b>Occupation:</b> Business  | 63             | <ul style="list-style-type: none"> <li>• Berger Paints India Limited</li> <li>• Vinay Cement Limited</li> <li>• Calcom Cement India Limited</li> <li>• Universal MEP Projects &amp; Engineering Services Limited</li> <li>• Bharat Aluminium Co Limited</li> <li>• Spacemantra Private Limited</li> </ul>  |

| Name, Designation, Date of Appointment, Qualification and Occupation | Age (in years) | Other Directorships                              |
|--|----------------|--|
|  |                | • Durgay Infrastructure Projects Private Limited |

#### Changes in the Board of Directors during the last three years:

The following table provides the details regarding the changes in the Board of Directors of the Company as on the date of filing of this Draft Letter of Offer:

| Sr. No. | Name of the Director and Designation                               | DIN      | Appointment/Resignation | Effective Date | Reasons  |
|---------|--|----------|-------------------------|----------------|--|
| 1       | Ms. Dipali Goenka<br>Non-Executive Non-Independent Director        | 00007199 | Appointment             | June 16, 2021  | Appointed as Non-Executive Non-Independent Director            |
| 2       | Mr. Anoop Kumar Mittal<br>Non-Executive Independent Director       | 05177010 | Appointment             | June 16, 2021  | Appointed as Non-Executive Independent Director                |
| 3       | Mr. Sandeep Garg<br>Managing Director                              | 00036419 | Resignation             | March 31, 2022 | Resigned as Managing Director                                  |
| 4       | Mr. Ajay Hans<br>Managing Director and The Chief Executive Officer | 00391261 | Appointment             | April 1, 2022  | Appointed as Managing Director and The Chief Executive Officer |
| 5       | Mr. Sudhir Mital<br>Non-Executive Independent Director             | 08314675 | Appointment             | May 12, 2022   | Appointed as Non-Executive Independent Director                |
| 6       | Mr. Ajay Hans<br>Managing Director and The Chief Executive Officer | 00391261 | Resignation             | August 8, 2022 | Resigned as Managing Director and The Chief Executive Officer  |
| 7       | Mr. Sandeep Garg<br>Managing Director                              | 00036419 | Appointment             | August 8, 2022 | Appointed as Managing Director                                 |

*Note: This table does not include details of regularisations of additional Directors or change in designation, if any.*

The Buy-back will not result in any benefit to any director, promoter and promoter group and persons in control of the Company except to the extent of their intention to participate in the Buy-back and actual participation in the Buy-back and the change in their shareholding as per the response received in the Buy-back, as a result of the extinguishment of Equity Shares which will lead to a reduction in the Equity Share Capital of the Company, post Buy-back.

#### Confirmations

The Company confirms that it will comply with the provisions of the Takeover Regulations, if applicable.

The Company confirms that it has complied with the provisions of Buy-back Regulations Sections 68, 69 and 70 of the Companies Act and the Companies (Share Capital and Debentures) Rules, 2014, as may be applicable to the Buy-back.

## FINANCIAL INFORMATION ABOUT THE COMPANY

The salient financial information of the Company extracted from the **Audited Standalone Financial Statements** for last three years being March 31, 2022, March 31, 2021 and March 31, 2020 and unaudited limited reviewed financial results for nine months period ended December 31, 2022 are given below:

(₹ in Lakhs)

| Key Financials  | For nine months ended December 31, 2022 | For the year ended March 31, 2022 <sup>(1)</sup> | For the year ended March 31, 2021 <sup>(2)</sup> | For the year ended March 31, 2020 <sup>(3)</sup> |
|---|---|--|--|--|
|   | (Limited Reviewed)                      | (Audited)  | (Audited)  | (Audited)  |
| Revenue from Operations   | 1,85,241                                | 1,30,694   | 1,41,019   | 1,76,005   |
| Other Income  | 3,895                                   | 3,780  | 2,897  | 5,258  |
| <b>Total Income</b>   | <b>1,89,136</b>                         | <b>1,34,474</b>                                  | <b>1,43,916</b>                                  | <b>1,81,263</b>                                  |
| Expenses (excluding finance costs & depreciation and amortisation and Exceptional Items)  | 1,70,696                                | 1,16,284   | 1,24,134   | 1,55,375   |
| Finance costs   | 5,275                                   | 5,348  | 4,452  | 2,537  |
| Depreciation and amortisation expense   | 714                                     | 1,242  | 1,225  | 1,944  |
| <b>Total Expenses</b>   | <b>1,76,685</b>                         | <b>1,22,874</b>                                  | <b>1,29,811</b>                                  | <b>1,59,856</b>                                  |
| <b>Profit before exceptional items and tax</b>  | <b>12,451</b>                           | <b>11,600</b>                                    | <b>14,105</b>                                    | <b>21,407</b>                                    |
| Exceptional Items (Net)   | 47,306                                  | -  | -  | -  |
| <b>Profit Before Tax</b>  | <b>59,757</b>                           | <b>11,600</b>                                    | <b>14,105</b>                                    | <b>21,407</b>                                    |
| Income Tax Expenses / (Credit) (including Deferred Tax)   | 2,208                                   | 2,256  | 3,360  | 5,473  |
| <b>Profit After Tax</b>   | <b>57,549</b>                           | <b>9,344</b>                                     | <b>10,745</b>                                    | <b>15,934</b>                                    |
| Items that will not be reclassified into profit and loss account (net of tax)   | (90)                                    | 139  | 31   | 15   |
| Profit/(Loss) from discontinuing operation  | -                                       | -  | -  | -  |
| <b>Total Comprehensive Income</b>   | <b>57,459</b>                           | <b>9,483</b>                                     | <b>10,776</b>                                    | <b>15,949</b>                                    |
| Equity Share Capital  | 14,998                                  | 14,978   | 14,886   | 14,846   |
| Other Equity  | 217,935                                 | 1,74,440   | 1,66,998   | 1,58,705   |
| Net worth, excluding capital reserve, amalgamation reserve, revaluation reserves & Misc. expenditures to the extent not written off | 209,812                                 | 1,66,296   | 1,58,763   | 1,50,429   |
| Debt, excluding working capital loans   | 66,872                                  | 50,176   | 50,514   | 3,340  |
| <b>Total Debt</b>   | <b>71,758</b>                           | <b>50,176</b>                                    | <b>60,246</b>                                    | <b>31,001</b>                                    |

(1) Figures have been extracted from Audited Standalone Financial Statements for the Financial Year ended on March 31, 2022

(2) Figures have been extracted from Audited Financial Statements for the Financial Year ended on March 31, 2022, as the figures for the Financial Year ended on March 31, 2021 were regrouped / restated in the Audited Financial Statements for the Financial Year ended on March 31, 2022

(3) Figures have been extracted from Audited Financial Statements for the Financial Year ended on March 31, 2021, as the figures for the Financial Year ended on March 31, 2020 were regrouped / restated in the Audited Financial Statements for the Financial Year ended on March 31, 2021

Financial Ratios as per **Audited Standalone Financial Statements** are as under:

| Particulars                      | For nine months ended December 31, 2022<br>(Limited Reviewed) | For the year ended March 31, 2022<br>(Audited) | For the year ended March 31, 2021<br>(Audited) | For the year ended March 31, 2020<br>(Audited) |
|----------------------------------|---|--|--|--|
| Earnings per Share (₹) (Basic)   | 38.38*  | 6.27   | 7.22   | 10.75  |
| Earnings per Share (₹) (Diluted) | 38.29*  | 6.24   | 7.17   | 10.61  |
| Debt/ Equity Ratio               | 0.34  | 0.30   | 0.38   | 0.21   |
| Book Value (₹ per Share)         | 155.31  | 126.46   | 122.18   | 116.90   |
| Return on Net worth (%)          | 30.60%*   | 5.75%  | 6.95%  | 11.09%   |
| Total Debt/ Net worth            | 0.34  | 0.30   | 0.38   | 0.21   |

\*Not Annualised

**Notes:**

1. Net worth = Total Equity – Capital Redemption Reserve – Capital Reserve – Amalgamation Reserve
2. Total Debt = Long Term Borrowings + Short Term Borrowings + Current Maturities of Long-Term Borrowings.

**Key Ratios basis:**

|                               |   |
|-------------------------------|---|
| Earnings per Share- Basic (₹) | Net profit attributable to the equity shareholders / Weighted average number of Shares outstanding during the year  |
| Book Value per Share (₹)      | (Paid up Equity Share Capital + Reserves and Surplus + Other Equity) (excluding revaluation reserves) - Miscellaneous Expenditure not written off) / No. of Equity Shares |
| Return on Net worth (%)       | Net Profit After Tax/ Average Net Worth   |
| Debt- Equity Ratio            | Total Debt/ Net Worth   |

The salient financial information of the Company extracted from the **Audited Consolidated Financial Statements** for last three years being March 31, 2022, March 31, 2021 and March 31, 2020 and unaudited limited reviewed financial results for nine months period ended December 31, 2022 are given below:

(₹ in Lakhs)

| Key Financials   | For nine months ended December 31, 2022 | For the year ended March 31, 2022 <sup>(1)</sup> | For the year ended March 31, 2021 <sup>(2)</sup> | For the year ended March 31, 2020 <sup>(3)</sup> |
|--|---|--|--|--|
|  | (Limited Reviewed)                      | (Audited)  | (Audited)  | (Audited)  |
| Revenue from Operations  | 1,91,310                                | 1,40,140   | 1,52,951   | 1,80,759   |
| Other Income   | 7,207                                   | 17,359   | 14,201   | 11,184   |
| <b>Total Income</b>  | <b>1,98,517</b>                         | <b>1,57,499</b>                                  | <b>1,67,152</b>                                  | <b>1,91,943</b>                                  |
| Expenses (excluding finance costs & depreciation and amortisation and Exceptional Items) | 1,76,025                                | 1,25,242   | 1,35,811   | 1,59,801   |
| Finance costs  | 8,225                                   | 13,997   | 11,045   | 7,736  |
| Depreciation and amortisation expense  | 916                                     | 1,593  | 1,599  | 2,254  |
| <b>Total Expenses</b>  | <b>1,85,166</b>                         | <b>1,40,832</b>                                  | <b>1,48,455</b>                                  | <b>1,69,791</b>                                  |
| <b>Profit before exceptional items and tax</b>   | <b>13,351</b>                           | <b>16,667</b>                                    | <b>18,697</b>                                    | <b>22,152</b>                                    |
| Exceptional Items (Net)  | 42,354                                  | -  | -  | -  |
| <b>Profit Before Tax, share of profit of an associate and tax)</b>                       | <b>55,705</b>                           | <b>16,667</b>                                    | <b>18,697</b>                                    | <b>22,152</b>                                    |
| Share of Profit of an associate and joint venture  | (134)                                   | 68   | (725)  | (1,878)  |
| <b>Profit Before Tax</b>   | <b>55,571</b>                           | <b>16,735</b>                                    | <b>17,972</b>                                    | <b>20,274</b>                                    |
| Income Tax Expenses / (Credit) (including Deferred Tax)                                  | 2,783                                   | 4,125  | 4,954  | 5,161  |
| <b>Profit After Tax from continuing operation</b>  | <b>52,788</b>                           | <b>12,610</b>                                    | <b>13,018</b>                                    | <b>15,113</b>                                    |
| Profit/(Loss) from discontinuing operation   | 5,575                                   | -  | -  | -  |
| <b>Profit After Tax</b>  | <b>58,363</b>                           | <b>12,610</b>                                    | <b>13,018</b>                                    | <b>15,113</b>                                    |

|  |         |          |          |          |
|--|---------|----------|----------|----------|
| Items not classified into profit and loss account  | -89     | 140      | 46       | 23       |
| <b>Total Comprehensive Income</b>  | 58,274  | 12,750   | 13,064   | 15,136   |
| <b>Profit is attributable to</b>   |         |          |          |          |
| - Owners of Parent   | 58,037  | 12,610   | 12,945   | 14,911   |
| - Non-controlling interests  | 237     | 140      | 119      | 225      |
| Equity Share capital   | 14,998  | 14,978   | 14,886   | 14,846   |
| Other Equity   | 206,635 | 1,64,130 | 1,53,561 | 1,43,099 |
| Net worth, excluding revaluation reserves & Misc. expenditures to the extent not written off | 194,442 | 1,50,349 | 1,39,689 | 1,29,186 |
| Debt, excluding working capital loans  | 95,002  | 2,51,497 | 2,13,518 | 53,545   |
| Total Debt   | 99,888  | 2,51,497 | 2,23,250 | 81,206   |

(1) Figures have been extracted from Audited Consolidated Financial Statements for the Financial Year ended on March 31, 2022

(2) Figures have been extracted from Audited Consolidated Financial Statements for the Financial Year ended on March 31, 2022, as the figures for the Financial Year ended on March 31, 2021 were regrouped / restated in the Audited Financial Statements for the Financial Year ended on March 31, 2022

(3) Figures have been extracted from Audited Consolidated Financial Statements for the Financial Year ended on March 31, 2021, as the figures for the Financial Year ended on March 31, 2020 were restated in the Audited Financial Statements for the Financial Year ended on March 31, 2021

Financial Ratios as per **Audited Consolidated Financial Statements** are as under:

| Particulars                      | For six months ended December 31, 2022<br>(Limited Reviewed) | For the year ended March 31, 2022<br>(Audited) | For the year ended March 31, 2021<br>(Audited) | For the year ended March 31, 2020<br>(Audited) |
|----------------------------------|--|--|--|--|
| Earnings per Share (₹) (Basic)   | 38.76*   | 8.37   | 8.67   | 10.04  |
| Earnings per Share (₹) (Diluted) | 38.68*   | 8.33   | 8.60   | 9.91   |
| Debt/ Equity Ratio               | 0.51   | 1.67   | 1.60   | 0.63   |
| Book Value (₹ per Share)         | 147.77   | 119.58   | 113.16   | 106.39   |
| Return on Net worth (%)          | 33.72%   | 8.60%  | 9.59%  | 12.10%   |
| Total Debt/ Net worth            | 0.51   | 1.67   | 1.60   | 0.63   |

\*Not Annualised

**Notes:**

1. Net worth = Total Equity – Capital Redemption Reserve – Capital Reserve – Amalgamation Reserve – Non-Controlling Interest
2. Total Debt = Long Term Borrowings + Short Term Borrowings + Current Maturities of Long-Term Borrowings.

**Key Ratios basis:**

|                               |  |
|-------------------------------|--|
| Earnings per Share- Basic (₹) | Net profit attributable to the parents of the company/ Weighted average number of Shares outstanding during the year   |
| Book Value per Share (₹)      | (Paid up Equity Share Capital + Reserves and Surplus + Other Equity) (excluding revaluation reserves) – Miscellaneous Expenditure not written off) / No. of Equity Shares Subscribed |
| Return on Net worth (%)       | Net Profit After Tax / Net Worth   |
| Debt- Equity Ratio            | Total Debt/ Net Worth  |

## STOCK MARKET DATA

The Equity Shares were listed on the BSE and NSE

### Market Price of the Equity Shares in the last three financial years on the stock exchange

The market price of the Equity Shares in the last three financial years on the NSE is provided below:

| Period      | High*    |               |                             | Low*    |                |                             | Average Price (₹)* | Total volume traded (₹) |
|-------------|----------|---------------|-----------------------------|---------|----------------|-----------------------------|--------------------|-------------------------|
|             | High (₹) | Date of High  | No. of Equity Shares Traded | Low (₹) | Date of Low    | No. of Equity Shares Traded |                    |                         |
| Fiscal 2022 | 131.00   | June 8, 2021  | 35,27,726                   | 72.50   | March 28, 2022 | 15,55,108                   | 99.75              | 7,20,94,202             |
| Fiscal 2021 | 135.00   | March 8, 2021 | 32,52,391                   | 38.50   | April 3, 2020  | 1,57,111                    | 74.52              | 6,00,88,442             |
| Fiscal 2020 | 142.50   | May 27, 2019  | 3,27,324                    | 33.15   | March 25, 2020 | 1,89,084                    | 94.34              | 6,72,08,169             |

Source: www.nseindia.com

\*High and Low price for the period are based on intra day prices and Average Price is based on average of closing price.

The monthly market prices on the NSE during the six-month preceding the Public Announcement and the total volume of Equity Shares traded on the stock exchange is provided below:

| Period         | High*    |                    |                             | Low*    |                             |                             | Average Price (₹)* | Total volume traded (₹) |
|----------------|----------|--------------------|-----------------------------|---------|-----------------------------|-----------------------------|--------------------|-------------------------|
|                | High (₹) | Date of High       | No. of Equity Shares Traded | Low (₹) | Date of Low                 | No. of Equity Shares Traded |                    |                         |
| December 2022  | 172.20   | December 8, 2022   | 4,50,356                    | 143.70  | December 26, 2022           | 3,38,392                    | 160.90             | 1,51,56,379             |
| November 2022  | 159.30   | November 29, 2022  | 7,08,836                    | 128.15  | November 1, 2022            | 2,59,962                    | 138.52             | 86,36,917               |
| October 2022   | 131.75   | October 11, 2022   | 2,53,833                    | 119.75  | October 17, 2022            | 2,80,242                    | 126.32             | 34,40,338               |
| September 2022 | 144.75   | September 22, 2022 | 15,16,442                   | 112.60  | September 1, 2022           | 4,30,261                    | 129.03             | 1,81,45,276             |
| August 2022    | 118.05   | August 23, 2022    | 5,14,641                    | 101.00  | August 1, 2022              | 9,23,786                    | 111.12             | 1,21,98,769             |
| July 2022      | 102.90   | July 29, 2022      | 4,93,118                    | 93.05   | July 8, 2022 & July 1, 2022 | 4,34,625 & 2,48,354         | 97.34              | 72,84,904               |

Source: www.nseindia.com

\*High and Low price for the period are based on intra day prices and Average Price is based on average of closing price.

The market price of the Equity Shares in the last three financial years on the BSE is provided below:

| Period      | High*    |               |                             | Low*    |                                 |                             | Average Price (₹)* | Total volume traded (₹) |
|-------------|----------|---------------|-----------------------------|---------|---------------------------------|-----------------------------|--------------------|-------------------------|
|             | High (₹) | Date of High  | No. of Equity Shares Traded | Low (₹) | Date of Low                     | No. of Equity Shares Traded |                    |                         |
| Fiscal 2022 | 131.00   | June 8, 2021  | 2,07,306                    | 72.30   | March 28, 2022 & March 31, 2022 | 3,85,190 & 1,44,231         | 99.74              | 1,08,95,177             |
| Fiscal 2021 | 134.90   | March 8, 2021 | 2,26,891                    | 38.60   | April 3, 2020                   | 10,532                      | 74.52              | 63,99,759               |
| Fiscal 2020 | 142.35   | May 27, 2019  | 54,866                      | 33.35   | March 25, 2020                  | 33,294                      | 94.35              | 1,59,73,168             |

Source: www.bseindia.com

\*High and Low price for the period are based on intra day prices and Average Price is based on average of closing price.

The monthly market prices on the BSE during the six-month preceding the Public Announcement and the total volume of Equity Shares traded on the stock exchange is provided below:

| Period         | High*    |                                    |                             | Low*    |                   |                             | Average Price (₹)* | Total volume traded (₹) |
|----------------|----------|------------------------------------|-----------------------------|---------|-------------------|-----------------------------|--------------------|-------------------------|
|                | High (₹) | Date of High                       | No. of Equity Shares Traded | Low (₹) | Date of Low       | No. of Equity Shares Traded |                    |                         |
| December 2022  | 172.20   | December 8, 2022                   | 18,984                      | 142.00  | December 26, 2022 | 20,280                      | 160.95             | 11,18,045               |
| November 2022  | 159.00   | November 29, 2022                  | 38,256                      | 128.70  | November 1, 2022  | 27,126                      | 138.50             | 7,27,917                |
| October 2022   | 131.75   | October 11, 2022 & October 7, 2022 | 40,290 & 39524              | 119.10  | October 20, 2022  | 11,042                      | 126.27             | 4,75,545                |
| September 2022 | 144.70   | September 22, 2022                 | 98,187                      | 112.75  | September 1, 2022 | 47,024                      | 129.02             | 24,80,239               |
| August 2022    | 118.00   | August 23, 2022                    | 61,503                      | 101.10  | August 1, 2022    | 1,09,117                    | 111.17             | 13,38,383               |
| July 2022      | 102.85   | July 29, 2022                      | 58,741                      | 93.05   | July 12, 2022     | 91,078                      | 97.38              | 13,02,703               |

Source: [www.bseindia.com](http://www.bseindia.com)

\*High and Low price for the period are based on intra day prices and Average Price is based on average of closing price.

Notice of the board meeting convened to consider the proposal of the Buy-back was given to the BSE and NSE on December 27, 2022. The closing market price of the Company's Equity Share on December 26, 2022 (being one trading day before the date on which the notice was sent for board meeting in which the Buy-back proposal was to be approved), on BSE was ₹ 154.30 and on NSE was ₹ 154.10. The Board, at its meeting held on December 30, 2022, approved the proposal for the Buy-back and the outcome was sent to BSE and NSE on December 30, 2022. The closing market price of the Company's Equity Share on December 29, 2022 i.e. one trading prior to the Board Meeting Date on BSE was ₹ 166.25 and on NSE was ₹ 166.15. The closing market price of the Company's Equity Share on December 30, 2022 i.e. Board Meeting Date on BSE was ₹ 166.35 and on NSE was ₹ 166.30. The closing market price of the Company's Equity Share on January 2, 2023 i.e. trading day immediately after date of Board Approval on BSE was ₹ 169.70 and on NSE was ₹ 169.70. The closing market price of the Company's Equity Share on January 24, 2023 i.e. the date of declaration of Extra – Ordinary General Meeting results and the date of Public Announcement on BSE was ₹ 150.60 and on NSE was ₹ 150.65.



## DETAILS OF STATUTORY APPROVALS

The Buy-back is subject to approvals, if any, required under the provisions of the Companies Act, the Buy-back Regulations and/or such other applicable laws for the time being in force.

1. The Buy-back has been approved by the Board of Directors in their meeting held on December 30, 2022;
2. The Buy-back has been approved by the Shareholders by special resolution in the Extra-Ordinary General Meeting, the results of which were declared on January 24, 2023;
3. The Buy-back of Equity Shares from Non-Resident Shareholders will be subject to approvals, if any, of the appropriate authorities, including RBI as may be required. It is the obligation of such Non-Resident Shareholders, to obtain such approvals and submit such approvals along with the tender form, so as to enable them to tender equity shares in the Buy-back and for the Company to purchase such Equity Shares, tendered. The Company will have the right to make payment to the Eligible Shareholders in respect of whom no prior RBI approval is required and not accept Equity Shares from the Eligible Shareholders in respect of whom prior RBI approval is required in the event copies of such approvals are not submitted.
4. By agreeing to participate in the Buy-back, each Eligible Shareholder (including each Non-Resident Shareholder) undertakes to complete all relevant regulatory/statutory filings and compliances to be made by it under applicable law, including filing of Form FC-TRS. Further, by agreeing to participate in the Buy-back, each Eligible Shareholder hereby (a) authorises the Company to take all necessary action, solely to the extent required, and if necessary, to be undertaken by the Company, for making any regulatory/statutory filings and compliances on behalf of such Shareholder; and (b) undertakes to provide the requisite assistance to the Company for making any such regulatory/statutory filings and compliances.
5. As of date, there is no other statutory or regulatory approval required to implement the Buy-back Offer, other than that indicated above. If any statutory or regulatory approval becomes applicable subsequently, the Buy-back will be subject to such statutory or regulatory approval(s). In the event of any delay in receipt of any statutory/regulatory approvals, changes to the proposed timetable of the Buy-back Offer, if any, shall be intimated to BSE and NSE.
6. The Buy-back from the Eligible Shareholders who are residents outside India including foreign corporate bodies (including erstwhile overseas corporate bodies), foreign portfolio investors, non-resident Indians, members of foreign nationality, if any, shall be subject to the FEMA and rules and regulations framed thereunder, if any, Income Tax Act, 1961 and rules and regulations framed thereunder, as applicable, and also subject to the receipt/provision by such Eligible Shareholders of such approvals, if and to the extent necessary or required from concerned authorities including, but not limited to, approvals from the RBI under the FEMA and rules and regulations framed thereunder, if any.
7. The reporting requirements for non-resident shareholders under RBI, FEMA, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholders and/or the Shareholder Broker through which the Eligible Shareholder places the bid.
8. In case of non-receipt of the completed tender form and other documents, but receipt of Equity Shares in the accounts of the clearing corporation and a valid bid in the exchange bidding system, the bid by such Eligible Shareholder shall be deemed to have been accepted.

## PROCESS AND METHODOLOGY OF BUY-BACK

The Company proposes to Buy-back up to 1,17,50,000 (One Crore Seventeen Lakh and Fifty Thousand) Equity Shares representing 7.834 % of the total Equity Shares in the total issued and paid-up equity share capital of the Company, at a price of ₹ 200 /- (Rupees Two Hundred only) per Equity Share payable in cash for an aggregate amount not exceeding ₹ 2,35,00,00,000/- (Rupees Two Hundred and Thirty Five Crores Only) excluding Transaction Costs. The Buy-back Size represents 14.22% and 15.74% of the aggregate of fully paid-up Equity Share Capital and free reserves (including securities premium account) as per latest audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2022, respectively from the Eligible Shareholders on a proportionate basis through the tender offer process prescribed under Regulation 4(iv)(a) of the Buy-Back Regulations, in accordance with the Articles of Association, provisions of the Sections 68, 69, 70, 100 and any other applicable provisions of the Companies Act, 2013, the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Management and Administration) Rules, 2014 and in compliance with the Buy-back Regulations. The Board approved the Buy-back, at their meeting held on December 30, 2022. The Equity Shareholders approved the Buy-back by way of a special resolution in the extra – ordinary general meeting, the results of which were announced on January 24, 2023. The Buy-back is subject to receipt of any approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, including SEBI and the Stock Exchanges.

The Company expresses no opinion as to whether Eligible Shareholders should participate in the Buy-back and, accordingly, Eligible Shareholders are advised to consult their own advisors to consider participation in the Buy-back.

The aggregate shareholding of the members of the Promoter and Promoter Group as on the date of the Public Announcement and the date of this Draft Letter of Offer is 8,06,25,603 Equity Shares, which represents 53.76% of the existing equity share capital of the Company. In terms of the Buy-back Regulations, under the ‘Tender Offer’ process, the promoters of the Company have the option to participate in the Buy-back. In this regard, the Promoter and Promoter Group intends to participate in the Buyback. For further details, please refer to “*Details of the Buyback– Intention of the Promoters and Promoter Group of the Company to participate in the Buy-back*” on page 13 of this Draft Letter of Offer.

Assuming full acceptance of Equity Shares in the Buy-back the aggregate shareholding and the voting rights of the Promoters and Promoter Group of the Company, may change from the existing 53.76 % holding in the total equity capital and voting rights of the Company to [●]% of the post Buy-back Equity Share capital of the Company. The Promoters and Promoter Group of the Company are already in control over the Company and therefore such further change in voting rights of the Promoters and Promoter Group of the Company will not result in any change in control over the Company.

Assuming full acceptance of Equity Shares in the Buy-back the aggregate shareholding of the public in the Company shall change to [●]% post Buy-back from the current pre Buy-back shareholding of 46.24%.

### ***Record Date and Ratio of Buy-back as per the Buy-back Entitlement in each Category:***

The Company has approved Monday, February 13, 2023 as the Record Date for the purpose of determining the Buy-back Entitlement and the names of the Shareholders, who are eligible to participate in the Buy-back.

The Equity Shares to be bought back as a part of this Buy-back is divided into two categories:

- (i) Reserved category for Small Shareholders (“**Reserved Category**”); and
- (ii) General Category for other Eligible Shareholders (“**General Category**”).

As defined in the Buy-back Regulations, Small Shareholder includes a shareholder, who holds shares whose market value, on the basis of closing price on the recognized stock exchange registering the highest trading volume, as on Record Date, is not more than ₹ 2,00,000. For the purposes of classification of a shareholder, as a “small shareholder”, multiple demat accounts having the same permanent account number, in case of securities held in the demat form, or joint holders with identical sequence of names, in case of securities held in the physical form, are to be clubbed together. As on Record Date, the closing price on [●], having the highest trading volume, was ₹ [●] per Equity Share. Accordingly, all Eligible Shareholders holding not more than [●] Equity Shares as on the Record Date are classified as ‘Small Shareholders’ for the purpose of the Buy-back.

Based on the above definition, there are [●] Small Shareholders in the Company with aggregate shareholding of [●] Equity Shares as on Record Date, which constitutes [●]% of the total paid-up Equity Share capital of the Company and [●]% of the maximum number of Equity Shares which the Company proposes to buy back as a part of this Buy-back. [●]

Equity Shares were held by the other Eligible Shareholders in the General Category as on the Record Date.

In compliance with Regulation 6 of the Buy-back Regulations, the reservation for the Small Shareholders, will be higher of:

- (i) 15% of the number of Equity Shares which the Company proposes to Buy-back, being [●] Equity Shares; or
- (ii) The number of Equity Shares entitled as per their shareholding as on Record Date i.e.  $(\frac{[●]}{[●]} \times [●])$ , being [●] Equity Shares.

All the outstanding Equity Shares have been used for computing the Buy-back Entitlement of Small Shareholders since the members of the Promoter Group also intend to participate in the Buyback.

In case the total number of Equity Shares held by the Small Shareholders on the Record Date is less than [●] (higher of (i) and (ii) above), the maximum number of Equity Shares reserved for Small Shareholders will be restricted to the total number of Equity Shares held by the Small Shareholders as on Record Date.

Based on the above and in accordance with Regulation 6 of the Buy-back Regulations, [●] Equity Shares have been reserved for Small Shareholders. Accordingly, General Category for all other Equity Shareholders shall consist of [●] Equity Shares.

Based on the above Buy-back Entitlements, the Ratio of Buy-back for both categories is decided as below:

| Category of Shareholders                             | Ratio of Buy-back*  |
|--|---|
| Reserved category for Small Shareholders             | [●] Equity Shares for every [●] Equity Shares held on the Record Date |
| General category for all other Eligible Shareholders | [●] Equity Shares for every [●] Equity Shares held on the Record Date |

*\* The ratio of Buy-back indicated above is approximate and provides an indication of the Buy-back Entitlement. Any computation of entitled Equity Shares using the above ratio of Buy-back may provide a slightly different number due to rounding-off. The actual Buy-back Entitlement for reserved category for Small Shareholders is [●]% and general category for all other Eligible Shareholders is [●]%.*

### **Clubbing of Entitlement**

In order to ensure that the same Eligible Seller with multiple demat accounts/ folios do not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Seller with a common Permanent Account Number ("PAN") shall be clubbed together for determining the category (Small Shareholder or General) and entitlement under the Buy-back. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Sellers holding physical shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/ foreign portfolio investors etc. with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are held for different schemes/ sub-accounts and have a different demat account nomenclature based on information prepared by the Registrar as per the shareholder records received from the depositories. Further, the Equity Shares held under the category of "clearing members" or "corporate body margin account" or "corporate body – broker" as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.

### **Fractional Entitlements**

If the Buy-back Entitlement under the Buy-back, after applying the abovementioned ratios to the Equity Shares held on Record Date, is not a round number (i.e. not in the multiple of one Equity Share), then the fractional entitlement shall be ignored for computation of Buy-back Entitlement to tender Equity Shares in the Buy-back for both categories of Eligible Shareholders.

On account of ignoring the fractional entitlement, those Small Shareholders who hold [●] or less Equity Shares as on Record Date will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender Additional Equity Shares as part of the Buy-back and will be given preference in the Acceptance of one Equity Share, if such Small Shareholders have tendered for Additional Equity Shares.

### ***Basis of Acceptance of Equity Shares validly tendered in the Reserved Category for Small Shareholders***

Subject to the provisions contained in this Draft Letter of Offer, the Company will accept the Equity Shares tendered in the Buy-back by the Small Shareholders in the Reserved Category in the following order of priority:

- a) Acceptance of 100% Equity Shares from Small Shareholders in the Reserved Category, who have validly tendered their Equity Shares to the extent of their Buy-back Entitlement or the number of Equity Shares tendered by them, whichever is less.
- b) Post the acceptance as described above, in case there are any Equity Shares left to be bought back from Small Shareholders in the Reserved Category, the Small Shareholders who were entitled to tender zero Equity Shares (on account of ignoring the fractional entitlement), and have tendered Additional Equity Shares as part of the Buy-back, shall be given preference and one share each from the Additional Equity Shares applied by these Small Shareholders shall be bought back in the Reserved Category.
- c) Post the acceptance as described above, in case there are any Equity Shares left to be bought back in the Reserved Category, the Additional Equity Shares tendered by the Small Shareholders over and above their Buy-back Entitlement, shall be accepted in proportion of the Additional Equity Shares tendered by them and the Acceptance per Small Shareholder shall be made in accordance with the Buy-back Regulations, that is, valid Acceptances per Small Shareholder shall be equal to the Additional Equity Shares validly tendered by the Small Shareholder divided by the total Additional Equity Shares validly tendered and multiplied by the total pending number of Equity Shares to be accepted in Reserved Category. For the purpose of this calculation, the Additional Equity Shares taken into account for such Small Shareholders, from whom one Equity Share has been Accepted in accordance with the above, shall be reduced by one.
- d) Adjustment for fractional results in case of proportionate Acceptance, as described above:
  - i. For any Small Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of one and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
  - ii. For any Small Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of one and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

In case of any practical issues, resulting out of rounding-off of Shares or otherwise, the Buy-back Committee or any person(s) authorized by the Buy-back Committee will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in section entitled “*Process and Methodology of Buy-back*” of this Draft Letter of Offer.

### ***Basis of Acceptance of Shares validly tendered in the General Category***

Subject to the provisions contained in this Draft Letter of Offer, the Company will accept the Equity Shares tendered in the Buy-back by all other Eligible Shareholders in the General Category in the following order of priority:

- a) Acceptance of 100% Equity Shares from other Eligible Shareholders in the General Category who have validly tendered their Equity Shares, to the extent of their Buy-back Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- b) Post the Acceptance as described above, in case there are any validly tendered unaccepted Equity Shares left to be bought back in the General Category, the Additional Equity Shares tendered by the other Eligible Shareholders over and above their Buy-back Entitlement shall be Accepted in proportion of the Additional Equity Shares tendered by them and the acceptances per shareholder shall be made in accordance with the Regulations, i.e. valid acceptances per shareholder shall be equal to the Additional Equity Shares validly tendered by the Eligible Shareholders divided by the total Additional Equity Shares validly tendered in the General Category and multiplied by the total pending number of Equity Shares to be Accepted in General Category.
- c) Adjustment for fractional results in case of proportionate acceptance as described above:

- i. For any Eligible Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of one and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
- ii. For any Eligible Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of one and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

In case of any practical issues, resulting out of rounding-off of Shares or otherwise, the Buy-back Committee or any person(s) authorized by the Buy-back Committee will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in section entitled “*Process and Methodology of Buy-back*”.

***Basis of Acceptance of Equity Shares between categories***

- a. In case there are any Equity Shares left to be bought back in one category (“**Partially Filled Category**”) after Acceptance in accordance with the above described methodology for both the categories, and there are additional unaccepted validly tendered Equity Shares in the second category, then the Additional Equity Shares in the second category shall be Accepted proportionately (valid Acceptances per Eligible Shareholder shall be equal to the additional outstanding Equity Shares validly tendered by a Eligible Shareholder in the second category divided by the total additional outstanding Equity Shares validly tendered in the second category and multiplied by the total pending number of Equity Shares to be bought back in the Partially Filled Category).
- b. If the Partially Filled Category is the General Category, and the second category is the Reserved Category, then for the purpose of this calculation, the Additional Equity Shares tendered by such Small Shareholders, from whom one Equity Share has been accepted in accordance with “*Basis of Acceptance of Equity Shares validly tendered in the Reserved Category for Small Shareholders*” will be reduced by one Equity Share.
- c. Adjustment for fractional results in case of proportionate Acceptance, as described above:
  - i. For any Eligible Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not a multiple of one and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
  - ii. For any Eligible Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of one and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.
  - iii. In case of any practical issues, resulting out of rounding-off of Shares or otherwise, the Board or any person(s) authorized by the Board will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in Paragraph Process and Methodology for the Buy-back.

***For avoidance of doubt, it is clarified that, in accordance with the clauses above:***

- Equity Shares accepted under the Buy-back from each Eligible Shareholder, shall be lower of the following:
  - *the number of Equity Shares tendered by the respective Shareholder; or*
  - *the number of Equity Shares held by the respective Shareholder, as on the Record Date*
- Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of acceptance.

In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Buy-back Committee or any person(s) authorized by the Buy-back Committee will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in section entitled “*Process and Methodology of Buy-back*” of this Draft Letter of Offer.

## PROCEDURE FOR TENDERING SHARES AND SETTLEMENT

The Buy-back shall be available to all Eligible Shareholders holding Equity Shares either in physical or dematerialized form on the Record Date.

The Buy-back shall be undertaken on a proportionate basis through the tender offer process prescribed under Regulation 4(iv)(a) of the Buy-back Regulations. Additionally, the Buy-back shall, subject to applicable laws, be facilitated by tendering of Equity Shares by the Shareholders and settlement of the same, through the stock exchange mechanism as specified in the SEBI Circulars. The Letter of Offer and Tender Form, outlining the terms of the Buy-back as well as the detailed disclosures as specified in the Buy-back Regulations, shall be sent through electronic means to Eligible Shareholder(s) who have registered their e-mail ids with the depositories/the Company, and for those Eligible Shareholder(s) who have not registered their e-mail ids with the depositories/the Company, the Letter of Offer shall be dispatched through physical mode by registered post/speed post/courier. In case of non-receipt of Letter of Offer and the Tender Form, please follow the procedure mentioned in this Section.

The Company will not accept any Equity Shares offered for Buy-back which are under any restraint order of a court/ any other competent authority for transfer/ disposal/ sale of such shares or where loss of share certificates has been notified to the Company and the duplicate share certificate have not been issued either due to such request being under process as per the provisions of law or otherwise or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.

The Company shall comply with Regulation 24(v) of the Buy-back Regulations which states that the Company shall not Buy-back the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable. The Company shall accept all the Equity Shares validly tendered for the Buy-back by Eligible Shareholders, on the basis of their Buy-back Entitlement as on the Record Date.

The Eligible Shareholders' participation in the Buyback is voluntary. The Eligible Shareholders can choose to participate, in full or in part, and get cash in lieu of Equity Shares to be Accepted under the Buyback or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post-Buyback, without additional investment. The Eligible Shareholders may also tender a part of their Buyback Entitlement. The Eligible Shareholders also have the option of tendering additional Equity Shares (over and above their Buyback Entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any. Acceptance of any Equity Shares tendered in excess of the Buyback Entitlement by the Eligible Shareholder, shall be in terms of procedure outlined in this Draft Letter of Offer.

Eligible Shareholders will have to tender their Demat Shares from the same demat account in which they were holding such shares (as on the Record Date) and in case of multiple demat accounts, Eligible Shareholders are required to tender the applications separately from each demat account. In case of any changes in the demat account in which the Equity Shares were held as on Record Date, such Eligible Shareholders should provide sufficient proof of the same to the Registrar to the Buyback and such tendered Equity Shares may be accepted subject to appropriate verification and validation by the Registrar to the Buyback. The Board or Buyback Committee authorized by the Board will have the authority to decide such final allocation in case of non-receipt of sufficient proof by such Eligible Shareholder.

As disclosed in the section entitled "*Process and Methodology of Buy-back*" on page 41 of this Draft Letter of Offer, the Equity Shares proposed to be bought as a part of the Buy-back is divided into two categories; (a) Reserved Category for Small Shareholders; and (b) the General Category for other Eligible Shareholders, and the Buy-back Entitlement of an Eligible Shareholders in each category shall be calculated accordingly.

After Accepting the Equity Shares tendered on the basis of Buy-back Entitlement, Equity Shares left to be bought as a part of the Buy-back, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buy-back Entitlement, by Eligible Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buy-back Entitlement, in any other category.

The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Eligible Shareholder as on the Record Date. In case the Eligible Shareholder holds Equity Shares through multiple demat accounts, the tender through a demat account cannot exceed the number of Equity Shares held in that demat account.

The non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to any person who is eligible to receive the same to participate in the Buy-back, shall not invalidate the offer to any person who is eligible to receive this offer under the Buy-back. In case of non-receipt of the Letter of Offer, Eligible Shareholders holding Equity

Shares as on Record Date may participate in the offer by applying on the Tender Form downloaded from the Company's website i.e. [www.welspunenterprises.com](http://www.welspunenterprises.com) or obtain a duplicate copy of the same by writing to the Registrar to the Buyback or by providing their application in plain paper in writing signed by such Eligible Shareholder, stating the name of the Eligible Shareholder, address of the Eligible Shareholder, number of Equity Shares held, Client ID number, DP name, DP ID number, number of Equity Shares tendered and other relevant documents such as physical Equity Share certificate and Form SH 4 in case of Equity Shares being held in physical form. Eligible Shareholders have to ensure that their bid is entered in the electronic platform to be made available by the recognized stock exchange before the closure of the Buy-back.

### ***Process and Methodology***

#### **Process**

The Buy-back is open to all Shareholders holding Equity Shares as on Record Date, in both physical form and dematerialized form.

The Company has appointed DAM Capital Advisors Limited, as the registered broker to the Company to facilitate the process of tendering of Equity Shares through the stock exchange mechanism for the Buy-back. In the tendering process, the Company Broker may also process the orders received from the Shareholders. The details of the Company Broker are as follows:



#### **DAM Capital Advisors Limited**

One BKC, Tower C, 15<sup>th</sup> Floor, Unit No. 1511,  
Bandra Kurla Complex, Bandra (East),  
Mumbai 400 051, Maharashtra, India

**Tel:** +91 22 4202 2500

**Email id:** [rajesh@damcapital.in](mailto:rajesh@damcapital.in)

**Website:** [www.damcapital.in](http://www.damcapital.in)

**Contact person:** Rajesh Tekadiwala

**SEBI Registration Number:** INZ000207137

**Validity Period:** Permanent

**CIN:** U99999MH1993PLC071865

#### **Methodology**

##### ***Placing of orders***

The placing of orders through the Acquisition Window will take place during the trading hours of the secondary market. Eligible Shareholders who desire to tender their Equity Shares in the electronic form under the Buy-back would have to do so through their respective Shareholder Broker by indicating to their broker the details of Equity Shares they intend to tender in the Buy-back. Eligible Shareholders who are holding Equity Shares in the physical form and intend to participate in the Buy-back will be required to approach their respective stock brokers (the "Shareholder Broker") along with the complete set of documents for verification procedures to be carried out. The documents include the (i) original share certificate(s), (ii) valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered Eligible Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company, (iii) self-attested copy of the Eligible Shareholder's PAN Card, (iv) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, as may be applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address reflected in the Register of Members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (i) valid Aadhar Card, (ii) Voter Identity Card or (iii) Passport.

In the event Shareholder Broker(s) of Eligible Shareholder is not registered with NSE, then the Eligible Shareholders can approach any NSE registered stock broker and can register themselves by using quick unique client code ("UCC") facility through the NSE registered stock broker (after submitting all details as may be required by such NSE registered

stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register using UCC facility through any other NSE registered broker, Eligible Shareholders may approach Company's Broker i.e., DAM Capital Advisors Limited for guidance to place their Bids. The requirement of documents and procedures may vary from broker to broker.

The Acquisition Window will be provided by the NSE to facilitate placing of sell orders. The details of the platform will be as specified by the NSE, from time to time.

All Eligible Shareholders, through their respective Shareholder Brokers will be eligible to place orders in the "Acquisition Window".

All Eligible Shareholders can enter orders for Equity Shares in demat form as well as Equity Shares in physical form.

During the Buy-back Period, the trading members will have to ensure that the order for selling Equity Shares is placed on behalf of Eligible Shareholders. During order entry, members can enter orders for dematerialized as well as physical shares.

At the beginning of the Tendering Period, the order for buying Equity Shares will be placed by the Company through Company's Broker. During the Tendering Period, the order for selling the Equity Shares will be placed in the Acquisition Window by the Eligible Shareholders through their respective Shareholder Broker during normal trading hours of the secondary market. The Shareholder Broker can enter orders for Demat Shares and Physical Shares. In the tendering process, the Company's Broker may also process the orders received from the Eligible Shareholders.

Multiple bids made by single Eligible Shareholder for selling the Equity Shares shall be clubbed and considered as 'one' bid for the purposes of Acceptance.

All documents sent by the Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.

The acceptance of the offer for Buyback made by the Company is entirely at the discretion of the Eligible Shareholders. The Company does not accept any responsibility for the decision of the Eligible Shareholder to either participate or to not participate in the Buyback. The Company will not be responsible in any manner for any loss of documents during transit. All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.

#### ***Procedure to be followed by Shareholders holding Equity Shares in dematerialized form***

Eligible Shareholders who desire to tender Equity Shares held by them in dematerialized form in the Buy-back would have to do so through their respective Shareholder Broker by indicating to such Shareholder Broker the details of the Equity Shares they intend to tender under the Buy-back.

The Shareholder Broker would be required to place an order/bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buy-back using the Acquisition Window of the Stock Exchanges.

A lien shall be marked in demat account of the Eligible Shareholders for the Equity Shares tendered in the Buy-back. The details of Equity Shares marked as lien in the demat account of the Eligible Shareholders shall be provided by Depositories to the NSE Clearing Limited ("**Clearing Corporation**").

In case, the demat account of the Eligible Shareholders is held in one depository and clearing member pool and clearing corporation account is held with other depository, the Equity Shares tendered under the Buy-back shall be blocked in the shareholders demat account at the source depository during the tendering period. Inter Depository Tender Offer ("**IDT**") instruction shall be initiated by shareholder at source depository to clearing member pool/ clearing corporation account at target depository. Source depository shall block the shareholder's securities (i.e., transfers from free balance to blocked balance) and sends IDT message to target depository for confirming creation of lien. Details of shares blocked in the shareholders demat account shall be provided by the target Depository to the Clearing Corporation.

For custodian participant orders, for dematerialized Equity Shares, early pay-in is mandatory prior to confirmation of the order by the custodian participant. The custodian participant shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be



rejected. For all confirmed custodian participant orders, order modification shall revoke the custodian participant confirmation and the revised order shall be sent to the custodian participant again for confirmation.

Upon placing the bid, the Shareholder Broker shall provide TRS generated by the Exchange Bidding System to the Eligible Shareholder on whose behalf the bid has been placed. The TRS will contain the details of order submitted such as bid ID number, application number, Depository Participant ID, client ID, number of Equity Shares tendered, etc.

In case of non-receipt of the completed tender form and other documents, but receipt of Equity Shares in the accounts of the Clearing Corporation and a valid bid in the Exchange Bidding System, the bid by such Eligible Shareholder shall be deemed to have been accepted.

In case of demat Equity Shares, submission of Tender Form and TRS is not required. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buy-back shall be deemed to have been accepted, for Eligible Shareholders holding Equity Shares in demat form.

The Eligible Shareholders will have to ensure that they keep the Depository Participant account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buy-back decided by the Company. Further, Eligible Shareholders will have to ensure that they keep the saving account attached with the DP account active and updated to receive credit remittance due to acceptance of Buy-back of shares by the Company.

***Procedure to be followed by Shareholders holding Equity Shares in physical form:***

In accordance with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, Eligible Shareholders holding Equity Shares in physical form can participate in the Buy-back. The procedure is as below:

Eligible Shareholders who are holding Equity Shares in the physical form and intend to participate in the Buy-back will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out. The documents include (i) the tender form duly signed (by all Shareholders in case shares are in joint names) in the same order in which they hold the shares (ii) original share certificate(s), (iii) valid share transfer form(s)/ Form SH-4 duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company, (iv) self-attested copy of the Shareholder's PAN Card, (v) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, as may be applicable. In addition, if the address of the Shareholder has undergone a change from the address reflected in the Register of Members of the Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (i) valid Aadhar Card, (ii) Voter identity card, or (iii) Passport.

Based on the aforesaid documents, the Shareholder Broker shall place the bid on behalf of the Eligible Shareholder who is holding Equity Shares in physical form and intend to tender Equity Shares in the Buy-back using the acquisition window of the Stock Exchanges. Upon placing the bid, the Shareholder broker shall provide a TRS generated by the Exchange Bidding System to the Eligible Shareholder. The TRS will contain the details of order submitted such as folio number, Equity Share certificate number, distinctive number, number of Equity Shares tendered, etc.

Each Shareholder Broker or Shareholder is required to deliver the original share certificate(s) and documents as mentioned in paragraph above along with the TRS (containing details of order submitted including the bid identification number, the application number, DP ID, Client ID in case of dematerialized Equity Shares or the folio number, certificate number, distinctive numbers and the number of Equity Shares tendered in case of Equity shares held in the physical form and the number of Equity Shares tendered) either by registered post or courier or hand delivery to the Registrar to the Buy-back on or before the Buy-back Closing Date by such Shareholder Broker. The envelope should be super scribed as "***Welspun Enterprises Limited - Buy-back 2023***". One copy of the TRS will be retained by RTA and it will provide acknowledgement of the same to such Shareholder Broker or Shareholder.

Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for Buy-back by the Company shall be subject to verification as per the Buy-back Regulations and any further directions issued in this regard. The RTA will verify such bids based on the documents submitted on a daily basis and till such time the BSE shall display such bids as "unconfirmed physical bids". Once, RTA confirms the bids, it will be treated as "Confirmed Bids".

In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialisation, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Buyback before the closure of the tendering period of the Buyback.

Please note that Eligible Shareholder(s) who intend to participate in the Buyback will be required to approach their respective Shareholder Broker (along with the complete set of documents for verification procedures) and have to ensure that their bid is entered by their respective Shareholder Broker or broker in the electronic platform to be made available by NSE before the Buyback Closing Date.

The Company shall accept Equity Shares validly tendered by the Eligible Shareholder(s) in the Buyback on the basis of their shareholding as on the Record Date and the Buyback Entitlement. Eligible Shareholder(s) who intend to participate in the Buyback using the 'plainpaper' option as mentioned in this paragraph are advised to confirm their entitlement from the Registrar to the Buyback Offer, before participating in the Buyback

Modification or cancellation of orders and multiple bids from a single Eligible Shareholder will only be allowed during the tendering period of the Buy-back.

The cumulative quantity of Equity Shares tendered shall be made available on the website of the NSE at [www.nseindia.com](http://www.nseindia.com) throughout the trading session and will be updated at specific intervals during the tendering period.

#### ***For Equity Shares held by Eligible Shareholders, being Non-Resident Shareholders***

Eligible Shareholders, being Non-Resident Shareholders (excluding FIIs/FPIs) should also enclose a copy of the permission received by them from the RBI, if applicable, to acquire the Equity Shares held by them in the Company.

Eligible Shareholders who re FIIs/ FPIs should also enclose a copy of their SEBI registration certificate.

In case the Equity Shares are held on repatriation basis, the Eligible Shareholder, being a Non-Resident Shareholder, should obtain and enclose a letter from its authorised dealer/bank confirming that at the time of acquiring such Equity Shares, payment for the same was made by such Eligible Shareholder, from the appropriate account as specified by RBI in its approval. In case the Eligible Shareholder, being a Non Resident Shareholder, is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis, and in that case, the Eligible Shareholder shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares accepted under the Buy-back.

If any of the above stated documents (as applicable) are not enclosed along with the Tender Form, the Equity Shares tendered by Eligible Shareholders, being Non-Resident Shareholders, under the Buy-back are liable to be rejected.

Those shareholders who have not received the Letter of Offer and the Tender Form dispatched by email or by physical form, as the case may be, can send a letter to the Registrar to the Buyback requesting for a copy of the Letter of Offer and the Tender Form physically or by an email. Alternatively, the shareholders can browse to the portal at <https://web.linkintime.co.in/Offer/Default.aspx> and download the Letter of offer and the Tender form available and may also check for their entitlement by entering information like Folio no, / DP id and Client id, PAN, and such other credentials as may be required for validating the request at the portal.

#### ***Acceptance of orders***

The Registrar shall provide details of order acceptance to the Clearing Corporation within specified timelines.

#### ***Settlement of Equity Shares***

Upon finalization of the basis of acceptance as per the Buy-back Regulations:

The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time, and in compliance with the SEBI Circulars.

The Company will pay the consideration to the Company's Broker who will transfer the funds pertaining to the Buy-back to the Clearing Corporation's bank accounts as per the prescribed schedule. The settlement of fund obligation for dematerialized shares shall be affected as per the SEBI circulars and as prescribed by BSE and Clearing Corporation from time to time. For dematerialized shares accepted under the Buy-back, such beneficial owners will receive funds payout in their bank account as provided by the depository system directly to the Clearing Corporation and in case of physical shares, the Clearing Corporation will release the funds to the Shareholder Broker(s) as per secondary market

payout mechanism. If Eligible Shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/ the concerned bank, due to any reason, such funds will be transferred to the concerned Shareholder Broker' settlement bank account for onward transfer to such Eligible Shareholders holding Equity Shares in dematerialized form.

In case of Eligible Shareholders where there are specific RBI and other regulatory requirements pertaining to funds pay-out, which do not opt to settle through custodians, the funds pay-out would be given to their respective Shareholder Brokers settlement bank account for onward transfer to the Eligible Shareholders. For this purpose, the client type details would be collected from the Depositories, whereas funds payout pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the Stock Exchanges and the Clearing Corporation from time to time.

Details in respect of Eligible Shareholder's entitlement for tender offer route will be provided to the Clearing Corporation by the Company or Registrar to the Buyback. On receipt of the same, Clearing Corporation will cancel the excess or unaccepted blocked shares in the demat account of the Eligible Shareholder. On Settlement date, all blocked shares mentioned in the accepted bid will be transferred to the Clearing Corporation.

Eligible Shareholder will have to ensure that they keep their depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance of shares under the Buy-back. Excess Equity Shares or unaccepted Equity Shares, in dematerialized form, if any, tendered by the Eligible Shareholders would be transferred by the Clearing Corporation directly to the respective Eligible Shareholder's Depository Participant account. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker's depository pool account for onward transfer to the Eligible Shareholder.

In the case of inter-depository/ IDT, the Clearing Corporation will cancel the excess or unaccepted shares in target depository. The source depository will not be able to release the lien without a release of Inter Depository Tender Offer ("IDT") message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from the Clearing Corporation or automatically generated after matching with Bid accepted detail as received from the Company or the Registrar to the Buy-back. Post receiving the IDT message from target depository, source depository will cancel/ release excess or unaccepted block shares in the demat account of the Eligible Shareholder. Post completion of tendering period and receiving the requisite details viz., demat account details and accepted bid quantity, source depository shall debit the securities as per the communication/ message received from target depository to the extent of accepted bid shares from Eligible Shareholder's demat account and credit it to the Clearing Corporation settlement account in target depository on settlement date.

Any excess Equity Shares, in physical form, pursuant to proportionate acceptance/rejection will be returned back to the Eligible Shareholders directly by the Registrar. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buy-back by Eligible Shareholders holding Equity Shares in the physical form. Each Shareholder Broker will issue contract note and pay on behalf of the Shareholder the consideration for the Equity Shares accepted under the Buy-back and return the balance unaccepted Equity Shares to their respective clients. The Company Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buy-back.

Eligible Shareholders who intend to participate in the Buy-back should consult their respective Shareholder Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the respective Shareholder Broker upon the Shareholders for tendering Equity Shares in the Buy-back. The Buy-back consideration received by the Shareholders, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Company and the Manager to the Buy-back accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Shareholders tendering their Equity Shares in the Buy-back.

In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account.

The Equity Shares bought back in the demat form would be transferred to the special demat account of the Company ("**Demat Escrow Account**") opened for the Buyback.

The Equity Shares lying to the credit of the Demat Escrow Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buy-back Regulations.

Participation in the Buy-back by shareholders will trigger tax on distributed income to shareholders (hereinafter referred to as “**Buyback Tax**”) in India and such tax is to be discharged by the Company. This may trigger capital gains taxation in the hands of shareholders in their country of residence, if outside India. The transaction of Buy-back would also be chargeable to securities transaction tax in India. However, in view of the particularized nature of tax consequences, the Eligible Shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buy-back.

#### ***Special Account opened with the Clearing Corporation***

The details of transfer of the Demat Shares to the special account by trading member or custodians shall be informed in the issue opening circular that will be issued by the NSE or Clearing Corporation.

#### ***Rejection Criteria***

The Equity Shares tendered by Eligible Shareholders would be liable to be rejected on the following grounds:

For Eligible Shareholders holding shares in the dematerialized form if:

- a. the Shareholder is not an Eligible Shareholder of the Company as on the Record Date; or
- b. in the event of non-receipt of the completed Tender Form and other documents from the Eligible Shareholders who were holding Physical Shares as on the Record Date and have placed their bid in demat form; or
- c. if there a name mismatch in the dematerialized account of the Shareholder and the PAN; or
- d. Where there exists any restraint order of a Court/any other competent authority for transfer/disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.

For Eligible Shareholders holding Equity Shares in the physical form if:

- a. The documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar before the close of business hours to the Registrar on or before Buy-back Closing Date;
- b. There exists any restraint order of a court/any other competent authority for transfer/disposal/sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists;
- c. If there is any other company share certificate enclosed with the Tender Form instead of the share certificate of the Company;
- d. If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders;
- e. If the Eligible Shareholders bid the Equity Shares but the Registrar does not receive the physical Equity Share certificate; or
- f. In the event the signature in the Tender Form and Form SH 4 do not match as per the specimen signature recorded with Company or Registrar.
- g. If the PAN cards (self-attested) of the shareholder and all the joint holders, are not submitted with the form.

#### ***Non-resident shareholders***

All non-resident Shareholders (excluding FIIs) should also enclose a copy of the permission received by them from the RBI to acquire the Equity Shares held by them in the Company. In case the Equity Shares are held on repatriation basis, the non-resident Shareholder should obtain and enclose a letter from its authorised dealer / bank confirming that at the time of acquiring such Equity Shares, payment for the same was made by the non-resident Shareholder from the appropriate account as specified by RBI in its approval. In case the non-resident Shareholder is not in a position to

produce the said certificate, the shares would be deemed to have been acquired on non-repatriation basis and in that case the Shareholder shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid shares accepted under the Buy-back. If any of the above stated documents (as applicable) are not enclosed along with the Tender Form, the Equity Shares tendered under the Buy-back are liable to be rejected.

## NOTE ON TAXATION

THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON OUR UNDERSTANDING OF THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA AND THE REGULATIONS THEREUNDER, THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT TAX IMPLICATIONS ON THESE TAX CONSIDERATIONS.

IN VIEW OF THE PARTICULARIZED NATURE OF TAX CONSEQUENCES, SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

THE COMPANY OR SIGNING FIRM DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF THIS TAX SUMMARY AND THERE CAN BE NO LIABILITY ON THE COMPANY OR SIGNING FIRM IF ANY ACTION IS TAKEN BY THE SHAREHOLDER SOLELY BASED ON THIS TAX SUMMARY. THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME TAX IN THE CASE OF BUYBACK OF EQUITY SHARES LISTED ON THE STOCK EXCHANGE SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

### APPLICABLE PROVISIONS UNDER INCOME TAX ACT 1961 IN RELATION OF BUY BACK OF LISTED EQUITY SHARES

#### GENERAL

Indian Income tax follows tax year period from 1st April to 31st March. The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. A person who is a tax resident of India is liable to taxation in India on his worldwide income, subject to certain prescribed tax exemptions provided under the Income Tax Act 1961 ("ITA").

A person who is treated as a non-resident for Indian tax purposes is generally liable to tax in India only on his/her India sourced income or income received by such person in India. Vide Finance Act, 2020, certain non-resident individuals are deemed to be resident in India upon triggering of certain conditions. Deemed residents would be liable to pay tax in India only on their Indian sourced income or income from business or professional controlled in India.

In case of shares of a company, the source of income from shares would depend on the 'situs' of the shares. As per judicial precedents, generally the "situs" of the shares is where company is "incorporated" and where its shares can be transferred. Accordingly, since the Company is incorporated in India, the shares of the Company would be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the ITA subject to any specific exemption in this regard. Further, the non-resident can avail the beneficial tax treatment prescribed under the relevant Double Tax Avoidance Agreement ("DTAA") subject to satisfaction of the relevant conditions including non-applicability of General Anti-Avoidance Rule ("GAAR") and providing and maintaining necessary information and documents as prescribed under the ITA as well as satisfying the relevant conditions under the respective DTAA including anti-abuse measures under the MLI, if applicable.

#### CLASSIFICATION OF SHAREHOLDERS

Section 6 of the ITA, determines the residential status of an assessee. Accordingly, shareholders can be classified broadly in two categories as below:

**a) Resident Shareholders being:**

- Individuals, Hindu Undivided Family (HUF), Association of Persons (AOP) and Body of Individuals (BOI), Firm, LLP
- Others (corporate bodies): Company, Other than Company

**b) Deemed Resident Shareholder:**

- A non-resident individual being a citizen of India who is not liable to tax in any other country or territory by reason of domicile, residence or any other criteria of similar nature and has total income other than foreign sourced income exceeding Rs 15 lakh during the tax year.

**c) Non-Resident Shareholders being:**

- Non-Resident Indians (NRIs)
- Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)
- Others:
  - Company
  - Other than Company

**BUY-BACK OF SHARES**

Section 115QA of the ITA introduced w.e.f. June 1, 2013 contains provisions for taxation of a domestic company in respect of buy-back of shares (within the meaning of Sec. 68 of the Companies Act). In effect, the incidence of tax stands shifted completely to the Company and not the recipient of the buyback proceeds.

Before the enactment of Finance Act (No 2), 2019, this section was not applicable to shares listed on a recognized stock exchange. The Finance Act (No 2), 2019 has amended section 115QA of the ITA with effect from 5th July, 2019 extending its provisions to cover distributed income on buy-back of equity shares of a company listed on a recognized stock exchange as well.

As per Section 115QA, listed companies making a public announcement of Buyback of shares on or after 5th July 2019 are required to pay an additional Tax @ 20%, plus Surcharge @ 12%, plus Health & Education Cess @ 4% on the Distributed Income.

Distributed Income is defined under section 115QA to include Consideration paid by the company on Buyback of Shares as reduced by the amount which was received by the company on issue of such shares, determined in the manner specified in Rule 40BB.

The tax on the distributed income by the company shall be treated as the final payment of tax in respect of the said income and no further credit therefor shall be claimed by the company or by any other person in respect of the amount of tax so paid.

Section 10(34A) of the ITA provided for exemption to a shareholder in respect of income arising from buyback of shares w.e.f. April 1, 2014 (i.e., Assessment year 2014-15). The Finance Act (No. 2), 2019 has also made consequential changes to section 10(34A) of the ITA extending the benefit of exemption of income from buy-back to shareholders in respect of shares listed on recognized stock exchange as well.

Thus, the tax implications on the following categories of shareholders are as under:

**A. Resident Shareholders or Deemed Resident Shareholders**

Income arising to the shareholder on account of buy-back of shares as referred to in section 115QA of the ITA is exempt from tax under the provisions of the amended section 10(34A) of the ITA with effect from July 5, 2019.

**B. Non-Resident Shareholders:**

While the income arising to the shareholder on account of buy back of shares as referred to in section 115QA of the ITA is exempt from tax under the provisions of the amended section 10(34A) with effect from July 5, 2019 in the hands of a Non-resident as well, the same may be subject to tax in the country of residence of the shareholder as per the provisions of the tax laws of that country. The credit of tax may or may not be allowed to such non-resident shareholder to be claimed in the country of residence in respect of the buy-back tax paid by the company in view of Sec 115QA (4) and (5) of the ITA. Non-resident shareholders need to consult their tax advisors with regard to availability of such a tax credit.

**TAX DEDUCTION AT SOURCE**

Currently, there are no provisions for tax deduction at source in respect of income earned from transfer/ buyback of shares in case of resident shareholders/ deemed resident shareholders.

Given that income arising on account of the buy-back of shares is exempt from tax under Section 10(34A) of ITA, the same would not be subject to tax deduction at source for non-resident shareholders.

## **SECURITIES TRANSACTION TAX**

Since the Buyback of shares shall take place through the settlement mechanism of the Stock Exchange, Securities Transaction Tax at 0.1% of the value of the transaction will be applicable.

### **LIMITATION:**

The summary of the tax considerations as above is based on the current provisions of the tax laws of India, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

In view of the specific nature of tax consequences, shareholders, who are non-residents in India, in respect of tax consequence (including capital gain tax, if any) in their state of residence, are required to consult their tax advisors for the applicable tax and the appropriate course of action that they should take considering the provisions of the relevant country or state tax law and provisions of DTAA where applicable.

The above note on taxation sets out the provisions of law in a summary manner only and does not purport to be a complete analysis or listing of all potential tax consequences of the disposal of equity shares. This note is neither binding on any regulators nor can there be any assurance that they will not take a position contrary to the comments mentioned herein.

### **Caveat:**

The summary of the tax considerations as above is based on our understanding of the current provisions of the tax laws of India, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Shareholders, who are non-residents in India, in respect of tax consequence (including capital gain tax, if any) in their state of residence, are required to consult their tax advisors for the applicable tax and the appropriate course of action that they should take considering the provisions of the relevant country or state tax law and provisions of DTAA where applicable.

The above note on taxation sets out the provisions of law in a summary manner only and does not purport to be a complete analysis or listing of all potential tax consequences of the disposal of equity shares. This note is neither binding on any regulators nor can there be any assurance that they will not take a position contrary to the comments mentioned herein. There can be no liability on the company or signing firm if any action is taken by the shareholder solely based on this tax summary. Therefore, shareholders cannot rely on this advice and the summary tax implications relating to the treatment of income tax in the case of buyback of equity shares listed on the stock exchange as set out above.



## **DECLARATION BY THE BOARD OF DIRECTORS**

The Board of Directors of the Company (“**Board**”) has made full enquiry into the affairs and prospects of the Company and has formed the opinion that:

- (i) Immediately following the date of the Board meeting i.e. December 30, 2022 and the date on which the result of the members resolution passed by way of Extra – Ordinary General Meeting (“**Special Resolution**”) will be declared approving the Buyback, there will be no grounds on which the Company could be found unable to pay its debts;
- (ii) As regards the Company’s prospects for the year immediately following the date of the Board meeting as well as for the year immediately following the Special Resolution, and having regard to the Board’s intentions with respect to the management of the Company’s business during that year and to the amount and character of the financial resources which will in the Board’s view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board meeting as also from the date of Special Resolution;
- (iii) In forming its opinion for the above purposes, the Board has taken into account the liabilities, as if the Company were being wound up under the provisions of the Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 (to the extent notified), as the case may be and the Insolvency and Bankruptcy Code, 2016, as amended from time to time, as applicable including prospective and contingent liabilities.

The declaration has been made and issued under the authority of the Board in terms of the resolution passed at its meeting dated December 30, 2022.

**For and on behalf of the Board of Directors of the Company**

Sd/-  
Sandeep Garg  
Managing Director  
(DIN- 00036419)

Sd/-  
Rajesh Mandawewala  
Non-Executive Non-Independent Director  
(DIN-00007179)

## AUDITORS CERTIFICATE

### Report addressed to the Board of Directors by the Company's Auditors on the permissible capital payment:

The text of the Report dated December 30, 2022 of MGB & Co LLP, Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

#### Quote

To,  
The Board of Directors,  
Welspun Enterprises Limited  
Welspun House,  
Kamala Mills Compound,  
Senapati Bapat Marg,  
Lower Parel (West), Mumbai 400 013, Maharashtra

### Re: Statutory Auditor's Report in respect of proposed buyback of equity shares by Welspun Enterprises Limited ("the Company") in terms of Clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended ("the Buyback Regulations")

1. This Report is issued in accordance with the terms of our engagement letter dated 28 December 2022.
2. The Board of Directors of the Company have approved a proposal for buyback of 1,17,50,000 equity shares of Rs. 10 at a price of Rs. 200 per equity share of the Company at its Meeting held on 30 December 2022, in pursuance of the provisions of Sections 68, 69 and 70 of the Companies Act, 2013, as amended (the "Act") and the Buyback Regulations. We have been requested by the Management of the Company to provide a report on the accompanying "Statement of Permissible Capital Payment (including premium) as at March 31, 2022" ('Annexure A') (hereinafter referred to as the "Statement"). This Statement has been prepared by the Management, which we have initialed for the purposes of identification only.

#### Management's Responsibility.

3. The preparation of the Statement in compliance with Section 68(2)(c) of the Act, Regulation 4(i) of the Buyback Regulations and the proviso to Regulation 5(i)(b) of the Buyback Regulations and in compliance with the Buyback Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment (including premium), the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

#### Auditor's Responsibility:

4. Pursuant to the requirements of the Buyback Regulations, it is our responsibility to provide a reasonable assurance that:
  - i) We have inquired into the state of affairs of the Company in relation to the annual audited standalone and consolidated financial statements as at 31 March 2022 which was adopted by the Members of the Company at the Annual General Meeting held on 29 August 2022;
  - ii) The amount of permissible capital payment as stated in Annexure A, has been determined considering the annual audited standalone and consolidated financial statements as at 31 March 2022 in accordance with Section 68(2)(c) of the Act, Regulation 4(i) of the Buyback Regulations and the proviso to Regulation 5(i)(b) of the Buyback Regulations; and
  - iii) The Board of Directors of the Company, in their Meeting held on 30 December 2022 has formed the opinion as specified in Clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the aforesaid date with regard to the proposed buyback are declared.
5. The annual standalone and consolidated financial statements referred to in paragraph 4 above, have been audited by us, on which we have issued an unmodified audit opinion in our reports dated 12 May 2022. We conducted our

audit of the annual standalone and consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

6. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India (the "Guidance Note") and Standards on Auditing specified under Section 143(10) of the Act, in so far as applicable for the purpose of this certificate. 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.
7. 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. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid buyback.

### **Opinion**

8. Based on inquiries conducted and our examination as above, we report that:
  - i) We have inquired into the state of affairs of the Company in relation to its annual audited standalone and consolidated financial statements as at and for the year ended 31 March 2022, which have been approved by the Board of Directors at board meeting and Members of the Company at the Annual General Meeting held on 12 May 2022 and on 29 August 2022 respectively. The amount of permissible capital payment (including premium) towards the proposed buy back of equity shares as computed in the Statement attached herewith, as Annexure A, in our view has been properly determined in accordance with Section 68 (2)(c) of the Act, Regulation 4(i) of the Buyback Regulations and the proviso to Regulation 5(i)(b) of the Buyback Regulations.
  - ii) The Board of Directors of the Company, in their meeting held on 30 December 2022 has formed opinion as specified in clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds that the Company having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board Resolution dated 30 December 2022.

### **Restriction on use**

9. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buyback of equity shares of the Company as mentioned in paragraph 2 above, (ii) to enable the Board of Directors of the Company to include in the public announcement and other documents pertaining to buyback to be sent to the shareholders of the Company or to be filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges and any other regulatory authority as per applicable law in India and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) can be shared with the merchant banker(s) involved in connection with the proposed buyback of equity shares of the Company for onward submission to SEBI, stock exchanges and / or any other regulatory authority as required under the law in India, and may not be suitable for any other purpose. This report 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 MGB & Co LLP**  
**Chartered Accountants**  
**Firm Registration Number 101169W/W-100035**

**Sd/-**  
**Sanjay Kothari**  
**Partner**  
**Membership Number 048215**  
**Mumbai, 30 December 2022**  
**UDIN: 22048215BGLOFT1622**

**Annexure A - Statement of Permissible Capital Payment (including premium) as at 31 March 2022**

**Computation of amount of permissible capital payment towards buyback of equity shares in compliance with Section 68(2)(c) of the Act and provisions under the Buyback Regulations, based on annual audited standalone and consolidated financial statements as at and for the year ended 31 March 2022**

| <b>Particulars</b>   |              | <b>Standalone</b> | <b>Amount (Rs in Lakhs)<br/>Consolidated</b> |
|--|--------------|-------------------|--|
| Paid up equity share capital as at 31 March 2022   | (A)          | <b>14,978</b>     | <b>14,978</b>                                |
| Free Reserves as at 31 March 2022 :  |              |                   |  |
| - Retained Earnings  |              | 54,897            | 38,930                                       |
| - Securities Premium   |              | 95,049            | 95,049                                       |
| - General Reserve  |              | 321               | 321  |
| Total Free Reserves  | (B)          | <b>1,50,267</b>   | <b>1,34,300</b>                              |
| Total Paid Up Equity Share Capital and Free Reserves   | C = A<br>+ B | <b>1,65,245</b>   | <b>1,49,278</b>                              |
| Maximum amount permissible for buy back under Section 68 of the Companies Act 2013 and Regulation 4(i) of the Buyback Regulations ie. 25% of the aggregate of the total paid up capital and free reserves. | C<br>*25%    | 41,311            | 37,320                                       |
| Maximum amount permissible for buy back under the proviso to Regulation 5(i)(b) of the Buyback Regulations ie. 10% of the aggregate of the total paid up capital and free reserves.                        | C<br>*10%    | 16,525            | 14,928                                       |
| Amount proposed by Board Resolution dated 30 December 2022 approving the buy back  |              |                   | 23,500                                       |

Note:

(i) The amounts of paid up equity capital and free reserves as at 31 March 2022 have been extracted from the annual audited standalone and consolidated financial statements of the Company as at and for the year ended 31 March 2022.

(ii) Amalgamation Reserve, Capital Reserve, Employee Stock Option Reserve and Reserve on Fair Value through Other Comprehensive Income have not been considered for the purpose of above computation.

**For and on behalf of the Board of Welspun Enterprises Limited**

Sd/-  
Sandeep Garg  
(Managing Director)  
DIN : 00036419

Sd/-  
Sanjay Sultania  
(Chief Financial Officer)

Place : Mumbai  
Date : 30 December 2022

## Unquote

### **DOCUMENTS FOR INSPECTION**

The copies of the following documents referred to hereunder are available for inspection by Shareholders of the Company at the registered office at Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat-370 110 from 10:00 a.m. to 5:00 p.m. on any Working Day during the Tendering Period:

1. Certificate of incorporation of the Company;
2. Memorandum and Articles of Association of the Company;
3. Copy of the annual reports of the Company for the financial years 2019- 2020, 2020-2021 and 2021-2022 and and unaudited (limited review) financial results for the nine months period ended December 31, 2022;
4. Copy of resolution passed by the Board of Directors in relation to the Buy-back at its meeting held on December 30, 2022;
5. Copy of special resolution passed by the Shareholders in Extra – Ordinary General meeting, the results of which were announced on January 24, 2023;
6. Auditor's Report prepared by MGB & Co LLP, Chartered Accountants, in terms of clause (xi) of Schedule I of the Buy-back Regulations;
7. Copy of Public Announcement dated January 24, 2023, and published on January 25, 2023;
8. Copy of Declaration of solvency and an affidavit as per Form SH-9 of the Companies (Share Capital and Debentures) Rules, 2014;
9. Certificate dated February 1, 2023, issued by H K Shah & Co., Chartered Accountants, confirming that the Company has made firm financial arrangements for the purposes of the Buy-back;
10. Copy of the Escrow Agreement dated [●]; and
11. Copy of the SEBI letter dated [●] providing its observations in terms of the Buy-back Regulations.

## GENERAL INFORMATION

### Details of the Compliance Officer

The details of the Company Secretary and Compliance Officer are provided below:

**Ms. Nidhi Tanna**

**Company Secretary and Compliance Officer**

**Welspun Enterprises Limited**

8<sup>th</sup> Floor,

BKT House, Kamala City,

Senapati Bapat Marg,

Lower Parel,

Mumbai-400 013

**Tel No.-** +91 22 6613 6000

**E-mail ID-** companysecretary\_wel@welspun.com

Eligible Shareholders may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours, being 10:00 a.m. to 5:00 p.m. on all Working Days, except Saturday, Sunday and Public holiday.

### Details of the remedies available to the Shareholders

In case of any grievances relating to the Buy-back (i.e. non-receipt of the Buy-back consideration, Equity Share certificate, demat credit, etc.) the Eligible Shareholder can approach the Compliance Officer and/or the Manager to the Buy-back and/or the Registrar to the Buy-back for redressal.

If the Company makes any default in complying with the provisions of Section 68 of the Companies Act or any rules made there under, or any regulation, the Company or any officer of the Company who is in default shall be punishable with imprisonment for a term and its limit, or with a fine and its limit or with both in terms of the Companies Act.

### Details of Registrar to the Buy-Back, Collection Centre and the Investor Service Center

In case of any query, the Eligible Shareholders may contact the Registrar during working hours, being 10:00 a.m. to 5:00 p.m. all Working Days, except Saturday, Sunday and public holiday at the following address:

**LINKIntime**

**LINK INTIME INDIA PRIVATE LIMITED**

**Name:** Link Intime India Private Limited

**Address:** C-101, 1st Floor, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400083, Maharashtra, India

**Tel:** +91 810 811 4949 **Fax:** +91 22 4918 6060

**E-mail:** welspunenterprises.buyback@linkintime.co.in

**Website:** www.linkintime.co.in

**Investor Grievance E-mail:** welspunenterprises.buyback@linkintime.co.in

**Contact person:** Mr. Sumeet Deshpande

**SEBI Registration number:** INR000004058

**Validity:** Permanent **CIN:** U67190MH1999PTC118368

Eligible Shareholders who wish to tender their Equity Shares in the Buyback can send the Tender Form by registered post/ speed post or hand deliver the same, along with the TRS generated by the exchange bidding system along with all relevant documents by super-scribing the envelope as “*Welspun Enterprises Limited – Buy-back 2023*”, to the Registrar to the Buyback at its office set out above, so that the same are received not later than the Buyback Closing Date.

For the Eligible Shareholders holding Equity Shares in demat form, the Tender Form and TRS are not required to be submitted to the Company, Manager to the Buy-back or the Registrar to the Buy-back. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted for the Eligible Shareholders holding Equity Shares in demat form.

### **Details of the Registrar of Companies**

Our Company is registered with the Registrar of Companies, Gujarat, situated at Anjar.

### **Manager to the Buy-back**



#### **DAM Capital Advisors Limited**

One BKC, Tower C, 15th Floor, Unit No. 1511,  
Bandra Kurla Complex, Bandra (East),  
Mumbai 400 051

Maharashtra, India

**Tel:** +91 22 4202 2500

**E-mail:** [wel.buyback@damcapital.in](mailto:wel.buyback@damcapital.in)

**Website:** [www.damcapital.in](http://www.damcapital.in)

**Contact Person:** Chandresh Sharma/ Nidhi Gupta

**SEBI Registration Number:** MB/INM000011336

**Validity Period:** Permanent

**CIN:** U99999MH1993PLC071865

**DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THIS  
DRAFT LETTER OF OFFER**

In terms of Regulation 24(i)(a) of the Buy-back Regulations, the Board accepts full and final responsibility for the information contained in this Draft Letter of Offer and for the information contained in all other advertisements, circulars, brochures, publicity materials etc. which may be issued in relation to the Buy-back and confirms that the information in such documents contain and will contain true, factual and material information and does not and will not contain any misleading information. This Draft Letter of Offer is issued under the authority of the Board in terms of the resolution passed in its meeting dated December 30, 2022 and by the Buy-back Committee in terms of the resolution passed by the Buy-back Committee in its meeting held on February 2, 2023.

For and on behalf of the Board of Directors of **Welspun Enterprises Limited**

Sd/-

Sandeep Garg  
Managing Director  
(DIN- 00036419)

Sd/-

Balkrishan Goenka  
Chairman and Executive Director  
(DIN-00270175)

Sd/-

Nidhi Tanna  
Company Secretary  
(Membership No. A30465)

**Date:** February 2, 2023  
**Place:** Mumbai



## TENDER FORM

### TENDER FORM (FOR SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM)

Date: \_\_\_\_\_  
Bid No: \_\_\_\_\_

To,  
C/o. **LINK INTIME INDIA PRIVATE LIMITED**  
Address: C-101, 1st Floor, 247 Park, LBS Marg, Vikhroli  
(West), Mumbai – 400083, Maharashtra, India  
Tel: +91 810 811 4949  
Fax: +91 22 4918 6060  
E-mail: welspunenterprises.buyback@linkintime.co.in  
Investor Grievance E-mail:  
welspunenterprises.buyback@linkintime.co.in  
Contact person: Mr. Sumeet Deshpande  
SEBI Registration number: INR000004058  
Validity: Permanent  
CIN: U67190MH1999PTC118368

|                           |   |     |
|---------------------------|---|-----|
| <b>BUY-BACK OPENS ON</b>  | : | [•] |
| <b>BUY-BACK CLOSES ON</b> | : | [•] |

| For Registrar/Collection Centre Use |  |
|-------------------------------------|--|
| <b>Inward No.</b>                   |  |
| <b>Date</b>                         |  |
| <b>Stamp</b>                        |  |

| Status: Please tick appropriate box                    |  |                            |  |
|--|--|----------------------------|--|
| Individual   |  | Mutual Fund                |  |
| Insurance Companies                                    |  | Other QIBs                 |  |
| Company  |  | Other NIB                  |  |
| Foreign Institutional Buyer/Foreign Portfolio Investor |  | Bank/Financial Institution |  |
| FVCI   |  | Pension Fund               |  |
| NRI/OCB  |  | VCF                        |  |
| Partnership/LLP  |  |                            |  |

| India Tax Residency Status: Please tick appropriate box |  |  |
|---|--|--|
| Resident in India                                       |  | Non- Resident in India                     |
|   |  | Resident of                                |
|   |  | _____                                      |
|   |  | (Shareholder to fill country of residence) |

Dear Sirs,

**Sub: Letter of offer dated [•] (the “Letter of Offer”) in relation to the buy-back of up to [•] Equity Shares of Welspun Enterprises Limited (the “Company”) at a price of ₹ [•] per Equity Share (the “Buy-back Offer Price”) payable in cash (the “Buy-back”)**

1. I/We, (having read and understood the Letter of Offer dated [•]) hereby tender/ offer my/ our Equity Shares in response to the Buy-back in accordance with the terms and conditions set out below and in the Letter of Offer.
2. I/ We authorise the Company to Buy-back the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buy-back to extinguish the Equity Share certificates.
3. I/ We hereby affirm that the Equity Shares comprised in this tender/ offer are offered for the Buy-back by me / us free from all liens, equitable interest, charges and encumbrance.
4. I/ We declare that there are no restraints / injunctions or other order(s) of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buy-back and that I / we am / are legally entitled to tender the Equity Shares for the Buy-back.
5. I / We agree that the Company is not obliged to accept any Equity Shares offered for Buy-back where loss of Equity Share certificates has been notified to the Company.
6. I / We agree that the Company will pay the Buy-back Offer Price only after due verification of the validity of the documents and that the consideration will be paid as per secondary market mechanism.
7. I / We undertake to return to the Company any consideration in respect of the Buy-back that may be wrongfully received by me / us.
8. I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buy-back in accordance with the Companies Act, 2013 and the rules made thereunder and the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998.
9. I / We authorize the Company to split the Equity Share certificates and issue a new consolidated Equity Share certificate for the unaccepted Equity shares in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buy-back.
10. I/ We acknowledge that the responsibility to discharge the tax due on any gains arising on buy-back is on me / us. I / We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians/ authorized dealers/ tax advisors appropriately.
11. I/ We undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to me / us on buyback of shares. I / We also undertake to provide the Company, the relevant details in respect of the taxability / non-taxability of the proceeds arising on buyback of shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.
12. **This clause is applicable for Non-Resident Shareholders only** - I/We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India (“RBI”) under Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended (the “FEMA Regulations”) and the rules and regulations framed there under, for tendering Equity Shares in the Buy-back, and also undertake to comply with the reporting requirements, if applicable, under the FEMA

Regulations and any other rules, regulations and guidelines, in regard to remittance of funds outside India / We undertake to return to the Company any consideration in respect of the Buy-back that may be wrongfully received by me / us.

13. Details of Equity Shares held and tendered / offered in the Buy-back:

|  | In Figures | In Words |
|--|------------|----------|
| Number of Equity Shares held as on the Record Date                   |            |          |
| Number of Equity Shares Entitled for Buy-back (Buy-back Entitlement) |            |          |
| Number of Equity Shares offered for Buy-back                         |            |          |

Note: An Equity Shareholder may tender Equity Shares over and above his / her Buy-back Entitlement. Number of Shares validly tendered by any Equity Shareholder up to the Buy-back Entitlement of such Equity Shareholder shall be accepted to the full extent. The Shares tendered by any Equity Shareholder over and above the Buy-back Entitlement of such Equity Shareholder shall be accepted in accordance with Paragraph [•] of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance. The signature on the Transfer deed (Form SH 4) should match with the signature recorded / registered with the records of the Company / Registrar.

Tear along this line

**Acknowledgement Slip for Welspun Enterprises Limited – Buy-back**

(to be filled by the Eligible Shareholder) (subject to verification)

Received from Mr./Ms./M/s. \_\_\_\_\_ Ledger Folio No. \_\_\_\_\_

Number of Equity Share certificate submitted \_\_\_\_\_ : \_\_\_\_\_

Number of Equity Shares offered for Buy-back:

In Figures: \_\_\_\_\_

In Words: \_\_\_\_\_

Please quote Ledger Folio No. for all future correspondence

|                 |
|-----------------|
| Stamp of Broker |
|                 |

14. Details of Share Certificate(s) enclosed:

Total No. of Share Certificates Submitted: \_\_\_\_\_

| Sr. No.      | Folio No. | Share Certificate No. | Distinctive Nos. |    | No. of Shares |
|--------------|-----------|-----------------------|------------------|----|---------------|
|              |           |                       | From             | To |               |
| 1.           |           |                       |                  |    |               |
| 2.           |           |                       |                  |    |               |
| 3.           |           |                       |                  |    |               |
| 4.           |           |                       |                  |    |               |
| <b>Total</b> |           |                       |                  |    |               |

In case the number of folios and Equity Share certificates enclosed exceed four, please attach a separate sheet giving details in the same format as above.

Tear along this line

ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUY-BACK SHOULD BE ADDRESSED TO THE REGISTRAR AT THE FOLLOWING ADDRESS QUOTING YOUR FOLIO NUMBER:

Name: Link Intime India Private Limited  
 Address: C-101, 1st Floor, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400083, Maharashtra, India  
 Tel: +91 810 811 4949  
 Fax: +91 22 4918 6060  
 E-mail: welspunenterprises.buyback@linkintime.co.in  
 Investor Grievance E-mail: welspunenterprises.buyback@linkintime.co.in  
 Contact person: Mr. Sumeet Deshpande  
 SEBI Registration number: INR000004058  
 Validity: Permanent  
 CIN: U67190MH1999PTC118368

15. Details of other Documents (Please ✓ as appropriate, if applicable) enclosed:

|   |  |
|---|--|
| Power of Attorney – Welspun Enterprises Limited | Previous RBI approvals for acquiring the Equity Shares of Welspun Enterprises Limited tendered in the Buy-back |
| Corporate authorizations                        | Death Certificate  |
| Succession Certificate                          | Self attested copy of Permanent Account Number (PAN Card)  |
| Others (please specify) : _____                 |  |

16. Details of the bank account of the sole or first Shareholder to be incorporated in the consideration warrant (to be mandatorily filled):

| Name of the Bank | Branch and City | IFSC and MICR Code | Account Number (indicate type of account) |
|------------------|-----------------|--------------------|---|
|                  |                 |                    |   |

17. Equity Shareholders Details:

|                                 | First/Sole Shareholder | Joint Shareholder 1 | Joint Shareholder 2 | Joint Shareholder 3 |
|---------------------------------|------------------------|---------------------|---------------------|---------------------|
| Full Name(s) of the Shareholder |                        |                     |                     |                     |

|  |  |  |  |  |
|--|--|--|--|--|
| Signature(s)*                          |  |  |  |  |
| PAN No.                                |  |  |  |  |
| Address of the First/ Sole Shareholder |  |  |  |  |
| Telephone No. / Email ID               |  |  |  |  |

\* Corporate must affix rubber stamp and sign under valid authority. The relevant corporate authorization should be enclosed with the application from submitted.

#### INSTRUCTIONS

1. The Buy-back will open on [•] and close on [•].
2. This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
3. Eligible Shareholders who wish to tender their Equity Shares in response to this Buy-back should deliver the following documents so as to reach before the close of business hours to the Registrar (as mentioned in the Letter of Offer) on or before Buy-back Closing Date (i) The relevant Tender Form duly signed by all Eligible Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares; (ii) Original Equity Share certificates; (iii) Self attested copy of the Permanent Account Number (PAN) Card; (iv) Transfer deed (Form SH 4) duly signed (by all Eligible Shareholders in case Equity Shares are held jointly) in the same order in which they hold the Equity Shares.
4. Eligible Shareholders should also provide all relevant documents in addition to the above documents, which include but are not limited to: (i) Duly attested power of attorney registered with the Registrar, if any person other than the Eligible Shareholder has signed the relevant Tender Form; (ii) Duly attested death certificate / succession certificate in case any Eligible Shareholder is deceased; and (iii) Necessary corporate authorisations, such as Board Resolutions etc., in case of companies.
5. Eligible Shareholders to whom the Buy-back is being made are free to tender Equity Shares to the extent of their entitlement in whole or in part or in excess of their entitlement.
6. All documents sent by the Shareholder Broker/ custodian will be at their own risk and the Shareholder Broker/ custodian is advised to adequately safeguard their interests in this regard.
7. All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) If there is any other company's equity share certificate enclosed with the Tender Form instead of the Equity Share certificate of the Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholder; (iii) If the Eligible Shareholders tender Equity Shares but the Registrar does not receive the Equity Share certificate; (iv) In case the signature on the Tender Form and Form SH 4 doesn't match as per the specimen signature recorded with Company/Registrar.
8. By agreeing to participate in the Buyback the Non-Resident Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.

All capitalized terms shall have the meanings ascribed to it in the Letter of Offer.

## TENDER FORM (FOR SHAREHOLDERS HOLDING EQUITY SHARES IN DEMATERIALISED FORM)

Date: \_\_\_\_\_  
Bid No: \_\_\_\_\_

To,  
The Board of Directors  
Welspun Enterprises Limited  
C/o. **LINK INTIME INDIA PRIVATE LIMITED**  
Address: C-101, 1st Floor, 247 Park, LBS Marg,  
Vikhroli (West), Mumbai – 400083, Maharashtra,  
India  
Tel: +91 810 811 4949  
Fax: +91 22 4918 6060  
E-mail:  
welspunenterprises.buyback@linkintime.co.in  
Investor Grievance E-mail:  
welspunenterprises.buyback@linkintime.co.in  
Contact person: Mr. Sumet Deshpande  
SEBI Registration number: INR000004058  
Validity: Permanent  
CIN: U67190MH1999PTC118368

|                            |   |     |
|----------------------------|---|-----|
| <b>BUY-BACK OPENS ON</b>   | : | [*] |
| <b>BUY-BACK CLOSSES ON</b> | : | [*] |

| For Registrar     |  |
|-------------------|--|
| <b>Inward No.</b> |  |
| <b>Date</b>       |  |
| <b>Stamp</b>      |  |

| Status: Please tick appropriate box                    |  |                            |  |
|--|--|----------------------------|--|
| Individual   |  | Mutual Fund                |  |
| Insurance Companies                                    |  | Other QIBs                 |  |
| Company  |  | Other NIB                  |  |
| Foreign Institutional Buyer/Foreign Portfolio Investor |  | Bank/Financial Institution |  |
| FVCI   |  | Pension Fund               |  |
| NRI/OCB  |  | VCF                        |  |
| Partnership/LLP  |  |                            |  |

| India Tax Residency Status: Please tick appropriate box |  |  |  |
|---|--|--|--|
| Resident in India                                       |  | Non-Resident in India                      |  |
|   |  | Resident of                                |  |
|   |  | _____                                      |  |
|   |  | (Shareholder to fill country of residence) |  |

Dear Sirs,

**Sub: Letter of Offer dated [\*] in relation to the buy-back of up to [\*] Equity Shares of Welspun Enterprises Limited (the “Company”) at a price of ₹ [\*] per Equity Share (the “Buy-back Offer Price”) payable in cash (the “Buy-back”)**

1. I/We, (having read and understood the Letter of Offer dated [\*]) hereby tender/ offer my/ our Equity Shares in response to the Buy-back in accordance with the terms and conditions set out below and in the Letter of Offer.
2. I/ We authorize the Company to Buy-back the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buy-back to extinguish the Equity Share certificates.
3. I/ We hereby affirm that the Equity Shares comprised in this tender/ offer are offered for the Buy-back by me / us free from all liens, equitable interest, charges and encumbrance.
4. I/ We declare that there are no restraints / injunctions or other order(s) of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buy-back and that I / we am / are legally entitled to tender the Equity Shares for the Buy-back.
5. I / We agree that the Company will pay the Buy-back Offer Price only after due verification of the validity of the documents and that the consideration will be paid as per secondary market mechanism.
6. I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buy-back in accordance with the Companies Act, 2013 and the rules made thereunder and the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018.
7. I / We authorize the Company to split the Equity Share certificates and issue a new consolidated Equity Share certificate for the unaccepted Equity shares in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buy-back.
8. I/ We acknowledge that the responsibility to discharge the tax due on any gains arising on buy-back is on me / us. I / We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians/ authorized dealers/ tax advisors appropriately.
9. I/ We undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to me / us on buyback of shares. I / We also undertake to provide the Company, the relevant details in respect of the taxability / non-taxability of the proceeds arising on buyback of shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.
10. **This clause is applicable for Non-Resident Shareholders only** - I/We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India (“RBI”) under Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended (the “FEMA Regulations”) and the rules and regulations framed there under, for tendering Equity Shares in the Buy-back, and also undertake to comply with the reporting requirements, if applicable, under the FEMA Regulations and any other rules, regulations and guidelines, in regard to remittance of funds outside India / We undertake to return to the Company any consideration in respect of the Buy-back that may be wrongfully received by me / us.
11. Details of Equity Shares held and tendered / offered in the Buy-back:

|  | In Figures | In Words |
|--|------------|----------|
| Number of Equity Shares held as on the Record Date                   |            |          |
| Number of Equity Shares Entitled for Buy-back (Buy-back Entitlement) |            |          |
| Number of Equity Shares offered for Buy-back                         |            |          |

Note: An Eligible Person may tender Equity Shares over and above his/her Buy-back Entitlement. Number of Equity Shares validly tendered by any Eligible Shareholder up to the Buy-back Entitlement of such Eligible Shareholder shall be accepted to the full extent. The Equity Shares tendered by any Eligible Shareholder over and above the Buy-back Entitlement of such Eligible Shareholder shall be accepted in accordance with the Letter of Offer. Equity Shares tendered by any Shareholders over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

----- Tear along this line -----

**Acknowledgement Slip for Welspun Enterprises Limited – Buy-back**

(to be filled by the Eligible Shareholder) (subject to verification)

Folio No./ DP ID: \_\_\_\_\_ Client ID \_\_\_\_\_

Received from Mr./Ms./M/s. \_\_\_\_\_ Tender Form

Number of Equity Shares offered for Buy-back:

In Figures: \_\_\_\_\_

In Words: \_\_\_\_\_

Please quote Client ID and DP ID. For all future correspondence

|                 |
|-----------------|
| Stamp of Broker |
|                 |

12. Details of account with Depository Participant:

|   |      |      |
|---|------|------|
| Name of the Depository (tick as applicable) | NSDL | CDSL |
| Name of the Depository Participant          |      |      |
| DP ID                                       |      |      |
| Client ID with Depository Participant       |      |      |

13. Equity Shareholders Details:

|  | First/Sole Shareholder | Joint Shareholder 1 | Joint Shareholder 2 | Joint Shareholder 3 |
|--|------------------------|---------------------|---------------------|---------------------|
| Full Name(s) of the Shareholder        |                        |                     |                     |                     |
| Signature(s)*                          |                        |                     |                     |                     |
| PAN No.                                |                        |                     |                     |                     |
| Address of the First/ Sole Shareholder |                        |                     |                     |                     |
| Telephone No. / Email ID               |                        |                     |                     |                     |

\* Corporate must affix rubber stamp and sign under valid authority. The relevant corporate authorization should be enclosed with the application from submitted.

**INSTRUCTIONS**

- The Buy-back will open on [•] and close on [•].
- This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
- The Equity Shares tendered in the Offer shall be rejected if (i) the Eligible Shareholder is not a shareholder of the Company as on the Record date, (ii) if there is a name mismatch in the demat account of the Eligible Shareholder, (iii) if the Eligible Shareholder has made a duplicate bid on both the recognized stock exchanges, (iv) in case of receipt of the completed Tender Form and other documents but non-receipt of Equity Shares in the special account of the Clearing Corporation, (v) a non-receipt of valid bid in the exchange bidding system.
- The Eligible Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to the Buy-back being on a proportionate basis in terms of the Ratio of Buy-back.
- Eligible Shareholders to whom the Buy-back is made are free to tender Equity Shares to the extent of their Buy-back Entitlement in whole or in part or in excess of their entitlement.
- For the procedure to be followed by Eligible Shareholders for tendering in the Buy-back, please refer to clause [•] of the Letter of Offer.
- All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- By agreeing to participate in the Buyback the Non-Resident Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.

All capitalized terms shall have the meanings ascribed to it in the Letter of Offer.

**Form No. SH-4 - Securities Transfer Form**

**[Pursuant to Section 56 of the Companies Act, 2013 and Sub-Rule (1) of Rule 11 of the Companies (Share Capital and Debentures) Rules 2014]**

Date of execution: \_\_\_\_/\_\_\_\_/\_\_\_\_

**FOR THE CONSIDERATION** stated below the “Transferor(s)” named do hereby transfer to the “Transferee(s)” named the securities specified below subject to the conditions on which the said securities are now held by the Transferor(s) and the Transferee(s) do hereby agree to accept and hold the said securities subject to the conditions aforesaid.

CIN: 

|   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| L | 4 | 5 | 2 | 0 | 1 | G | J | 1 | 9 | 9 | 4 | P | L | C | 0 | 2 | 3 | 9 | 2 | 0 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|

Name of the company (in full): Welspun Enterprises Limited

Name of the Stock Exchange where the company is listed, (if any): NSE and BSE

**DESCRIPTION OF SECURITIES:**

| Kind/ Class of securities (1)         | Nominal value of each unit of security (2) | Amount called up per unit of security (3) | Amount paid up per unit of security (4) |
|---------------------------------------|--|---|---|
| Equity Shares                         | ₹ 10                                       | ₹ 10                                      | ₹ 10                                    |
| No. of Securities being Transferred   |  | Consideration received (₹)                |   |
| In figures                            | In words                                   | In words                                  | In figures                              |
|                                       |  |   |   |
| <b>Distinctive Number</b>             | <b>From</b>                                |   |   |
|                                       | <b>To</b>                                  |   |   |
| <b>Corresponding Certificate Nos.</b> |  |   |   |
| <b>Transferors' Particulars</b>       |  |   |   |

Registered Folio Number:

|  |
|--|
|  |
|--|

Name(s) in full

Signature(s)

1. \_\_\_\_\_

\_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_

3. \_\_\_\_\_

\_\_\_\_\_

I, hereby confirm that the transferor has signed before me.

Signature of the Witness: \_\_\_\_\_

Name of the Witness: \_\_\_\_\_

Address of the Witness: \_\_\_\_\_

Pincode: \_\_\_\_\_

| Transferees' Particulars       |                                      |  |
|--------------------------------|--------------------------------------|--|
| Name in full (1)               | Father's/ Mother's / Spouse Name (2) | Address & E-mail id (3)  |
| 1. Welspun Enterprises Limited | 1. N.A.                              | Welspun City, Village Versamedi, Taluka Anjar, Anjar, Gujarat – 370110, India<br><br>E-mail id: companysecretary_wel@welspun.com |
| Occupation (4)                 | Existing Folio No., if any (5)       | Signature (6)  |
| Business                       |                                      | 1. _____<br>2. _____<br>3. _____   |

**Folio No. of Transferee**

\_\_\_\_\_

**Specimen Signature of Transferee(s)**

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

Value of Stamp affixed: Rs. \_\_\_\_\_

Enclosures:

1. Certificate of shares or debentures or other securities
2. If no certificate is issued, Letter of allotment
3. Copy of PAN Card of all the Transferees (For all listed Cos.)
4. Others, Specify, \_\_\_\_\_

**For Office Use Only**

Checked by \_\_\_\_\_

Signature Tallied by \_\_\_\_\_

Entered in the Register of Transfer on \_\_\_\_\_

\_\_\_\_\_ vide Transfer no \_\_\_\_\_

Approval Date \_\_\_\_\_

Power of attorney / Probate / Death certificate / Letter of Administration

Registered on \_\_\_\_\_ at \_\_\_\_\_

No \_\_\_\_\_

**On the reverse page of the certificate**

|                    |                    |               |                  |
|--------------------|--------------------|---------------|------------------|
| Name of Transferor | Name of Transferee | No. of Shares | Date of Transfer |
| _____              | _____              | _____         | _____            |

Signature of authorized signatory