

WEL/SEC/2018

January 30, 2018

To,

The Manager, Dept. of Corporate Services, Bombay Stock Exchange Ltd, 1 <sup>st</sup> Floor, Rotunda Bldg, Dalal Street, Fort Mumbai - 400 001 Scrip Code: 532553	The Asst. Vice President, Listing Department National Stock Exchange of (I) Ltd., Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 NSE Symbol: WELENT
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Dear Sir/Madam,

**Sub: Acquisition of 49% stake in Chikhali-Tarsod Project**

Please be informed that the Company has, today, acquired 49% stake in the Project for Four laning of Chikhali - Tarsod (Package-IIA) section of NH-6 from km. 360.000 to km.422.700 from Vishvaraj Group for a consideration of Rs. 83.3 million.

The Company has an option to acquire the remaining 51% stake as and when the regulator (NHAI) permits at a fixed consideration of Rs. 86.7 million.

Please find attached the text of the press communication, which is being released simultaneously to the media.

Please take the same on your record.

Thanking you,

Yours Sincerely,

For Welspun Enterprises Limited



Indu Daryani  
Company Secretary



## HAM portfolio strengthened

- WEL becomes sponsor to one more project
- HAM project portfolio expanded to five projects worth over Rs. 50 billion

**Mumbai, January 30, 2018:** Welspun Enterprises Ltd. ("WEL" or "Company"), part of the US\$ 2.3 billion Welspun Group, today announced expansion of its infrastructure development portfolio by becoming sponsor to one more Hybrid Annuity Model (HAM) project.

WEL has acquired 49% stake in the Chikhali-Tarsod NHAH HAM project in the state of Maharashtra, from Vishvaraj Group ("VIL"). WEL will be the sponsor to this project, thus expanding its HAM project portfolio to five projects worth over Rs. 50 billion.

The consideration for this stake purchase is Rs. 83.3 million. The Company has an option to acquire the remaining 51% stake as and when the regulator (NHAH) permits. The consideration for the purchase of the remaining stake is fixed at Rs. 86.7 million.

As per the Hybrid Annuity Model by NHAH, the project will have 40% financial support from NHAH. The debt component is estimated to be 48% of the project cost; and as sponsor, the balance will be funded by WEL (apart from the equity of VIL). The EPC contract of the project will be executed by WEL. A more detailed overview of the project is given in the appendix.

### **Management Comments**

**Commenting on the developments, Mr. B. K. Goenka, Chairman, Welspun Group said,** "We are extremely focussed on profitably growing our infrastructure portfolio and this transaction is another step in that direction. We continue to explore opportunities for value creation in the infrastructure space."

**Appendix**

Project Details	
Project Name	Four laning of Chikhali – Tarsod (Package-IIA) section of NH-6 from km. 360.000 to km.422.700
State	Maharashtra
Estimated Project Cost – NHAI	Rs. 9.09 billion
Length (kms)	62.7
Construction Period	910 days
Operation Period	15 years post-COD
Bid Project Cost	Rs. 10.48 billion
First-Year O&M	Rs. 40.1 million
Expected Fund Commitment from Sponsors	Rs. 1.3 billion

**About Welspun Enterprises Ltd. ([www.welspunenterprises.com](http://www.welspunenterprises.com))**

Welspun Enterprises Ltd. (WEL), part of the Welspun Group, is an operating Company in the infrastructure business. The Company also has investments in Oil & Gas Exploration. The company, in its current form was created through the merger of Welspun Enterprises Ltd., Welspun Infratech Ltd., Welspun Plastics Private Ltd. and Welspun Infra Projects Private Ltd. with Welspun Projects Ltd through the Scheme of Amalgamation and Arrangement made effective from May 11, 2015.

**DISCLAIMER:**

*The information in this release has been included in good faith and is for general purposes only. It should not be relied upon for any specific purpose and no representation or warranty is given as regards to its accuracy or completeness. No information in this release shall constitute an invitation to invest in Welspun Enterprises Ltd (formerly known as Welspun Projects Ltd), or any of its affiliates. Neither Welspun Enterprises Ltd (formerly known as Welspun Projects Ltd), nor their affiliates' officers, employees or agents shall be liable for any loss, damage or expense arising out of any action taken on the basis of this release, including, without limitation, any loss of profit, indirect, incidental or consequential loss.*