

To
The Manager
The Department of Corporate Services
BSE Limited

Floor 25, P. J. Towers,
Dalal Street, Mumbai – 400 001

Scrip Code: 533271

December 22, 2022

Sub: INR 9,000 Crores Divestment of Highway Projects portfolio to Actis under Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

We refer to our release dated June 9, 2022 wherein we had informed that Welspun Enterprises Limited (“**the Company**”) executed definitive agreements with Actis Highway Infra Limited (“Actis”) to exit from its operating road concessions portfolio (“**Completed Highway Portfolio**”), comprising of 5 completed HAM assets (Welspun Delhi Meerut Expressway Private Limited, Welspun Road Infra Private Limited, MBL (CGRG) Road Limited, MBL (GSY) Road Limited, Chikhali Tarsod Highways Private Limited) and one operating BOT-Toll asset (Welspun Infracility Private Limited).

In this regard, we are pleased to inform that the Company has complied with all necessary Conditions Precedents (CP) and has obtained all necessary regulatory & statutory approvals for First Closing including National Highways Authority of India (NHAI), Public Works Department of Government of Maharashtra (PWD) and lenders for divestment of 100% stake in HAM assets and 49% stake in BOT-Toll asset (“**First Closing**”). Divestment of balance 51% stake in BOT-Toll asset shall be undertaken upon obtaining necessary regulatory and statutory approvals (“**Second Closing**”).

The Cumulative **Enterprise Value** (Enterprise Value) value for the entire transaction stands at INR 5,853 Cr after considering the net current assets and other closing parameters. The Completed Highway Portfolio as on the date of First Closing has outstanding senior debt of INR 3,544 Cr including undisbursed debt of INR 59 Cr in BOT-Toll asset. It may be noted that the aforesaid EV excludes construction linked milestone/ grant payments of approximately amounts equivalent to INR 2,929 Cr already received and an amount of INR 267 Cr further receivable from NHAI and PWD. Hence, the value of the Completed Highway Portfolio stands at approximately INR 9,049 Cr.

Post this exit from Completed Highway Portfolio, the Company’s road asset portfolio would comprise of two under construction HAM road projects (Sattanathapuram - Nagapattinam and Aunta - Simaria Road projects) which have a total project cost of INR 3,900 cr. The EPC order book, as of September 30, 2022, for the Company stood at a robust value of approximately INR 11,400 cr, comprising of INR 6,400 cr in water sector and balance INR 5,000 cr in road sector.

Welspun Enterprises Limited

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Corporate Identity Number: L45201GJ1994PLC023920

Commenting on this development, Mr. B. K. Goenka, Chairman, Welspun Group said, "*This is one of the largest exit from our Group and fulfil our business model of capturing entire value chain of successfully winning-constructing-stabilizing-monetizing of Road Assets. We won one of India's first road HAM project in 2016 and during the last 5 years created a strong portfolio of over INR 12,000 cr in the road and highway sector. Our current unexecuted EPC orders of over INR 11,400 cr in both Road as well Water sector is a testimony of how we are leveraging our strong industry knowledge and experience to have a sustainable value accretive growth.*"

Ernst and Young LLP acted as exclusive advisor for Welspun Enterprises Limited.

The details required pursuant to SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015 are given in Annexure I. This is for your kind information.

Yours sincerely,
For Welspun Enterprises Limited

Sanjay Sultania
Chief Financial Officer

Welspun Enterprises Limited

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About Welspun Enterprises Limited

Welspun Enterprises Ltd. (WEL), part of the Welspun Group, is an infrastructure development company focusing on Road, Water and Wastewater segments. The Company also has investments in Oil & Gas Exploration in partnership with Adani group. Backed by experienced management and strong parentage, WEL has a proven track record with the execution of water supply projects and over 1,000 kms of road projects.

About Welspun Group

Welspun Group is one of the India's fastest growing conglomerates, with businesses in Line Pipes, Home Textiles, Infrastructure, Steel, Advanced Textiles and Flooring solutions. With the presence of over three decades, Welspun has been recognized as a global leader in Home Textiles and Line Pipes, with existence in over 50 countries backed by a strong team of 26,000+ employees. The Group enjoys a strong relationship with almost all Fortune 100 companies operating in the Retail and O&G sectors and has been continuously following global ESG practices as a responsible conglomerate.

About Actis

Actis is a leading global investor in sustainable infrastructure. We deliver competitive returns for institutional investors and measurable positive impact for countries, cities, and communities in which we operate. Our global experience, operational knowhow and strong culture allow us to create global sustainability leaders. We do it at scale. And have been doing so for decades. Since inception, we have raised US \$24 billion to invest in a better tomorrow.

Actis is a signatory to the United Nations backed Principles for Responsible Investment (UNPRI), an investor initiative developed by the UNEP FI and the UN Global Compact. The firm has consistently been awarded the highest rating score in the UN Principles for Responsible Investment (PRI) independent assessment.

The Actis Long Life Infrastructure Fund, established in 2019, is focused on acquiring, owning and operating stabilised infrastructure assets across multiple sectors, driving operational value, to deliver a strong cash yield for investors and measurable ESG impact. Since its inception in 2019 with US\$1,234m of commitments, the fund has made significant investments across the power generation, distribution and district energy segments globally, and is now entering the transport sector.

www.act.is

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Annexure I

Information to be submitted to the Exchanges as per Regulation 30 of SEBI LODR read with SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015 as follows.

| Sr. No. | Particulars | Details |
|-----------|--|---|
| a. | The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year. | In the financial year 2021-22, the contribution of the six SPVs being divested, to the consolidated turnover of the Company, was Rs. 653 cr i.e. ~47% and their contribution to the consolidated net worth was Rs. 68 cr i.e. ~4 %. |
| b. | Date on which the agreement for sale has been entered into | 09 June 2022 |
| c. | The expected date of completion of sale/disposal | 22 December 2022 for 100% exit of 5 HAM projects and 49% of BOT- Toll asset. Balance 51% of BOT-Toll asset is expected to be exited by March 2024 after obtaining all the necessary Statutory and Regulatory approvals. |
| d. | Consideration received from such sale/disposal | The Cumulative Enterprise Value (Enterprise Value) value for the entire transaction stands at INR 5,853 Cr after considering the net current assets and other closing parameters. |
| e. | Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof | <p>Actis Highway Infra Limited is a company duly incorporated under the laws of Mauritius and is a wholly owned subsidiary of the Actis Long Life Infrastructure Fund (ALLIF). ALLIF is a fund with US\$1,234m of commitments focused on investing in operating infrastructure assets with long term contracted offtake with the objective of creating value through operational improvements and generating a regular and stable yield for its investors.</p> <p>The buyer does not belong to the promoter/ promoter group/group companies of the Company.</p> |
| f. | Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length” | The transaction is not a Related Party Transaction. |
| g. | Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale. | Not Applicable. |

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