

September 5, 2018

To,

**The National Stock Exchange of India Ltd.,**

Exchange Plaza, 5th Floor,

Plot No. C/1, G Block,

Bandra - Kurla Complex,

Bandra (East),

Mumbai - 400 051

**Stock Symbol: WELCORP**

**BSE Limited**

1<sup>st</sup> Floor, New Trading Wing,

Rotunda Bldg, P.J. Towers,

Dalal Street, Fort,

Mumbai – 400 001

**BSE Scrip Code: 532144**

Dear Sir / Madam,

**Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations")**

**Ref: Scheme of Amalgamation presented under section 230 - 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, of Welspun Pipes Limited ("WPL") with Welspun Corp Limited ("WCL") and their respective shareholders and creditors ("Scheme" or "the Scheme").**

Pursuant to Regulation 30 read with Schedule III of the Listing Regulations, we inform you that the Board of Directors of the Company ("Board") at its meeting held on 5<sup>th</sup> September, 2018 have, inter alia, considered and approved the draft Scheme.

With a view to streamline the promoter holding in WCL and to eliminate layer of promoter shareholder company, the scheme provides for merger of WPL, a promoter company and a shareholder of WCL, into WCL.

Upon effectiveness of the Scheme, the existing equity shares held by WPL in WCL shall be cancelled and WCL shall issue equivalent number of equity shares to the shareholders of WPL. The promoters would continue to hold the same percentage of shares in WCL, pre and post the amalgamation and there will be no increase in the promoter shareholding of WCL. During the pendency of the Scheme, WPL shall not dispose of, either in part or in full, its holding in WCL.

The Scheme provides that the shareholders of WPL shall indemnify WCL and keep WCL indemnified for liability, claim, demand, if any, and which may devolve on WCL on account of this amalgamation. There would also be no change in the financial position of WCL. Accordingly, the proposed amalgamation is not prejudicial to the interests of the shareholders and creditors of WCL and the public at large.

**Welspun Corp Limited**

Welspun House, 5th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, India.

T : +91 22 6613 6000 / 2490 8000 F : +91 22 2490 8020

E-mail : companysecretary\_wcl@welspun.com Website : www.welspuncorp.com

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

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Corporate Identity Number: L27100GJ1995PLC025609



The Scheme as aforesaid is subject to necessary approvals by the stock exchanges, Securities and Exchange Board of India, shareholders and creditors of the company(ies), as may be applicable, Ahmedabad Bench of National Company Law Tribunal and such other statutory and regulatory approvals as may be required.

The Scheme as approved by the Board of Directors will be available on the website of the Company at [www.welspuncorp.com](http://www.welspuncorp.com) post submitting the same to the stock exchanges.

In terms of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9 September, 2015, we are furnishing herewith the details of the Scheme as Annexure I.

Thanking You.  
For Welspun Corp Limited



**Pradeep Joshi**  
**Company Secretary**  
**FCS - 4959**



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**Annexure I – Amalgamation / Merger**

<p>a. Name of the entity(ies), forming part of the amalgamation, details in brief such as size, turnover etc;</p>	<p>1. <u>Welspun Pipes Limited (“the Transferor Company” or “WPL”) – Standalone</u></p> <p>Total Assets- INR 10183.82 million (as on 31 March 2018)          Net Worth - INR 56.65 million (as on 31 March 2018)          Turnover – INR Nil (For period 1 April 2017 to 31 March 2018)</p> <p>2. <u>Welspun Corp Limited (“the Transferee Company” or “WCL”) – Standalone</u></p> <p>Total Assets –INR 55,055.52 million (as on 31 March 2018)          Net Worth- INR 18,675.66million (as on 31 March 2018) as per the Companies Act, 2013          Turnover –INR 53,901.17 million (For period 1 April 2017 to 31 March 2018)</p>
<p>b. Whether the transaction would fall within related party transaction? If yes, whether the same is done at "arms' length"</p>	<p>The amalgamation is proposed between WCL and WPL. WPL is one of the promoters and shareholders of WCL, hence the amalgamation transaction will fall under the ambit of related party transaction.</p> <p>Upon Scheme becoming effective, WCL will issue exactly the same number of equity shares to the shareholders of WPL as is currently held by WPL. WPL and WCL have obtained a Share Exchange Ratio report from an independent Chartered Accountant which is confirmed by a fairness opinion obtained from SEBI registered Category I Merchant Banker.</p>
<p>c. Areas of the business of the entity(ies)</p>	<p>1. <u>Welspun Pipes Limited</u></p> <p>The Company is engaged in business, of directly or indirectly through associate company/ ies or otherwise, the business of, manufacture, process, trade and deal in steel plates, coils, pipes and trading in commodities.</p> <p>2. <u>Welspun Corp Limited</u></p> <p>The Company, together with its subsidiaries, is engaged in the business of Production and Coating of High Grade Submerged Arc Welded Pipes, Hot Rolled Steel Plates and Coils.</p>
<p>d. Rationale of amalgamation/merger</p>	<p>WPL and WCL are part of Welspun Group. It is proposed to amalgamate WPL into WCL by the Scheme, as a result of which the</p>

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		<p>shareholders of WPL would directly hold shares in the WCL, since it is envisaged that the following benefits would, inter alia accrue to the Transferor/Transferee/Welspun Group:</p> <ul style="list-style-type: none"> <li>a) The amalgamation will result in the promoter group of the Transferor Company directly holding shares in the Transferee Company, which will lead to simplification of the shareholding structure and reduction of shareholding tiers of the Transferee Company;</li> <li>b) The promoter group of the Transferee Company is desirous of streamlining its holding in the Transferee Company. As a step towards such rationalization, it is proposed to merge the Transferor Company into the Transferee Company;</li> <li>c) The promoters would continue to hold the same percentage of shares in the Transferee Company, pre and post the amalgamation. There would also be no change in the financial position of the Transferee Company.</li> <li>d) All cost, charges and expenses relating to the Scheme would be borne out of the assets (other than shares of the Transferee Company) of the Transferor Company. Any expense, exceeding the assets of the Transferor Company would be borne by the shareholders of the Transferor Company directly;</li> <li>e) Further, the Scheme also provides that the shareholders of the Transferor Company shall indemnify the Transferee Company and keep the Transferee Company indemnified for liability, claim, demand, if any, and which may devolve on the Transferee Company on account of this amalgamation.</li> </ul>
e.	In case of cash consideration – amount or otherwise share exchange ratio	<p>The Scheme does not provide for any cash consideration. The consideration as provided in clause 5.1 of Part B of the Scheme is as follows:</p> <p><i>“11,04,49,818 fully paid up equity share of Rs. 5 each of the Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of the Transferor Company in proportion of their holding in the Transferor Company”</i></p>

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f.	Brief details of change in the shareholding of the listed entity	<p>At present WPL holds 11,04,49,818 (41.64%) equity shares in WCL and forms part of the Promoter Group of WCL. Total Promoter holding in WCL is 48.75%. Pursuant to the Scheme, the equity shares held by WPL in WCL shall be cancelled and exactly the same number of equity shares, as held by WPL in WCL prior to the Scheme, shall be issued to the shareholders of WPL in the same proportion as that of their holding in WPL.</p> <p>Thus, post-merger, there will be no change in the shareholding of promoters in the listed entity.</p>
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