



WELSPUN CORP LIMITED
(CIN : L27100GJ1995PLC025609)

Corporate Office: Welspun House, 5th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013
Tel No.: 022- 66136000, **Fax No.:** 022- 2490 8020 **Website:** www.welspuncorp.com
Company Secretary: Mr. Pradeep Joshi; E-mail: CompanySecretary_WCL@welspun.com

PRIVATE AND CONFIDENTIAL – FOR ADDRESSEE ONLY

PRIVATE PLACEMENT OF 2500 SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES OF RS.10,00,000/- EACH FOR CASH AT PAR AGGREGATING RS. 250 CRORES

GENERAL RISKS

For taking an investment decision, investors must rely on their own examination of the Issue and the Information Memorandum including the risks involved. The Issue has not been recommended or approved by Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this Information Memorandum.

CREDIT RATING

CRISIL “AA-” and CARE “AA- with a positive outlook” (pronounced as CRISIL Double A Minus and CARE Double A Minus) by CRISIL Limited and CARE Ratings Limited respectively for the long term facilities indicating “high safety for timely servicing of debt obligations. Such instruments carry very low credit risk”.

The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating obtained is subject to revision at any point of time in the future. The rating agencies have a right to suspend, withdraw the rating at any time on the basis of new information etc.

LISTING

The Debentures are proposed to be listed on the BSE Limited (“BSE” or the “Stock Exchange”).

TRUSTEE TO THE DEBENTURE HOLDERS	REGISTRAR TO THE ISSUE
	
IDBI TRUSTEESHIP SERVICES LIMITED Asian Building, Ground Floor, 17-R. Kamani Marg, Ballard Estate, Mumbai – 400 001 Tel.: 022 6631 1771/2/3/ Fax: No. 022 6631 1776 Email: renu.kamra@idbitrustee.com	LINK INTIME INDIA PRIVATE LIMITED C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai-400 083 Tel: 022 49186000 Fax: 022 49186060 Email: rnt.helpdesk@linkintime.co.in ; bonds.helpdesk@linkintime.co.in

Issue Program:

Issue Open Date	January 25, 2018
Issue Close Date	February 07, 2018
Pay-in Date	on or before February 07, 2018
Deemed Date of Allotment	on or before February 07, 2018

The Company reserves the right to change the Issue program and also accept or reject any application in part or in full without assigning any reason.

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Definition/Abbreviations/Terms Used

Articles of Association/ Articles	Articles of Association of Welspun Corp Limited (WCL)
Board of Directors	Board of Directors of WCL
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CARE	CARE Ratings Limited
CRISIL	CRISIL Limited
CDSL	Central Depository Services (India) Limited
Company/Issuer/Issuer Company	Welspun Corp Limited (WCL)
Debenture Trustee/Trustees	IDBI Trusteeship Services Limited
Debentures/NCD	Secured, redeemable Non- Convertible Debentures issued / proposed to be issued pursuant to this Information Memorandum
Depositories	NSDL and/or CSDL
DP	Depository Participant
EBITDA	Earnings Before Interest, Depreciation & Tax
FY	Financial Year
INR/Rs./Rupees	Currency of Republic of India
Investor	Those persons who fall under the category of eligibility to whom this information memorandum along with pricing supplement may be sent with a view to offering the debentures for sale on private placement basis through this Information Memorandum
Issue	2500 Secured Redeemable Non-Convertible Debentures of Rs.10,00,000/- each for cash at par aggregating Rs.250 crores
Memorandum of Association/Memorandum	Memorandum of Association of WCL
MTPA	Million Tonnes Per Annum
NSDL	National Securities Depository Limited
RBI	Reserve Bank of India
RTGS System	Real Time Gross Settlement
SEBI	Securities and Exchange Board of India
TDS	Tax deducted at source
WDM Segment	Wholesale Debt Market Segment
API	American Petroleum Institute
ERW	Electric Resistance Welding
FBE	Fusion Bond Epoxy
GE	General Electric
HFERW	High Frequency Electric Resistance Welding
ID/OD	Inside Diameter / Outside Diameter
ISO	International Organization for standardization
IUT	ultrasonic pulse technique
Mm	Millimeters
SAP	Systems, Applications and Products in Data Processing
UT	Ultrasonic Testing

DISCLAIMER**GENERAL DISCLAIMER**

This Disclosure Document is neither a Prospectus nor a Statement in Lieu of Prospectus and is prepared in accordance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. This document does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures to be issued by **Welspun Corp Limited** (the "Issuer"/ the "Company"/ "WCL"). The document is for the exclusive use of the Institutions to whom it is delivered and it should not be circulated or distributed to third party(ies). The Company certifies that the disclosures made in this document are generally adequate and are in conformity with the captioned SEBI Regulations. This requirement is to facilitate investors to take an informed decision for making investment in the proposed Issue.

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This Disclosure Document has not been filed with Securities & Exchange Board of India (SEBI). The Securities have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this document. It is to be distinctly understood that this document should not, in any way, be deemed or construed that the same has been cleared or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in this document. The issue of Debentures being made on private placement basis, filing of this document is not required with SEBI, however SEBI reserves the right to take up at any point of time, with the Company, any irregularities or lapses in this document.

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The Issuer confirms that the information contained in this Disclosure Document is true and correct in all material respects and is not misleading in any material respect. All information considered adequate and relevant about the Issue and the Company has made available in this Disclosure Document for the use and perusal of the potential investors and no selective or additional information would be available for a section of investors in any manner whatsoever. The Company accepts no responsibility for statements made otherwise than in this Disclosure Document or any other material issued by or at the instance of the Issuer and anyone placing reliance on any other source of information would be doing so at his/her/their own risk.

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I. SUMMARY INFORMATION OF OUR COMPANY

i. Name and address of Registered Office of our Company

Name: Welspun Corp Limited

Registered Office: Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, 370110 Tel No. +91 2836 662079, Fax No. + 91 2836 279060

Corporate Office: Welspun House, 5th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013
Tel No.: 022- 66136000, **Fax No.:** 022- 2490 8020

- ii. Date of incorporation of the company :** April 26, 1995. The Company was originally incorporated on April 26, 1995 under the name of Welspun Stahl Rohren Limited, as a public limited company under the erstwhile Companies Act, 1956 (now the Companies Act, 2013) with registration number 04-25609 (Now the Company Identification Number - L27100GJ1995PLC025609) with the Registrar of Companies, Gujarat, Dadra & Nagar Haveli, India. The name of the Company was subsequently changed to Welspun-Gujarat Stahl Rohren Limited pursuant to a new certificate of incorporation dated February 26, 1997 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. The name of the Company was further changed to Welspun Corp Limited pursuant to a new certificate of incorporation dated April 26, 2010 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli.

II. SUMMARY OF BUSINESS/ ACTIVITIES AND LINE OF BUSINESS.

a) OVERVIEW

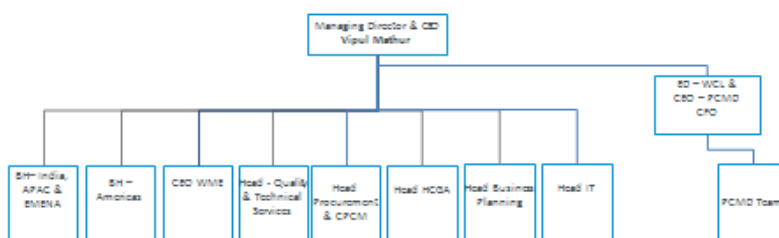
Welspun Corp Limited (formerly known as Welspun-Gujarat Stahl Rohren Limited) set up in 1995 and is today probably the largest Diameter Line Pipe Company in the World with a capacity of 2.425 MTPA and Plate and Coil mill having a capacity of 1.5 MTPA. With a strong culture of 'Engineering Excellence' WCL takes pride to be amongst the most preferred suppliers of Line Pipes in the World. The Company has supplied pipes for the toughest of projects and has a credible list of clients unmatched in the Industry. For the

last 4 years, the Company has produced and sold around a million tons of Pipes globally.

In Gulf of Mexico, WCL is known as the Company which supplied pipes to the deepest pipeline project (Independence Trail project) – in the United States and Canada, the Company has supplied the longest pipeline (Keystone Project from Canada to U.S.). In Peru, WCL has to its credit of supplying to the highest pipeline (Peru LNG) and in the Persian Gulf WCL supplied pipes for the heaviest pipeline (IGAT IV).

WCL currently offers a one stop-solution in line pipes with a capacity to manufacture Longitudinal (LSAW), Spiral (HSAW) and HFERW / HFI (ERW) pipes. The Company additionally offers coating, bending, concrete weight coating and double jointing facilities thereby offering a 360 degree pipe solution to its customers.

b) CORPORATE STRUCTURE



c) COMPANY AT A GLANCE

• Total Capacity at all Geographies

The total capacity has reached 2.425 million tons. The global capacity distribution of WCL is as under:

Location	India			USA	Middle East	Total
	Dahej	Mandya	Anjar	Arkansas	Saudi Arabia	
LSAW	350		350			700
HSAW	50	150	500	350	300	1350
ERW/HFIW	-	-	200	175		375
Plates/Coils	-	-	1500	-	-	1500

LSAW Pipes:

The Company manufactures Longitudinal Submerged Arc Welded (LSAW) mainly used for used for energy transportation in Oil and Gas sector. The size range of the LSAW pipes produced by the Company varies between 16 inches - 60 inches for outer diameter and up to 65 mm of wall thickness.

HSAW Pipes:

The Company manufactures Helical Submerged Arc Welded (HSAW) mainly used for energy transportation in Oil and integrated water supply projects. The size range of the HSAW pipes produced by the Company varies between 18 inches - 140 inches for outer diameter and up to 27 mm of wall thickness.

ERW/ HFIW Pipes:

The Company manufactures Electric Resistance Welded Pipes (ERW) and High Frequency Induction Welding (HFIW) galvanized steel pipes mainly used in various purposes like fencing, scaffolding, creating steel frames for construction, Automobile parts, high tension electronic towers etc. The size range of these pipes varies between 1.25 inches- 16 inches for the outer diameter and up to 18 mm of wall thickness.

Plate cum Coil Mill

The Company has a capacity of 1.5 mn tons for manufacturing of plates and coils at Anjar, Gujarat. The slabs required for rolling the plates and coils are majorly imported. The Company is poised to bagging new orders from external clients in both in the domestic and international markets and establishes credibility in the market to supply high-end commercial plates to witness growth in demand with economic advantage growth will add further efficiency to the existing operation of the Plate and Coil mill. The Company has already created a niche demand in the renewable sector and has a huge clientele with likes of Gamesa, Inox Wind, Vestas, Suzlon etc.

- **Order book position and active bids**

The Order book as on December 31, 2017 stood at Rs.7400 Crores (1.2 KMT) orders for pipes. The strong order book shows over 50% export orders from premium markets like the US and Canada.

- **Enhanced visibility for new orders**

According to the current scenario there will be an improvement in demand for pipes from domestic region and also in the export market such as the US, Europe and the Middle East. The Company is currently participating in several bids, both globally and domestically. The active bids of the Company currently are over 5 million tons across various geographies.

- **Manufacturing Facilities**

L-Saw Mill – Anjar and Dahej, India

A modern manufacturing facility with JCOE Process commissioned in year 1999 at Dahej with all major equipment supplied by Mannesmann Demag (Now SMS Meer) amongst some of the very best in the World. The annual rated capacity of the L-SAW mill is to produce 1000 kilometers of pipes per annum. In other words, the mill is capable of producing 83 KM of pipes in a

month. The mill is designed and commissioned by SMS Meer of Germany. With its own state-of-the-art inspection and testing lab, this Mill has its in-house NACE lab fully geared for all type of testing as per international standards and has been approved by all major clients.

Specifications: LSAW Size Range

Outer Diameter	16 inch to 60 inch
Wall Thickness	6 mm – 65 mm
Length	Up to 18 Meters
Capacity	700,000 ton per annum

Material Grade:

- API 5L Grade B to Grade X-80 (and above) & API 2B
- As per all other International Standards ASTM, DIN, BS etc

H-Saw Mills - Dahej, Anjar & Mandya, India

These Mills are equipped with state-of-the-art NDT - Mechanical - Chemical testing facilities

Specifications: Size Range

Outer Diameter	18 inch to 140 inch
Wall Thickness	5 mm – 27 mm
Length	Up to 18 Meters
Capacity	700,000 ton per annum

Material Grade:

- API 5L Grade B to Grade X-80
- As per all other International Standards ASTM, DIN, BS etc

H-Saw Mills – Dammam, Saudi Arabia

These Mills are equipped with state-of-the-art NDT - Mechanical - Chemical testing facilities

Specifications: Size Range

Outer Diameter	18 inch to 100 inch
Wall Thickness	6 mm – 25.4 mm
Length	Up to 18 Meters
Capacity	350,000 ton per annum

Material Grade:

- API 5L Grade B to Grade X-80
- As per all other International Standards ASTM, DIN, BS etc

Coating Facility- Dammam, Saudi Arabia

Specifications: Size Range

External Coating	4 inch to 120 inch (Outer Diameter)
Pipe Length	10 m to 24 m
Capacity	4.5 million m ²

H-SAW Mill - Little Rock, Arkansas, USA

Welspun's state-of-art manufacturing facility is located on a 800 acre site adjacent to the Little Rock Port authority

Specifications: Size Range

Outer Diameter	24 inch to 60 inch
Wall Thickness	6.35 mm to 25.4 mm
Length	up to 24 Meters
Capacity	350,000 ton per annum

Material Grade:

- API 5L Grade B to Grade X-80
- As per all other International Standards ISO, DNV, ASTM, DIN, BS etc.

HFERW & HFIW Mills - Anjar, India

When the Company acquired the HFIW Mill of "Geneva Steel" the driving force was once again the Company's guiding principle. Acquire the best technology to make the best product.

Specifications: Size Range

Outer Diameter	1.5 inch to 16 inch
Wall Thickness	2 mm to 12.7 mm
Length	6 to 18 meters
Capacity	200,000 TPA

Material Grade:

- API 5L Grade B to Grade X-70 & API 5CT

- As per all other International Standards ASTM, DIN, BS, IS etc.

HFIW Mill – Little Rock, USA

Specifications: Size Range

Outer Diameter	168.3 mm to 508 mm
Wall Thickness	4 mm to 14 mm
Length	8.5 to 24 meters
Capacity	175,000 TPA

Material Grade:

- API 5L to Grade X-70 & J55 and above
- As per all other International Standards ASTM, DIN, BS, IS etc.

Coating Facility - Anjar, India & Little Rock, USA

The Company has fully owned coating facility adjacent to the existing pipe mill in India. This was set up in a joint venture with EUPEC Pipe Coating of Germany thereby enabling to offer coated pipes from a single facility. These internal & external coating plants located at both the locations in India (Dahej and Anjar) and Little Rock, USA with FBE, ARO and Internal Flow coat and the double joint welding operations in our US facility.

Specifications: Size Range

External Coating	2 inch to 140 inch (Outer Diameter)
Internal Coating	6 inch to 140 inch (Outer Diameter)
Capacity	22.745 million m ²

Pipe Coatings available:

- External 3 layer Polyethylene (3LPE)
- Polypropylene Systems (3LPP)
- Single & Dual layer Fusion bonded Epoxy (FBE/DFBE)
- Abrasion Resistance Overlay Internal Flow Efficiency
- Internal solvent base coating (Flow Coat)
- Internal solvent free coating (Flow Coat)
- Coal Tar Enamel (CTE)
- Concrete Weight Coating (Sub Contracting)
- Inside Cement Mortar Lining

Hot Induction Bends Mill - Anjar, India

The Company has the facility to provide the hot induction bends to their pipe Customers

Specifications: Size Range

Bend Pipes	6 inch to 60 inch
Thickness	up to 50 mm
Bend Angle	0 - 180 degree
Radius	up to 9800 mm

d) Key Operational And Financial Position /Summary Of The Company's Operations

The following table sets out summary financial data relating to the Company.

Standalone operations.

	In Rs Crores			
	H1-FY2018	FY 2017	FY 2016	FY 2015
Tangible Network (TNW)	1,879	1,795	1,824	1,857
Total Debt				
a) Long term debt (LTD) (A)	449	1180	1603	1878
b) Short term borrowing (STD)	200	214	187	188
c) Current maturities of LTD	118	91	94	73
Net Fixed Assets	2,277	2387	2609.8	2818
Non Current Assets	-	383	438	401
Cash and Cash equivalents	355	617	863	976
Current Investments	279	502	718	778
Current Assets	3,033	3,508	2,836	3,758
Current Liabilities	2,517	2,708	1,966	2,805
Net Sales	2,644	4,483	3,785	4,949
EBITDA	251	517	337	381
EBIT	374	762	585	624
Interest	88	207	193	213
PAT	94	177	(93)	(16)
Dividend amounts	14	14	14	14
Current Ratio	1.20	1.30	1.44	1.34
Interest Coverage ratio	3.45	2.31	1.90	1.80
Gross Debt/ Equity ratio	0.41	0.83	1.03	1.2
Debt Service Coverage Ratio	5.18	1.59	1.27	0.6

Gross Debt: Equity ratio of the Company at standalone basis:

Before the issue of debt securities	0.40 x
After the issue of debt securities	0.61 x

e) Project cost and means of finance, in case of funding of new projects.

Not applicable.

III. BRIEF HISTORY OF ISSUER SINCE INCORPORATION, DETAILS OF ACTIVITIES INCLUDING ANY REORGANIZATION, RECONSTRUCTION OR AMALGAMATION, CHANGE IN CAPITAL STRUCTURE, (AUTHORISED, ISSUED AND SUBSCRIBED) AND BORROWINGS.

a) Share Capital as at 31st March 2017 is set forth below:

1. SHARE CAPITAL	Amount
A. Authorised Share Capital	
304,000,000 Equity Shares of Rs.5/- each	1,520,000,000.00
98,000,000 Preference Shares of Rs.10/- each	980,000,000.00
B. Issued, Subscribed and Paid up	
265,226,109 Equity Shares of Rs.5/- each fully paid up	1,326,130,545.00

Equity shares of the company are listed on the BSE Ltd. and National Stock Exchange of India.

b) Change in capital structure as on last quarter end, and for last 5 years:

There has been no change in capital structure as on December 31, 2017 or for the last 5 years.

c) Equity share capital history of the Company as on last quarter end, and for last 5 years:

The details of the existing share capital of the issuer in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.

Sr. No.	Date of Allotment	Dist. No.		Cumulative Capital (No. of Shares)	FV (Rs.)	Issue Price (Rs.)	Cash / Otherwise than in cash	Type of Issue
		No. of Shares	from to					
1	26.04.1995	700	1 700	700	10.00	10	Cash	MoA
2	16.04.1996	6,041,500	701 6,042,200	6,042,200	10.00	10	Cash	Private Placement
3	18.03.1997	93,898,800	6,042,201 99,941,000	99,941,000	10.00	10	Cash	Public Issue
4	29.11.1997	59,000	99,941,001 100,000,000	100,000,000	10.00	10	Cash	Private Placement
5	19.05.1999	22,719,760	100,000,001 122,719,760	122,719,760	10.00	10	Cash	Preferential Allotment
6	31.03.2002	18,636,000	122,719,761 141,355,760	141,355,760	10.00	10	Cash	OCFD Conversion
Note 1 : Total Equity Shares i.e. 141,355,760 – stood cancelled pursuant to High Court Order approving Scheme of Arrangement in the nature of merger of Eupec Welspun PipeCoatings India Limited with the Company. The Scheme also provide for re-organization of share capital and change in the face value from Rs.10 to Rs.5/-								
1	03.05.2005	107,069,032	1 107,069,032	107,069,032	5.00	-	Cash	Pursuant to the Scheme
2	03.05.2005	3,068	107,069,033 107,072,100	107,072,100	5.00	71.42	Cash	FCCB Conversion
3	13.06.2005	14	107,072,101 107,072,114	107,072,114	5.00	71.42	Cash	FCCB Conversion
4	05.08.2005	3,680,426	107,072,115 110,752,540	110,752,540	5.00	71.42	Cash	FCCB Conversion
5	08.08.2005	1,542,506	110,752,541 112,295,046	112,295,046	5.00	71.42	Cash	FCCB Conversion
6	10.10.2005	535,942	112,295,047 112,830,988	112,830,988	5.00	71.42	Cash	FCCB Conversion
7	14.10.2005	447,339	112,830,989 113,278,327	113,278,327	5.00	71.42	Cash	FCCB Conversion
8	21.10.2005	5,346,008	113,278,328 118,624,335	118,624,335	5.00	71.42	Cash	FCCB Conversion
9	04.11.2005	1,606,274	118,624,336 120,230,609	120,230,609	5.00	71.42	Cash	FCCB Conversion
10	18.11.2005	1,441,344	120,230,610 121,671,953	121,671,953	5.00	71.42	Cash	FCCB Conversion
11	28.12.2005	1,353,577	121,671,954 123,025,530	123,025,530	5.00	71.42	Cash	FCCB Conversion
12	27.01.2006	316,697	123,025,531 123,342,227	123,342,227	5.00	71.42	Cash	FCCB Conversion
13	31.03.2006	5,501,500	123,342,228 128,843,727	128,843,727	5.00	58.57	Cash	Warrant Conversion
14	02.05.2006	3,774,116	128,843,728 132,617,843	132,617,843	5.00	71.42	Cash	OCCP Conversion

15	31.12.2006	651,212	132,617,844	133,269,055	133,269,055	5.00	71.42	Cash	FCCB Conversion
16	04.01.2007	323,419	133,269,056	133,592,474	133,592,474	5.00	71.42	Cash	FCCB Conversion
17	31.01.2007	2,468,830	133,592,475	136,061,304	136,061,304	5.00	71.42	Cash	FCCB Conversion
18	15.02.2007	2,246,019	136,061,305	138,307,323	138,307,323	5.00	71.42	Cash	FCCB Conversion
19	09.03.2007	1,039,497	138,307,324	139,346,820	139,346,820	5.00	71.42	Cash	FCCB Conversion
20	27.03.2007	473,513	139,346,821	139,820,333	139,820,333	5.00	71.42	Cash	FCCB Conversion
21	16.04.2007	841,119	139,820,334	140,661,452	140,661,452	5.00	71.42	Cash	FCCB Conversion
22	30.04.2007	8,548,706	140,661,453	149,210,158	149,210,158	5.00	80.07	Cash	Warrant Conversion
23	30.04.2007	209,054	149,210,159	149,419,212	149,419,212	5.00	71.42	Cash	FCCB Conversion
24	29.06.2007	314,956	149,419,213	149,734,168	149,734,168	5.00	71.42	Cash	FCCB Conversion
25	29.06.2007	985,181	149,734,169	150,719,349	150,719,349	5.00	162.64	Cash	FCCB Conversion
26	06.07.2007	1,548,142	150,719,350	152,267,491	152,267,491	5.00	162.64	Cash	FCCB Conversion
27	08.08.2007	18,577,707	152,267,492	170,845,198	170,845,198	5.00	162.64	Cash	FCCB Conversion
28	31.08.2007	455,875	170,845,199	171,301,073	171,301,073	5.00	71.42	Cash	FCCB Conversion
29	29.09.2007	179,912	171,301,074	171,480,985	171,480,985	5.00	71.42	Cash	FCCB Conversion
30	15.01.2008	100,250	171,480,986	171,581,235	171,581,235	5.00	80.00	Cash	ESOP
31	30.01.2008	57,500	171,581,236	171,638,735	171,638,735	5.00	80.00	Cash	ESOP
32	18.02.2008	27,500	171,638,736	171,666,235	171,666,235	5.00	80.00	Cash	ESOP
33	03.03.2008	60,000	171,666,236	171,726,235	171,726,235	5.00	80.00	Cash	ESOP
34	24.03.2008	27,000	171,726,236	171,753,235	171,753,235	5.00	80.00	Cash	ESOP
35	31.03.2008	6,000,000	171,753,236	177,753,235	177,753,235	5.00	102.20	Cash	Warrant Conversion
36	09.05.2008	17,750	177,753,236	177,770,985	177,770,985	5.00	80.00	Cash	ESOP
37	09.05.2008	8,678,082	177,770,986	186,449,067	186,449,067	5.00	102.20	Cash	Warrant Conversion
38	22.07.2008	13,000	186,449,068	186,462,067	186,462,067	5.00	80.00	Cash	ESOP
39	02.09.2008	375	186,462,068	186,462,442	186,462,442	5.00	87.80	Cash	ESOP
40	02.09.2008	18,750	186,462,443	186,481,192	186,481,192	5.00	80.00	Cash	ESOP
41	02.09.2008	10,000	186,481,193	186,491,192	186,491,192	5.00	94.10	Cash	ESOP
42	09.06.2009	147,500	186,491,193	186,638,692	186,638,692	5.00	80.00	Cash	ESOP
43	22.07.2009	87,250	186,638,693	186,725,942	186,725,942	5.00	80.00	Cash	ESOP
44	27.08.2009	88,250	186,725,943	186,814,192	186,814,192	5.00	80.00	Cash	ESOP
45	03.10.2009	222,625	186,814,193	187,036,817	187,036,817	5.00	80.00	Cash	ESOP
46	13.11.2009	107,500	187,036,818	187,144,317	187,144,317	5.00	80.00	Cash	ESOP
47	27.11.2009	16,694,718	187,144,318	203,839,035	203,839,035	5.00	279.25	Cash	QIP Issue
48	15.12.2009	51,750	203,839,036	203,890,785	203,890,785	5.00	80.00	Cash	ESOP
49	22.01.2010	85,000	203,890,786	203,975,785	203,975,785	5.00	80.00	Cash	ESOP
50	22.02.2010	72,500	203,975,786	204,048,285	204,048,285	5.00	80.00	Cash	ESOP
51	19.03.2010	209,125	204,048,286	204,257,410	204,257,410	5.00	80.00	Cash	ESOP
52	29.03.2010	65,000	204,257,411	204,322,410	204,322,410	5.00	80.00	Cash	ESOP
53	01.05.2010	120,250	204,322,411	204,442,660	204,442,660	5.00	80.00	Cash	ESOP
54	01.05.2010	6,750	204,442,661	204,449,410	204,449,410	5.00	66.75	Cash	ESOP
55	25.06.2010	67,750	204,449,411	204,517,160	204,517,160	5.00	80.00	Cash	ESOP
56	07.09.2010	48,000	204,517,161	204,565,160	204,565,160	5.00	80.00	Cash	ESOP
57	20.10.2010	50,250	204,565,161	204,615,410	204,615,410	5.00	80.00	Cash	ESOP
58	17.01.2011	39,000	204,615,411	204,654,410	204,654,410	5.00	80.00	Cash	ESOP
59	10.03.2011	14,500	204,654,411	204,668,910	204,668,910	5.00	80.00	Cash	ESOP
60	05.05.2011	78,250	204,668,911	204,747,160	204,747,160	5.00	80.00	Cash	ESOP
61	05.05.2011	7,875	204,747,161	204,755,035	204,755,035	5.00	66.75	Cash	ESOP
62	18.08.2011	23,026,000	204,755,036	227,781,035	227,781,035	5.00	225.00	Cash	GDR
63	23.01.2013	128,375	227,781,036	227,909,410	227,909,410	5.00	80.00	Cash	ESOP
64	18.02.2013	35,038,889	227,909,411	262,948,299	262,948,299	5.00	225.00	Cash	CCD Conversion
65	31.03.2015	227,781	262,948,300	263,176,080	263,176,080	5.00	127.13	Other than cash	Sweat Equity to MD
66	09.02.2016	2,050,029	263,176,081	265,226,109	265,226,109	5.00	67.25	Cash	ESOP

d) Shareholding Pattern of the Company as at December 31, 2017 is as under:

Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015			
1	Name of the Entity :		Welspun Corp Limited
2	Scrip Code / Name of Scrip / Class of security:	BSE Code :	532144
		NSE Code :	WELCORP
		Class :	Equity
3	Shareholding Pattern filed under : Reg. 31(1)(a) / Reg. 31(1)(b) / Reg. 31(1)(c)		
a.	If under 31(1)(b) then indicate the report for Quarter ending		31.12.2017
b.	If under 31(1)(c) then indicate the date of allotment / extinguishment		
4	Declaration : The Listed entity is required to submit the following declaration to the extent of submission of information:-		
	Particulars	Yes*	No*
1	Whether the Listed Entity has issued any partly paid up shares?		No
2	Whether the Listed Entity has issued any Convertible securities or warrants?		No
3	Whether the Listed Entity has any shares against which depository receipts are issued?		No
4	Whether the Listed Entity has any shares in locked-in?	Yes	
5	Whether any shares held by promoters are pledge or otherwise encumbered ?		No

Table I- Summary Statement holding of specified securities			
Sr. No.	Category of Shareholder	No. of fully paid up equity shares held	%
(A)	Promoter & Promoter Group	127,983,165	48.25
(B)	Public	137,242,944	51.75
(C)	Non- Promoter- Non Public		-
(C 1)	Shares underlying DRs		
(C 2)	Shares held by Employee Trusts	-	-
	Total	265,226,109	100.00

Table II- Summary Statement holding of the Promoter and the Promoter Group			
Sr. No.	Category of Shareholder	No. of fully paid up equity shares held	%
1	Indian		
(a)	Individuals/Hindu undivided Family	342	0
(i)	Rajesh R. Mandawewala	200	0.00
(ii)	Balkrishan Gopiram Goenka	140	0.00
(iii)	Dipali B. Goenka	2	0.00
(b)	Central Government / State Government (s)		-
(c)	Financial Institutions/ Banks	-	-
(d)	Any Other (specify)		-
	Bodies Corporate	121,682,823	45.88
(i)	Welspun Pipes Limited	110,449,818	41.64
(ii)	MGN Agro Properties Private Limited	6,000,000	2.26
(iii)	Welspun Investments and Commercials Limited	5,233,000	1.97
(iv)	B. K. Goenka Family Trust	5	0.00
	Sub-Total (A)(1)	121,683,165	45.88
2	Foreign		
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)		-
(b)	Government	-	-
(c)	Institutions	-	-
(d)	Foreign Portfolio Investor	-	-
(e)	Any Other (specify)		-
	Bodies Corporate	6,300,000	2.38
	Intech Metals S.A.	6,300,000	2.38
	Sub-Total (A)(2)	6,300,000	2.38
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	127,983,165	48.25

Table III- Summary Statement holding of Public Shareholder			
Sr. No.	Category of Shareholder	No. of fully paid up equity shares held	%
1	Institutions		
(a)	Mutual Funds	1	246,688
(b)	Venture Capital Funds	-	-
(c)	Alternate Investment Funds	-	-
(d)	Foreign Venture Capital Investors	-	-
(e)	Foreign Portfolio Investors	74	16,107,318
(f)	Financial Institutions/ Banks	6	21,311,642
(g)	Life Insurance Corporation of India	1	19,277,980
(g)	Insurance Companies	1	270,000
(h)	Provident Funds/ Pension Funds	-	-
(i)	Any Other (specify)	-	-
(j)	Foreign Institutional Investors	-	-
	Sub-Total (B)(1)	82	37,935,648
2	Central Government/ State Government(s)/ President of India	1	129,505
	Sub-Total (B)(2)	1	129,505
3	Non-institutions		
(a)	Individuals -		
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	53,043	20,225,375
	ii. Individual shareholders holding nominal share capital in excess Rs. 2 lakhs.	33	18,592,183
	Akash Bhansali		7,757,367
	Alpana S. Dangi		5,442,316
(b)	NBFCs registered with RBI	-	-
(c)	Employee Trusts	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-
(e)	Any Other (specify)	4,211	60,360,233
	Hindu Undivided Family	1,254	2,111,740
	Foreign Companies	1	23,026,000
	Insight Solutions Ltd		23,026,000
	Non Resident Indians (Non Repat)	561	1,915,573
	Non Resident Indians (Repat)	1,487	2,175,532
	Trust	2	13,693
	Unclaimed Shares	1	15,190
	Overseas Bodies Corporate	1	19,127,584
	Granele Limited		19,127,584
	Clearing Members	221	1,043,723
	Bodies Corporate	683	10,931,198
	Mentor Capital Limited	-	4,599,555
	Sub-Total (B)(3)	57,287	99,164,098
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	57,370	137,229,251

There will no change in the capital structure after the offer as the instrument is Non-Convertible in nature (at Par)

e) Details of Reorganization or reconstruction of Business / acquisition / amalgamation:

There has been no case of any reorganization or reconstruction in the last 3 year. However, the details of key reorganization of business done in past is as under:

• Scheme of Arrangement

Pursuant to the Order of Hon'ble High Court of Gujarat, Ahmedabad dated March 15, 2005 approving Scheme of Arrangement in the nature of merger of Eupec-Welspun PipeCoatings India Limited with the Company and reorganization of share capital of the Company (the "Scheme") the Company issued 7 equity shares of Rs.5/- each fully paid-up in the Company in lieu of, and cancellation of every 10 equity

share of Rs.10/- each fully paid-up held in the Company as on the Record date fixed for the purpose.

- **Scheme of Demerger**

Further, pursuant to the Scheme of Demerger, for demerger of other business undertakings comprising of infra, energy, oil & gas business into a separate company, as sanctioned by the Hon'ble High Court of Gujarat at Ahmedabad vide its order dated January 10, 2014, the Company allotted 1 (one) fully paid up equity share of Rs.10/- each of Welspun Enterprises Limited for every 20 fully paid up equity shares of Rs.5/- each held in Welspun Corp Limited as on the Record Date i.e. February 20, 2014 fixed for the purpose.

- **Investment by Private Equity Investor**

In FY2012, private equity firm Apollo Global through its investment entities had invested USD 290.0 million in the equity share capital and Compulsorily Convertible Debentures.

In this context the issuance of CCDs and GDRs of Rs 1305.0 Crs has been completed. USD 178.0 million of 5% CCDs have been allotted to Granele Limited (Apollo Group Co.), mandatorily fully converted within 18 months into equity shares of Rs. 225 per share which represents 12.22% of the fully diluted equity capital of the Company and about USD 112.0 million of non-voting GDRs issued to Insight Solutions (Apollo Group Co). These CCDs have been converted on February 18, 2013 and accordingly 3,50,38,889 equity shares have been allotted to Granele Ltd.

f) Details of highest ten holders of each kind of securities as on last quarter ended December 31, 2017.

Sr. No.	Name of the Shareholder	No. of equity shares	%
1	Welspun Pipes Limited 5TH FLOOR WELSPUN HOUSE KAMALA MILLS COMPOUND SENAPATI BAPAT MARG LOWER PAREL MUMBAI MAHARASHTRA 400013	110,449,818	41.64
2	Insight Solutions Limited CITIBANK N.A. CUSTODY SERVICES FIFC- 11TH FLR, G BLOCK PLOT C-54 AND C-55, BKC BANDRA - EAST, MUMBAI 400098	23,026,000	8.68
3	Life Insurance Corporation of India INVESTMENT DEPARTMENT 6TH FLOOR, WEST WING, CENTRAL OFFICE YOGAKSHEMA, JEEVAN BIMA MARG MUMBAI 400021	19,277,980	7.27
4	Granele Limited CITIBANK N.A. CUSTODY SERVICES FIFC- 11TH FLR, G BLOCK PLOT C-54 AND C-55, BKC BANDRA - EAST, MUMBAI 400098	19,127,584	7.21
5	Akash Bhanshali 12 LAXMI VILAS 87 NEPEANSEA ROAD BOMBAY 400006	7,757,367	2.92
6	Intech Metals SA	6,300,000	2.38

	P.O. BOX - 438, PALM GROVE HOUSE, ROAD TOWN TORTOLA BRITISH VIRGIN ISLAND. 111111		
7	MGN Agro Properties Private Limited TRADE WORLD 9TH FLOOR, KAMALA MILLS COMPOUND, SENAPATI BAPAT MARG, LOWER PAREL MUMBAI INDIA 400013	6,000,000	2.26
8	Alpana S Dangi 61 VENUS APTS COLABA CUFFE PARADE MUMBAI 400005	5,442,316	2.05
9	Welspun Investments & Commercials Limited TRADE WORLD B WING, 9TH FLR, KAMALA MILL COMPOUND, LOWER PAREL MUMBAI INDIA 400013	5,233,000	1.97
10	Mentor Capital Limited 713 7TH FLOOR RAHEJA CENTER NARIMAN POINT FREE PRESS JOURNAL MARG Mumbai 400021	4,599,555	1.73

Sr. No.	Name of the NCD Holder	No. of NCD held	Amount of NCD (Rs)
1	Life Insurance Corporation of India, Central Office Investment Dept, Yogakshema, Jeevan Bima Bldg, Mumbai-21	2,900	2,900,000,000

g) Details of Borrowings of the Company as on December 31, 2017

Term Borrowings:

Sr. No.	Information Memorandum dated	Tenure (years)	Rate of Int.	No. of debentures allotted	Amount Received	Date of Allotment	Redemption on Date / Schedule	Credit Rating	Secured / Unsecured	Security	Put & Call Option
1	29.07.2010	15	9.55% p.a.p.q.	2,000	2,000,000,000	03.08.2010	02.08.2025	AA-by CARE	Secured	First charge on fixed assets	At the end of 7th year and 10th year from the Date of Allotment i.e. August 3, 2017 and August 3, 2020
1	02.11.2012	10	11.00%	900	900,000,000	09.11.2012	08.09.2022	AA-by CARE	Secured	First charge on fixed assets	

External Commercial Borrowings:

Lenders Name	Type of Facility	Amt Sanctioned	Repayment	Security
Bank of Baroda	External Commercial Borrowings	147 Crs	FY 18- Rs 26 Crs. FY19- Rs 52 Crs and FY 20- Rs 69 Crs	First pari passu charge on the fixed assets of the Company
DBS Bank	External Commercial Borrowings	130 Crs	FY18 and FY19-Rs 65 Crs each	First pari passu charge on the fixed assets of the Company

Working Capital lenders of the Company:

WCL Current	Fund Based	Non Fund Based	
In Crores	Cash Credit	LC BG	Current

Andhra Bank	(20)	200	75	275
Bank Of Baroda	(50)	350	225	575
Bank of India	(17)	300	(112)	300
Canara Bank	(38)	266	170	436
Citi Bank	0	0	12	12
Corporation Bank	12	140	36	188
ICICI Bank	50	443	(443)	493
IDBI Bank	(70)	584	(700)	584
Oriental Bank of Commerce	(18)	123	82	205
Punjab National Bank	(68)	462	322	784
Standard Chartered Bank	(20)	120	(120)	120
State Bank of India	(20)	815	0	815
Union Bank of India	(15)	155	100	255
Total	82	3834	1126	5042

Details of Commercial Paper: - The total Face Value of Commercial Papers Outstanding as on the latest quarter end to be provided and its breakup -Nil outstanding as on December 31, 2017.

Details of any outstanding borrowings taken/ debt securities issued where taken issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option - Nil as on December 31, 2017.

h) Amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, Group Company, etc) on behalf of whom it has been issued. Outstanding as at December 31, 2017.

Corporate Guarantee issued for the benefit of	Relationship	Amount (Rs.)
Welspun Middle East Pipe Coating	Subsidiary	340,777,392
Welspun Tradings Ltd.	Subsidiary	1,560,000,000
Welspun Tradings Ltd.	Subsidiary	5,189,265,170
Welspun Middle East Pipes	Subsidiary	1,075,979,062
Welspun Middle East Pipes	Subsidiary	1,277,659,688
Welspun Wasco Coatings Private Limited	Subsidiary	54,245,000
Welspun Wasco Coatings Private Limited	Subsidiary	54,245,000
Welspun Pipes Inc.	Subsidiary	6,387,500,000
		15,939,671,311

i) Details of Default, if any, including therein the amount involved, duration of default and present status:

There has been No default involved in repayment of any of the below:

- Statutory Dues
- Debentures and interest thereon
- Deposits and interest thereon
- Loans from any bank or financial institution and interest thereon
- Corporate Guarantee issued by the Company
- Willful Default

IV. BRIEF PARTICULARS OF THE PROMOTERS, DIRECTORS AND MANAGEMENT OF THE COMPANY.

The Company is managed by the Board of Directors of the Company.

a. Current top management team of the company comprises of following:

Mr. Balkrishan Goenka, Chairman, the prime architect of Welspun Group is the strength behind Welspun's journey over the last 25 years. His strong business acumen combined with risk-taking abilities has enabled Welspun to succeed in many high-growth sectors. He has a vision of making Welspun one of the most respected Groups in the World by creating world-class companies, second to none. He has been nominated as Entrepreneur of the Year by Ernest & Young in 2007 and 2008 and is a member of the Young President's Organization

Mr. Rajesh R. Mandawewala, is the Managing Director of Welspun Group, Chairman of Christy, UK and Sorema, Portugal. A Chartered Accountant by profession, he is in-charge of operations of the textile business and has enabled Welspun to have Global reach in over 50 Countries.

Mr. Vipul Mathur is a well-known figure in the global pipe industry. Network of his acquaintances and relationships run across all geographies due to his warm personal style and long years of marketing experience in this product category. Mr Mathur has been associated with Welspun since 2001 and has contributed significantly towards the growth of the company by providing his leadership in roles in India and Middle East. He attributes his career success to hard-work and perseverance. Prior to his elevation as MD and CEO, Mr Mathur was officiating as the COO.

b. Details of Promoters of the Company:-

Sr. No.	Name of the Shareholder	Total Number of equity shares held	No of shares held in demat form	Shareholding as a % of total no. of shares	No. of shares pledged	% of shares pledged with respect to the shares owned.
	Indian Promoters					
1	Rajesh R. Mandawewala	200	200	0.00	Nil	Nil
2	Balkrishan Gopiram Goenka	140	140	0.00	Nil	Nil
3	Dipali B. Goenka	2	2	0.00	Nil	Nil
4	Welspun Pipes Limited	110,449,818	110,449,818	41.64	Nil	Nil
5	MGN Agro Properties Private Limited	6,000,000	6,000,000	2.26	Nil	Nil

6	Welspun Investments & Commercials Limited	5,233,000	5,233,000	1.97	Nil	Nil
7	B. K. Goenka Family Trust	5	5	0.00	Nil	Nil
	Foreign Co-Promoter					
8	Intech Metals S.A.	6,300,000	6,300,000	2.38	Nil	Nil
	Total Shareholding of Promoter Group	127,983,165	127,983,165	48.25		

c. Name and Other Details Of Directors on Board as an December 31, 2017

S. No	Name	Nationality & nationality / origin, if different from present nationality	Occupation	Designation	Date of Birth	Date of Apptment	Address	Detail of other directorship as last disclosed to the Company
1	Mr. Balkrishan.Goenka DIN : 00270175 PAN - AEOPG4819D	Indian	Industrialist	Director, Chairman	15.08.1965	26.04.1995	Rocky Isle, 46/C, Bhulabhai Desai Road, Breach Candy, Mumbai - 400 026.	Welspun India Limited Welspun Corp Limited Welspun Enterprises Limited (Formerly known as Welspun Projects Limited) Welspun Steel Limited Welspun Wasco Coatings Private Limited Welspun Logistics Limited Welspun Global Brands Limited (Formerly known as Welspun Retail Limited) Adani Welspun Exploration Limited Private Limited Solarsys Infra Projects Private Limited MGN Agro Properties Private Limited Welspun Energy Private Limited Rank Marketing LLP Bodies Corporate outside India Welspun Pipes Inc. Welspun Tubular LLC Welspun Global Trade LLC Welspun Middle East Pipe Coatings Company LLC Welspun Middle East Pipe Company LLC Welspun Home Textiles UK Limited
2	Mr. Atul Desai DIN : 00019443 PAN - AABPD9483F	Indian	Advocate	Director	27.01.1950	01.10.2014	C - 62, Vellard View, 14 Tardeo Road, Haji Ali, Mumbai - 400034	RMG Alloy Steel Limited Welspun Corp Limited Welspun Global Brands Limited Welspun Investments And Commercials Limited TCFC Finance Limited JSW Holdings Limited AYM Syntex Limited Auchtel Products Limited Welspun Energy Private Limited
3	Mr. Desh Raj Dogra DIN : 00226775 PAN: ADZPD5926E	Indian	Retired	Director	21.09.1954	10.02.2017	Flat No. 402, Somerset Building, Hiranandani Gardens, Powai, Mumbai-400076	S. Chand and Company Limited G R Infraprojects Limited SK Restaurants Private Limited Asirvad Micro Finance Limited AMPL Cleantech Private Limited Welspun Corp Limited Mercator Limited Brickwork Risk & Investment Management Solutions Pvt. Ltd. Capri Global Capital Limited Sintex Plastics Technology Limited M Power Micro Finance Pvt. Ltd. Shakti Finvest Pvt. Ltd. I&T Finance Ltd. Viraj Profiles Limited Sintex- BAPL Ltd.
4	Mr. K. H. Viswanathan DIN : 00391263 PAN - AAHPK4759M	Indian	Professional	Director	11.05.1962	28.10.2002	Flat No.4, Kalyani Uttam Soc. St. Anatony Road, Chembur, Mumbai - 400	Welspun Corp Limited Welspun Global Brands Limited (Formerly known as Welspun Retail Limited) Welspun Tradings Limited AYM Syntex Limited (Formerly

							071.	known as Welspun Syntex Limited) Welspun Wasco Coatings Private Limited Welspun Anjar SEZ Limited Welspun Captive Power Generation Limited
5	Mr. Mintoo Bhandari (Nominee of Insight Solutions Ltd.) DIN - 00054831 PAN - ARRPB0319B	US	Service	Director	19.08.1965	18.08.2011	16, Upper Wimpole Street, London W1G 6LT, United Kingdom	AGM India Advisors Private Limited AION India Investment Advisors Private Limited Welspun Corp Limited Arcion Revitalization Private Limited
6	Mr. Rajesh R. Mandawewala DIN : 00007179 PAN - AACPM2601D	Indian	Industrialist	Director	05.05.1962	26.04.1995	Flat No. 171, B-Wing, 17 th Floor, Tanna Residency, Bay View, 392, V.S.Marg, Prabhadevi, Mumbai - 400025.	Public Limited Companies Welspun India Limited AYM Syntex Limited (Formerly known as Welspun Syntex Limited) Welspun Corp Limited Welspun Enterprises Limited (Formerly known as Welspun Projects Limited) Welspun Global Brands Limited (Formerly known as Welspun Retail Limited) Welspun Steel Limited Alspun Infrastructure Limited Mandawewala Enterprises Limited Private Limited Companies Welspun Energy Private Limited MGN Agro Properties Private Limited Angel Power and Steel Private Limited The Cotton Textiles Export Promotion Council Rank Marketing LLP Bodies Corporate outside India Welspun Pipes Inc., USA Welspun Tubular LLC., USA Welspun Global Trade LLC., USA Welspun Holdings Private Limited, Cyprus Welspun USA Inc., USA Welspun Home Textiles UK Limited, UK CHT Holdings Limited, UK Christy Home Textiles Limited, UK Welspun UK Limited Christy 2004 Limited E. R. Kingsley (Textiles) Limited Christy UK Limited
7	Mr. Rajkumar Jain DIN : 00026544 PAN - ADWPJ7140B	Indian	Professional	Director	19.07.1956	30.07.2002	A/1601, Abrol Vastu, Evershine Nagar, Malad (West), Mumbai - 400064	Welspun Corp Limited Welspun Investments And Commercials Limited Welspun Tradings Limited Altius Finserv Private Limited DLF Promenade Limited DLF Emporio Limited Arihant Medical Services Private Limited
8	Mr. Ram Gopal Sharma DIN : 00026514 PAN - AOQPS3114R	Indian	Retired	Director	11.09.1940	30.10.2004	E- 707, Lok Sarita, Military Road, Off. Marol Maroshi Road, Andheri (East), Mumbai - 400 059.	Welspun Corp Limited Welspun Steel Limited Welspun India Limited Welspun Tradings Limited Welspun Enterprises Limited Welspun Energy Private Limited Welspun Wasco Coatings Private Limited Welspun Orissa Steel Private Limited (subsidiary of Welspun Steel Ltd.) Welspun Anjar SEZ Limited
9	Ms. Revathy Ashok- DIN : 00057539	Indian	Professional	Director	16.01.1959	07.08.2014	139/6-2, Domlur Layout,	ADC India Communications Limited

	PAN : ACLPR3951Q						Bengaluru - 560 071	Khemeia Technologies Private Limited Welspun Global Brands Limited (Formerly known as Welspun Retail Limited) Welspun Corp Limited Shell MRPL Aviation Fuels And Services Limited L&T Construction Equipment Limited L&T Kobelco Machinery Private Limited Quess Corp Limited Welspun Tradings Limited Microland Limited Astrazeneca Pharma India Limited Welspun Captive Power Generation Limited Athena Infonomics India Private Limited Campus Diaries Media & Communications Pvt. Ltd.
10	Mr. Utsav Baijal (Nominee of Insight Solutions Ltd.) DIN - 02592194 PAN - AFBPB8278H	Indian	Service	Director	11.12.1976	10.11.2012	C-501, Chaitanya Towers, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400025	AGM India Advisors Private Limited Welspun Corp Limited
11	Mr. Vipul Mathur DIN : 0007990476 PAN: AIGPM2125C	Indian	Service	Managing Director & CEO	21.03.1970	01.12.2017	401, White Lotus, St. Francis Road, Off S.V.Road, Santacruz (W), Mumbai - 400 054	Welspun Middle East DMCC Welspun Middle East Pipes LLC Welspun Middle East Pipe Coating LLC Welspun Corp Limited
12	Mr. S. Krishnan DIN - 06829167 PAN - ABBPS3256L	Indian	Service	Executive Director & CFO and CEO (PCMD)	17.07.1962	01.12.2017	Pavithra, 38/2, Sector - 6, Vashi, Navi Mumbai - 400703	Welspun Tradings Limited Welspun Middle East DMCC Welspun Mauritius Holdings Limited Welspun Corp Limited

Name of none of the directors of the Company are appearing in the RBI Defaulters List and / or ECGC Default List.

The composition of the Board is in accordance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There are no financial or other material interests of the directors, promoters or key managerial personnel in the offer. Further there is no pending litigation or legal action from any ministry or any government department or any statutory authority against the promoter of the issuer company and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed. There are no inquiries or any material fraud or investigation conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of offer letter in the case of company and all of its subsidiaries.

d. Details of change in directors since last three years: -

Sr. No.	Name	Designation	Appointment Date	Ceasation Date
1	Atul Desai	Director	01/10/2014	-
2	Balkrishan Goenka	Chairman (Non-Executive)	26/04/1995	-
3	Desh Raj Dogra	Director	10/02/2017	-
4	Mintoo Bhandari	Director	18/08/2011	-
5	Rajesh Mandawewala	Director	26/04/1995	-

6	Rajkumar Jain	Director	30/07/2002	-
7	Ram Gopal Sharma	Director	30/10/2004	-
8	Revathy Ashok	Director	07/08/2014	-
9	Utsav Baijal	Director	10/11/2012	-
10	Viswanath Kollengode	Director	28/10/2002	-
11	Vipul Mathur	Managing Director & CEO	01/12/2017	-
12	S Krishnan	Executive Director & CFO and CEO (PCMD)	01/12/2017	-
13	Braja Mishra	Managing Director & CEO	26/04/2012	07/06/2017
14	Lalitkumar Naik	Managing Director & CEO	01/01/2017	01/12/2017
15	Mukul Sarkar	Director	25/04/2011	25/01/2017
16	Nirmal Gangwal	Director	26/12/2005	24/08/2016

V. DETAIL OF AUDITORS TO THE COMPANY

Price WaterHouse Chartered Accountants LLP

Chartered Accountants

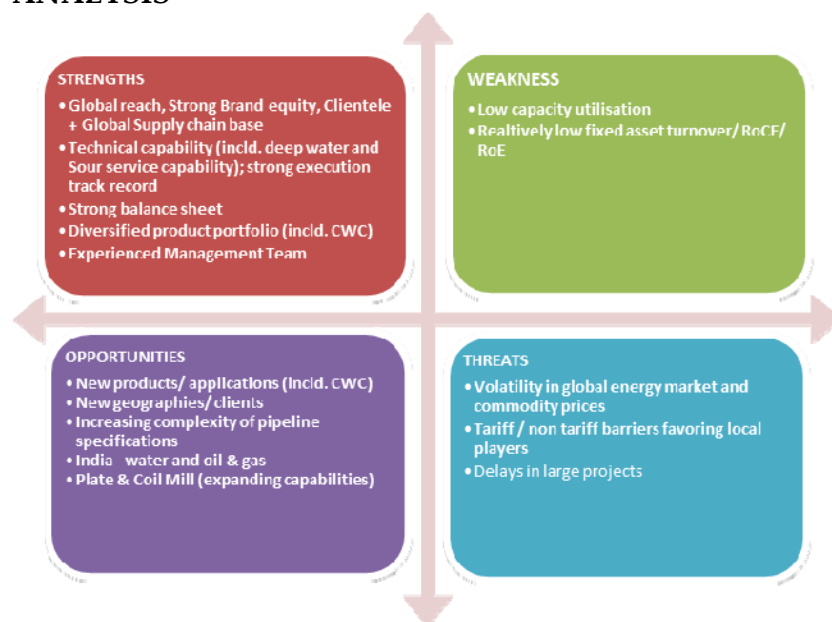
Address: 252, Veer Savarkar Marg, Next to Mayor's Bungalow, Shivaji Park, Dadar, Mumbai, Maharashtra 400028

Auditors since September 25, 2014

Details of change in auditor since last three years: - No change

VI. MANAGEMENT PERCEPTION ON RISK FACTORS.

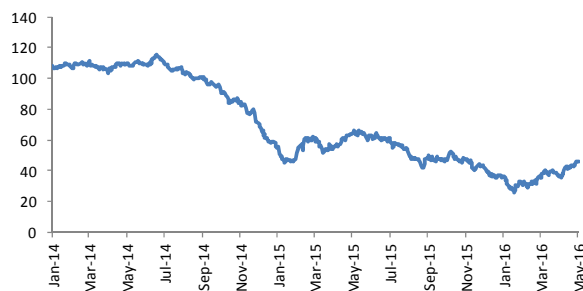
SWOT ANALYSIS



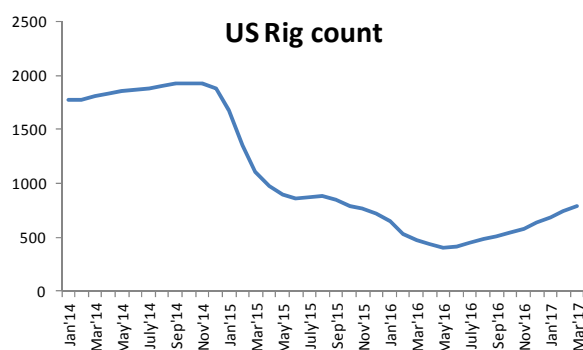
The Company has major global O&G players as clients; and is serving them with manufacturing facilities in India, the US and Saudi Arabia and marketing operations in India, Dubai and Houston.

Improving business outlook

Brent Crude Spot Price



US Rig count



In November 2016, members of OPEC agreed to reduce crude oil output to 32.5 million barrels a day (mbd), effective January 2017 and for a duration of six months, extendable for another six months. That agreement would suggest a cut of 1.2 mbd from production levels in October 2016. Iraq, Kuwait, Saudi Arabia, and the United Arab Emirates are bearing the brunt of the cuts, alongside other member countries, whereas Libya and Nigeria are exempt.

Participants at an OPEC and non-OPEC meeting in Vienna on December 10, 2016, agreed to additional cuts, amounting to about 0.6 mbd. Russia, a country that is not a member of OPEC, has committed to reducing production by 0.3 mbd, and 10 other non-OPEC countries agreed to contribute the remainder. Following these production agreements, Saudi Arabia indicated it could cut production beyond its initial commitment to enhance the credibility of the agreement. In response to these agreements, spot oil prices increased to more than US \$50 a barrel. However, events like increased production from Shale resources and return of Libyan supplies, is again putting pressure on oil prices.

Stability in the energy market will stimulate investment, which is expected to increase in 2017 after two consecutive years of significant decline.

Geopolitical constraints, along with sluggish economic activity level are causing delays in major cross-country pipelines across North America. However, with a new US administration and improved oil & gas economics, things are improving.

The Middle East continues to be a region with high potential. However, the 30% cut in capex announced by Saudi Aramco and growing local competition, makes the outlook for the region challenging. However, other MENA regions remain buoyant.

India could turn out to be a high growth area in the near term – activity on National Gas Grid projects has begun; several state water projects in the country is a positive for the industry. In the Asia-Pacific region, potential demand from Thailand, Malaysia and Indonesia could boost regional demand.

The Company is well poised to address these opportunities, suitably blending its global reach and local capabilities.

Risks and Concerns

The Company's key risks are:

- **Economic Risks:** The macroeconomic outlook continues to be challenging in India as well as in other key markets where the Company operates. Economic slowdown may affect the Company's order book position, affecting capacity utilisation, sales and profitability.
- **Interest Rate Risk:** Interest expenses are part of the finance costs. Therefore, any major upward fluctuation in interest rates leads to an increase in the cost of debt for the Company. The interest rate risks are mitigated to an extent through fixed interest rates on some borrowings.
- **Legal Risks related to tax structure:** The Company is liable to pay tax on profits, sales tax, excise duty, service tax, and other applicable taxes. Any changes in tax legislation could lead to an increase in tax payments and, as a result, to a lowering of financial results.
- **Steel prices:** The Company face risk on steel pricing (the basic raw material for us) which it considers in bidding for any project or tender; and more so since our business is a long gestation one with minimum time taken from bid submission to award, varying from 4/6 months to even a year or two.

- The Company tries to mitigate this risk by way of arranging back-to-back pre-tender tie-ups with our selected group of pre-approved steel mills (through their nominated trading channel) at the time of bidding for a project or tender - on Price as well as quantity allocation, with the tacit understanding that in case WCL happens to be the successful bidder, the Company will immediately confirm WCL's order of steel. In some markets, the Company does not undertake channel sales where it is exposed to steel price fluctuation. However, the contribution of such business to overall revenue is not significant.
- **Volatile crude oil and gas prices:** Volatility in crude oil and very low gas prices create uncertainty for oil & gas producers, regarding the viability of new exploration. This, in turn, could create an uncertain future demand for line pipes in the oil & gas segment.
- **Competition:** Increased competition in all segments from other players may have an impact on business and profitability. While the potential demand for new oil and gas pipelines remains high in most of the Company's markets, there have been considerable delays in decisions in many projects owing to policy uncertainty and environmental concerns, among others. This has led to fewer than expected projects coming to the market, resulting in a high level of competition.
- **Currency Risks:** The Company's foreign currency exposures are largely denominated in US dollars, Saudi Riyal, or Euro. Volatility in the rupee exchange rate against major currencies will have an adverse impact. Although the Company has implemented a well-defined hedging policy, foreign exchange fluctuations could affect reported results.
- **Quality Risks:** The Company is required to produce high-quality products in line with stringent requirements of clients. Despite best efforts even a small deviation and resultant rejection of some products may have a larger impact as the cost of raw materials and other overheads may impose an additional cost.

Business Strategy

- Consolidate our existing market share

We intend to continue our focus on delivering quality products and services to our customers. We strive to obtain repeat orders from our customers by continuing to satisfy them with consistent high-quality products and services. We currently have a significant share of the

production capacity of high-grade submerged and welded pipes in India and seek to gain a larger share of the domestic and global market. We believe our reputation for high quality products will enable us to grow our market share in the developing global markets, and to attain a leadership position in each of our product segment. In February 2009, as part of our long-standing commitment to the North American market, which is one of our key markets, we commenced commercial production in our spiral pipe production facility in Little Rock, Arkansas. This facility has the capacity to produce up to approximately 350,000 MTPA of HSAW pipes and also has coating and double joining capabilities. By increasing our presence in North America and providing our customers there with a 'one stop purchase' facility, we will strengthen our relationship with the local customers in the US and thereby increase our market share.

- Leverage our approach and accreditations with international majors

Our technical qualifications are demonstrated by approvals from almost all the major oil and gas giants. Obtaining approvals typically takes 2-3 years and therefore the pre-qualification status provide us with a significant advantage over our global peers. This gives us capability to handle projects expected to commence in the medium term and provides and edge to participate in such projects. The research and development initiatives on high grade pipes will further improve our ability to participate in the highest value segments of our markets. We seek to enhance its position as a leading pipe manufacturing company by:

- ⇒ further developing and improving its products for oil, gas and other applications with a special emphasis on LSAW and HSAW pipes and pipe coating;
- ⇒ providing quality support to all existing and potential customers and offering the right solutions to them.

- Further penetrate new markets

We have received orders from new and growing markets such as Russia, Saudi Arabia, and Peru etc, among others. We further intend to develop and maintain a continuing relationship with our customers and to further penetrate into countries in the North Africa, Caribbean and Latin American regions. During the year under report, we have made good progress in adding customers who are located in Peru, Venezuela and Algeria, among others.

VII. DETAIL OF COMPLIANCE OFFICER

Name: Mr. Pradeep Joshi- Company Secretary

Address: Welspun House, 5th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

Tel No.: 022- 66136000, **Fax No.:** 022- 2490 8020/ 2490 8021

Email ID: CompanySecretary_wcl@welspun.com

The investors can contact the Compliance Officer in case of any pre-issue/ post-issue related problems such as non-credit of letter(s) of allotment/ debenture certificate(s) in the demat account, non-receipt of refund order(s), interest warrant(s)/ cheque(s) etc. during working days (except Public Holidays) between 10.00 am to 4.00 pm.

VIII. DETAIL OF CHIEF FINANCIAL OFFICER

Name: Mr. S. Krishnan

Address: Welspun House, 5th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

Tel No.: 022- 66136000, **Fax No.:** 022- 2490 8020/ 2490 8021

Email ID: s_krishnan@welspun.com

IX. AUDITED CONSOLIDATED AND STANDALONE FINANCIALS OF THE COMPANY, INCLUDING CASH-FLOW STATEMENT (IND AS).

a) CONSOLIDATED FINANCIAL STATEMENTS AS AT 31.03.2017

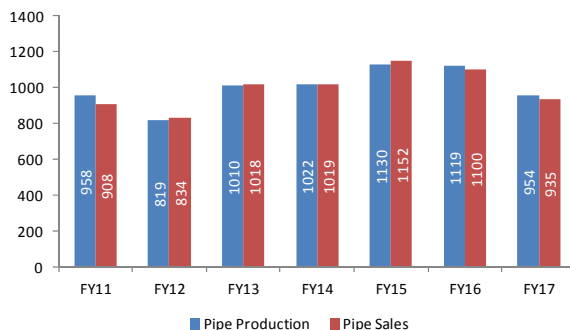
This discussion on Financial Analysis is for consolidated financials of the Company. The Company, together with its subsidiaries, is engaged in the business of Production and Coating of High Grade Submerged Arc Welded Pipes, Hot Rolled Steel Plates and Coils during 2015-16. FY16, numbers are shown on comparable basis for all statement of Profit and Loss and Balance Sheet items discussed below.

The highlights of the financial year were:

- There was record high production and sales volumes in India facility which significantly improved financial performance.
- Plate and coil mill improved profitability during the year.
- FY17 revenue was at Rs. 60,355 million.

Volumes

Production and Sales in K MT – Pipes (including Saudi)



- Pipe production volume for FY17 (including Saudi) stood at 953 K tones, down 15% YoY. Ex-Saudi production volume was 854 K tones, down 6% YoY

- Pipe Sales volume (including Saudi) for FY17 stood at 935 K tones – 15% lower YoY. Ex-Saudi sales volume was 830 K tones, down 8% YoY
- The capacity utilization was over 39% against 46% in the previous year (including Saudi). The installed capacity of pipes is 2.425 million MTPA (including Saudi), making the Company one of the largest line pipe companies in the world.

b) Standalone Revenues

Revenue in Rs. Million

Total Income stood at Rs. 46,956.24 million in FY17 as compared to Rs. 40,245.97 million in FY16, an increase of 16.6%, primarily on account of higher volumes in India operations.

1. Financial Results

Particulars	Standalone	
	For the year ended	
	31.03.2017	31.03.2016
Total income	46,956.24	40,245.97
Profit before finance cost, depreciation & tax	7,153.37	2,703.90
Less: Finance costs	2,073.04	2,014.60
Profit before depreciation & tax	5,080.27	689.29
Less: Depreciation/Amortisation	2,442.45	2,475.26
Add: Share of net loss of joint ventures accounted for using the equity method	-	-
Profit/(loss) before tax	2,637.88	(1,785.96)
Less: Provision for tax		
Current Tax	418.10	-
Deferred Tax	473.77	(554.39)
Profit/(Loss) after taxes before Non-controlling interests	1,746.01	(1,231.57)
Less: Non-controlling interests	-	-
Profit/(loss) after tax for the year (after Non-controlling interests)	1,746.01	(1,231.57)
Add: balance brought forward from previous year	6,237.88	7,528.92
Re-measurements of post-employment benefit (net of tax)	(21.83)	(1.09)
Dividend on equity shares	(132.81)	(131.59)
Tax on dividend	(27.00)	(26.31)
Dividend Distribution Tax on dividend of earlier year	-	(0.48)
Transfer to Debenture Redemption Reserve	(500.73)	-
Transfer to General Reserve	(174.60)	-
Balance carried forward to the next year	7,127.14	6,237.88

Manufacturing and other expenses

Manufacturing, transportation and other expenses stood at Rs. 5052.9 million in FY17. The decrease is mainly on account of lower activity during the year, lower freight and material handling expenses, and cost control.

Employee Benefit Expenses decreased by 5% to Rs. 1.845 million in FY17 primarily on account of cost rationalization across all geographies.

Finance Costs

Finance costs were in similar range to Rs. 2,073.04 million in FY17. The Company prepaid Rs 3,000 million of its long term borrowings, mainly includes Non-Convertible Debentures in March 2017.

Depreciation/Amortization charge

Depreciation/amortization charges were flat at Rs.2,442.45 million in FY17.

Margins

i) EBITDA Margins

EBITDA for FY17 is Rs. 5,170 million, a increase of 53% mainly due to higher volumes and higher realizations in the standalone operations.

ii) PAT Margin

Profit after tax is Rs. 1771.2 million in FY17 as compared to Rs. (896.9) million in FY16.

c) Balance Sheet (Standalone)

Standalone Balance Sheet

as at March 31, 2017

(All amounts in Rupees million, unless otherwise stated)

	Notes	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	3	23,627.12	25,843.20	27,950.61
Capital work-in-progress	3	242.49	248.90	229.84
Investment property	4	1.23	1.23	1.23
Intangible assets	5	71.88	115.02	124.54
Intangible assets under development	5	72.61	4.94	-
Equity investments in subsidiaries, joint ventures and associate	6	496.66	497.16	349.61
Financial assets				
Investments	7(a)	1,888.71	1,885.49	2,839.11
Loans	8(a)	256.07	156.95	-
Other financial assets	9(a)	282.09	355.45	346.44
Other non-current assets	10(a)	944.28	287.32	270.70
Total non-current assets		27,862.94	29,395.66	32,111.98
Current assets				
Inventories	11	13,270.28	7,922.02	8,272.30
Financial assets				
Investments	7(b)	5,018.64	7,147.63	7,781.99
Trade receivables	12	13,229.70	9,824.85	17,407.63
Cash and cash equivalents	13	519.03	301.81	863.36
Bank balances other than cash and cash equivalents	14	629.80	1,162.22	1,131.31
Loans	8(b)	5.98	934.19	4.94
Other financial assets	9(b)	505.42	992.24	407.12
Other current assets	10(b)	1,878.24	1,461.89	2,254.41
Assets classified as held for sale	15	6.00	19.88	8.40
Total current assets		35,063.09	29,766.73	38,131.46
Total assets		62,926.03	59,162.39	70,243.44
EQUITY AND LIABILITIES				
Equity				
Equity share capital	16(a)	1,326.13	1,326.13	1,315.88
Other equity				
Reserves and surplus	16(b)	16,671.84	14,923.74	16,086.64
Other reserve	16(c)	98.21	51.14	(287.30)
Total equity		18,096.18	16,301.01	17,115.22
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	17(a)	11,725.00	15,914.87	18,625.16
Other financial liabilities	18(a)	-	578.84	507.97
Provisions	19(a)	350.26	271.62	266.30
Deferred tax liabilities (net)	20	2,019.19	1,532.08	1,912.03
Government grants	21	3,653.64	3,600.40	3,519.53
Other non-current liabilities	22(a)	-	876.00	-
Total non-current liabilities		17,748.09	22,773.81	24,830.99
Current liabilities				
Financial liabilities				
Borrowings	17(b)	2,136.08	1,865.22	1,881.51
Trade payables	23	19,342.89	13,338.68	21,872.45
Other financial liabilities	18(b)	2,208.14	1,612.02	2,774.44
Provisions	19(b)	168.46	159.88	154.83
Government grants	21	414.66	369.76	330.16
Current tax liabilities (net)	24	803.64	55.26	70.35
Other current liabilities	22(b)	2,007.89	2,686.75	1,213.43
Total current liabilities		27,081.76	20,087.57	28,297.23
Total liabilities		44,829.85	42,861.38	53,128.22
Total equity and liabilities		62,926.03	59,162.39	70,243.44

The above standalone balance sheet should be read in conjunction with the accompanying notes.

This is the standalone balance sheet referred to in our report of even date.

Surplus Funds

Temporary surplus funds are invested in short term securities such as mutual funds and government securities. Nevertheless, in order to achieve higher growth and value creation for the stakeholders, the Company aims to retire high cost debt to improve overall profitability and strengthen the balance sheet.

Networth

Networth at the end of FY17 was flat at Rs. 18,376 million vs. Rs. 17,951.8 million at the end of FY16.

The details of Net worth are as under:

a. Share Capital

The number of shares is 265,226,109 (face value of Rs. 5 each) as at 31st March 2017; same as last year.

b. Reserves and Surplus

- i) Capital Reserve: The balance as of 31st March, 2017 amounted to Rs. 153 million which is same as in the previous financial year.
- ii) Securities Premium account stands at Rs. 7,770 million, which is same as in the previous financial year.
- iii) Debenture Redemption Reserve: Debenture Redemption Reserve stands at Rs. 1,643 million at the end of FY 17 vs. Rs 1,142 million at the end of previous financial year.
- iv) The Balance in General Reserve as on 31st March 2017 stands at Rs. 228 million as compared to Rs. 53 million in the previous financial year.
- v) Hedging Reserve Account stands at Rs.98.2 million as at 31st March 2017 vs. Rs 51 million last financial year
- vi) Retained earning as at 31st March 2017 was 7127.1 million

Loan funds

The Gross debt at the end of FY17 stands at Rs. 15,676.88 million. The components included in gross debt are long term borrowings of Rs. 12,632.9 million, current portion of long term borrowings of Rs. 907.9 million, and short term borrowings of Rs. 2,136.08 million at the end of FY 17.

Property, Plant and Equipment (including CWIP and intangibles)

Net block of fixed assets (including CWIP) was at Rs 23,869.6 million in FY17

Inventory

The overall inventory increased by Rs. 5,448.3 million to Rs. 13,270.3 million mostly due to increase in raw materials by Rs. 5040.7 million for execution of current orders.

On account of the above, the inventory turnover days have increased from 85 days of Net Sales in FY16 to 123 days of Net Sales in FY17.

Trade Receivables

Trade Receivables increased by Rs. 3,661.3 million to Rs. 13,721.6 million in FY17. Sundry Debtors are at 112 days (97 days in FY16) of net sales during the year.

Trade Payables

Trade payables have gone up by Rs. 5,951 million to Rs. 19,342.9 million in FY17 from Rs. 13,392 million in FY16, primarily on account of increase in acceptances

Trade payables are at 221 days (174 days in FY16) of Net Sales.

Free Cash flow/ Operating cash flow

The operating cash flow as at 31st March 2017 was at Rs 835.6 million and Free cash flow was at Rs 1,974.5 million

Liquidity

We broadly define liquidity as our ability to generate sufficient funds from both internal and external sources to meet our obligations and commitments. Our primary liquidity requirements have been to finance our working capital requirements for our operations and for capital expenditures and investments. We have financed our capital requirements primarily through funds generated from our operations, equity/equity related issuance and borrowings.

d) CASH FLOWS

FY 2014-2015

Welspun Corp Limited
Cash flow statement for the year ended 31 March

(₹ in million)

	2015	2014
A) Cash flow from operating activities		
Profit/(loss) before tax	(254.96)	(275.7)
Adjustments for		
Depreciation and amortisation expense	2,427.78	2,255.1
Interest expense	1,947.48	2,119.1
Interest income	(965.98)	(1,155.8)
Loss on sale/discarding of tangible assets (Net)	28.97	1.1
Provision for impairment of tangible assets	-	12.1
(Profit) /Loss on sale/redemption of		
- Current investments	100.89	(207.7)
- Non-current investment in subsidiary	(405.01)	(242.5)
Dividend income on		
- Current investments	(33.05)	(7.5)
Provision for doubtful debts and advances (Net)	(39.59)	(39.7)
Bad debts and advances written off		96.1
Employee compensation expenses (Net)	36.47	
Sweet Equity	28.96	
Exchange adjustments (Net)	155.23	672.1
Operating profit before working capital changes	3,027.19	3,228.1
Adjustments for		
Trade and other receivables	(12,903.12)	6,400.1
Inventories	(2,980.84)	9,450.1
Trade and other payables	15,453.05	(14,786.7)
Cash generated from operations	2,596.28	4,293.1
Direct taxes paid (net of refunds)	(38.75)	(144.8)
Net cash generated from operating activities (A)	2,557.53	4,148.1
B) Cash flow from investing activities		
Purchase of fixed assets (including capital work-in-progress)	(295.97)	(950.5)
Sale of fixed assets (Net)	11.34	22.1
Purchase of long-term investments in subsidiaries	-	(8.4)
Purchase of long-term investments in Others	(9.67)	
Sale/redemption of long-term investments in		
- Subsidiary	1,570.97	366.1
Sale of current investments (Net)	3,258.33	(750.1)
(Increase)/decrease in share application money given to		
- Subsidiaries	-	(47.5)
Dividend received	33.05	228.1
Interest received	1,002.31	1,061.1
Net cash generated from / (used in) investing activities (B)	5,570.36	(78.1)
C) Cash flow from financing activities		
Repayment of long-term borrowings (Net)	(4,679.52)	(5,844.1)
Increase/(decrease) in short-term borrowings (Net)	(444.42)	437.1
Interest paid	(2,039.86)	(2,164.1)
Dividend paid (including corporate dividend tax)	(154.67)	(152.1)
Net cash used in financing activities (C)	(7,318.47)	(7,724.1)
Net changes in Cash and Cash Equivalents (A+B+C)	809.42	(3,654.1)
Cash and Cash Equivalents at the beginning of the year	53.94	3,708.1
Cash and Cash Equivalents at the end of the year	863.36	53.9

Notes:

- The Cash Flow Statement has been prepared under the "Indirect method" as set out in Accounting Standard 3 on Cash Flow Statement as notified under section 211 (3C), Companies (Accounting Standards) Rules, 2006 as amended.
- Previous year's comparatives have been reclassified to conform with the current year's presentation, wherever applicable.

The Notes are an integral part of these financial statements.

As per our attached report of even date

 For Price Waterhouse Chartered Accountants LLP
 Firm Registration No: 012754N / N500016

 Mehul Desai
 Partner
 Membership No. 103211
 Mumbai, 28 April 2015

For and on behalf of the Board

B.K.Goenka	Braja Mishra
Chairman	Managing Director
DIN No.00270175	DIN No.00007089
S. Krishnan	Pradeep Joshi
Chief Financial Officer	Company Secretary

FY2016

CASH FLOW STATEMENT

for the year ended March 31, 2016

	(₹ in million)	
	2016	2015
A) Cash flow from operating activities		
Profit/(loss) before tax	(1,343.45)	(254.96)
Adjustments for		
Depreciation and amortisation expense	2,475.26	2,427.78
Interest expense	1,759.68	1,947.48
Interest income	(935.43)	(965.99)
Loss on sale/discarding of tangible assets (Net)	31.94	28.97
(Profit) /Loss on sale/redemption of		
- Current investments	2.47	100.89
- Non-current investment in subsidiary	(272.84)	(405.01)
Dividend income on		
- Current investments	(21.94)	(33.05)
Provision for doubtful debts and advances and litigations / disputes (Net)	5.61	(39.59)
Provision no longer required, written back	19.89	44.92
Employee stock options	99.34	36.47
Sweat equity	-	28.96
Exchange adjustments (Net)	331.00	155.23
Operating profit before working capital changes	2,151.53	3,072.10
Adjustments for		
Trade and other receivables	7,390.35	(12,898.56)
Inventories	350.28	(2,980.84)
Trade and other payables	(6,660.71)	15,408.13
Cash generated from operations	3,231.45	2,600.83
Direct taxes paid (net of refunds)	(15.09)	(43.30)
Net cash generated from operating activities (A)	3,216.36	2,557.53
B) Cash flow from investing activities		
Purchase of fixed assets (including capital work-in-progress)	(458.92)	(295.97)
Sale of fixed assets (Net)	29.76	11.34
Purchase of long-term investments in subsidiaries	(147.55)	-
Purchase of long-term investments in Others	(27.78)	(9.67)
Sale/redemption of long-term investments in		
- Subsidiary	1,181.65	1,570.97
Sale of current investments (Net)	597.29	3,258.33
Loan given to subsidiary & other parties	(1,084.24)	-
Dividend received	21.94	33.05
Interest received	885.46	1,002.31
Net cash generated from investing activities (B)	997.61	5,570.36

CASH FLOW STATEMENT

for the year ended March 31, 2016

	(₹ in million)	
	2016	2015
C) Cash flow from / (used in) financing activities		
Proceeds from issue of equity shares (including securities premium)	2.05	-
Repurchase of Non-convertible debentures	(490.00)	-
Repayment of long-term borrowings (Net)	(2,286.50)	(4,679.52)
Decrease in short-term borrowings (Net)	(47.65)	(444.42)
Interest paid	(1,794.70)	(2,039.86)
Dividend paid (including corporate dividend tax)	(158.72)	(154.67)
Net cash used in financing activities (C)	(4,775.52)	(7,318.47)
Net changes in Cash and Cash Equivalents (A+B+C)	(561.55)	809.42
Cash and Cash Equivalents at the beginning of the year	863.36	53.94
Cash and Cash Equivalents at the end of the year	301.81	863.36

Notes:

- The Cash Flow Statement has been prepared under the "Indirect method" as set out in Accounting Standard 3 on Cash Flow Statements as notified under Section 133 of the Companies Act, 2013 read with rule 7 of Companies (Accounts) Rule 2014.
- Previous year's comparatives have been reclassified to conform with the current year's presentation, wherever applicable.

FY2017

Standalone Statement of Cash Flows

for the year ended March 31, 2017

(All amounts in Rupees million, unless otherwise stated)

	Year ended March 31, 2017	Year ended March 31, 2016
A) Cash flow (used in)/ from operating activities		
Profit/(loss) before income tax	2,637.88	(1,785.96)
Adjustments for:		
Depreciation and amortisation expense	2,442.45	2,475.26
Employee share-based expense	-	97.44
Loss on disposal of property, plant and equipment (net)	9.77	31.94
(Profit)/ loss on sale/ redemption of		
Current investments	(161.36)	1.80
Non-current investments	0.10	(73.81)
Fair valuation loss/(gain) on investment (net)	45.81	(93.11)
Allowance for doubtful debts (net)	(3.33)	5.61
Provision no longer required written back	-	19.89
Dividend income	(3.01)	(21.94)
Interest income	(917.53)	(832.90)
Interest expenses	1,938.25	1,905.98
Net exchange differences (unrealised)	5,624.06	338.35
Operating profit before changes in operating assets and liabilities	11,613.09	2,068.55
Changes in operating assets and liabilities		
(Increase)/ decrease in trade receivables	(5,046.43)	9,507.65
(Increase)/ decrease in inventories	(5,348.26)	350.28
Decrease in trade payables	(1,116.74)	(8,080.10)
(Decrease)/ increase in other current liabilities	162.15	23.24
Decrease in other non-current financial assets	12.45	14.27
Increase in other current financial assets	(573.80)	(656.94)
Increase in other non current assets	(40.66)	(23.21)
(Increase)/ decrease in other current assets	(322.32)	801.42
(Decrease)/ increase in other non-current financial Liabilities	(578.84)	70.87
Increase/ (Decrease) in other current financial Liabilities	708.28	(808.09)
Increase/ (Decrease) in provisions	53.84	(11.18)
Increase in government grants	98.14	120.47
Total changes in operating assets and liabilities	(11,992.19)	1,308.68
Cash flow (used in)/ from operations	(379.10)	3,377.23
Income taxes paid (net of refunds)	330.28	(15.09)
Net cash (used in)/ from operating activities (A)	(48.82)	3,362.14
B) Cash flow from investing activities		
Payments for property, plant and equipment	(901.98)	(458.92)
Proceeds from property, plant and equipment	13.87	29.76
Investment in joint venture	-	(147.55)
Sale/ redemption of long-term investments in subsidiaries	0.40	1,181.65
Purchase of other long term investments	-	(27.78)
Sale of current investments (net)	2,261.32	597.29
Proceeds from maturity of/ (investment in) Fixed deposit (net)	554.15	(39.64)
Interest received	842.26	883.73
Dividend received	3.01	21.94
Loan to joint venture, subsidiaries and other parties	(99.12)	(1,424.56)
Repayment of Loan from joint venture, subsidiaries and other parties	928.21	338.36
Net cash from investing activities (B)	3,602.12	954.28

Standalone Statement of Cash Flows

for the year ended March 31, 2017

(All amounts in Rupees million, unless otherwise stated)

	Year ended March 31, 2017	Year ended March 31, 2016
C) Cash flow used in financing activities		
Proceeds from issue of equity share capital	-	2.05
Repurchase of non-convertible debentures	(3,000.00)	(490.00)
Repayment of long term borrowings	(480.69)	(2,286.50)
Proceeds from/(repayment) of short term borrowings (net)	2,207.44	(47.65)
Interest paid	(1,902.89)	(1,897.15)
Dividend paid (including dividend distribution tax)	(159.94)	(158.72)
Net cash used in financing activities (C)	(3,336.08)	(4,877.97)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	217.22	(561.55)
Cash and cash equivalents at the beginning of the financial year	301.81	863.36
Cash and cash equivalents at the end of the year	519.03	301.81
Net increase/ (decrease) in cash and cash equivalents	217.22	(561.55)

e) Auditors Comments:

No reservation or qualification or adverse remarks received in the last five financial years.

f) Related Party Transactions for the last three years

FY14-15,

Name(s) of the related party and nature of relationship	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any:	₹. in million
1) Sale of goods					
Welspun Tradings Limited	Ongoing	Based on transfer pricing guidelines	07.08.2014	Nil	23,258.22
Welspun Tubular LLC	Ongoing	Based on transfer pricing guidelines	07.08.2014	Nil	10,197.91
2) Interest Income					
Welspun Pipes Inc	15 months	Based on transfer pricing guidelines	16.01.2008	Nil	4.18
3) Guarantee Commission received					
Welspun Middle East Pipe Company LLC	5 years	Based on transfer pricing guidelines	30.06.2012	Nil	18.81
Welspun Energy Limited	7 years from the drawl of the facility	Based on transfer pricing guidelines	27.01.2014	Nil	16.08
4) Purchase of goods and services					
Welspun Logistics Limited	Terminated	Based on transfer pricing guidelines	07.08.2014	Nil	9.71
Welspun Captive Power Generation Limited	Ongoing	Based on transfer pricing guidelines	28.01.2015	Nil	370.38
5) Purchase of Fixed Assets					
Welspun Projects Limited	Completed	Based on transfer pricing guidelines	-	Nil	0.61
6) Sale of Fixed Assets					
Welspun Captive Power Generation Limited	Not applicable	Based on transfer pricing guidelines	-	Nil	2.33
7) Rent paid					
Welspun Realty Private Limited	3 years	Based on transfer pricing guidelines	07.08.2014	Nil	49.13
8) Investment in shares					
Welspun Captive Power Generation Limited	Not applicable	Not Applicable	10.11.2012	Not applicable	9.66

FY 15-16

Name(s) of the related party and nature of relationship	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any	Amount (₹ Million)
1) Sale of goods					
Welspun Tradings Limited	Ongoing	Based on transfer pricing guidelines	07.08.2014	Nil	10,798.82
Welspun Tubular LLC	Ongoing	Based on transfer pricing guidelines	07.08.2014	Nil	5,588.22
2) Interest Income					
Welspun Pipes Inc	15 months	Based on transfer pricing guidelines	16.01.2008	Nil	23.76
3) Dividend Income					
Welspun Captive Power Generation Limited	Not applicable	Not Applicable	10.11.2012	Nil	19.44
4) Guarantee Commission received					
Welspun Middle East Pipes Company LLC	5 years	Based on transfer pricing guidelines	30.06.2012	Nil	13.74
Welspun Energy Private Limited	7 years from the drawl of the facility	Based on transfer pricing guidelines	27.01.2014	Nil	7.62
5) Purchase of goods and services					
Welspun Captive Power Generation Limited	Ongoing	Based on transfer pricing guidelines	28.01.2015	Nil	355.84
6) Sale of Fixed Assets					
Welspun Wasco Coatings Private Limited	One time	Based on transfer pricing guidelines	25.06.2015	Nil	8.36
7) Rent paid					
Welspun Realty Private Limited	3 years	Based on transfer pricing guidelines	07.08.2014	Nil	49.17
8) Investment in shares					
Welspun Captive Power Generation Limited	Not applicable	Not Applicable	10.11.2012	Nil	27.79
Welspun Wasco Coatings Private Limited	Not applicable	Not Applicable	25.06.2015	Nil	147.55
9) Loans, Deposits given					
Welspun Pipes Inc.	12 months	Based on transfer pricing guidelines	01.02.2012	Nil	1,232.32
Welspun Wasco Coatings Private Limited	3 Equal installments after expiry of 3 years from end of quarter after last utilization	Based on transfer pricing guidelines	25.06.2015	Nil	156.95

FY 2016-2017

the total transactions or the same type:

Name(s) of the related party and nature of relationship	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any:	Amount (₹ Million)
1) Sale of goods					
Welspun Tradings Limited	Ongoing	Based on transfer pricing guidelines	07.08.2014	Nil	14,761.42
Welspun Tubular LLC	Ongoing	Based on transfer pricing guidelines	07.08.2014	Nil	2,340.68
2) Interest Income					
Welspun Pipes Inc.	15 months	Based on transfer pricing guidelines	16.01.2008	Nil	6.73
Welspun Wasco Coatings Private Limited	3 Equal installments after expiry of 3 years from end of quarter after last utilisation	Based on transfer pricing guidelines	25.06.2015	Nil	20.26
4) Guarantee Commission received					
Welspun Middle East Pipe Company LLC	5 years	Based on transfer pricing guidelines	30.06.2012	Nil	12.23
Welspun Tradings Limited	6 Months	Based on transfer pricing guidelines	23.05.2016	Nil	813
5) Purchase of goods and services					
Welspun Captive Power Generation Limited	Ongoing	Based on transfer pricing guidelines	28.01.2015	Nil	327.41
6) Sale of Fixed Assets					
Welspun Wasco Coatings Private Limited	One time	Based on transfer pricing guidelines	25.06.2015	Nil	0.05
7) Purchase of Fixed Assets					
Welspun Steel Limited	Ongoing	Based on transfer pricing guidelines	23.05.2016	Nil	6.29
8) Rent paid					
Welspun Realty Private Limited	3 years	Based on transfer pricing guidelines	23.05.2016	Nil	45.23
9) Rent Received					
Welspun Wasco Coatings Private Limited	10 years	Based on transfer pricing guidelines	21.07.2015	Nil	8.77
11) Loans, Deposits given					
Welspun Wasco Coatings Private Limited	3 Equal installments after expiry of 3 years from end of quarter after last utilisation	Based on transfer pricing guidelines	25.06.2015	Nil	99.11

g) Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company:

The Company adopted Indian Accounting Standard ("IND AS") w.e.f. from FY 2017 as per the guidelines.

Notes

annexed to and forming part of the standalone balance sheet as at March 31, 2017 and the standalone statement of profit and loss for the year ended March 31, 2017

(All amounts in Rupees million, unless otherwise stated)

General Information

Welspun Corp Limited (hereinafter referred to as "WCL" or "the Company") is engaged in the business of Production and Coating of High Grade Submerged Arc Welded Pipes, Hot Rolled Steel Plates and Coils.

The Company is a public limited company which is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) and is incorporated and domiciled in India. The address of its registered office is "Welspun City", Village Versamedi, Tal. Anjar, Dist Kutch, Gujarat - 370110, India.

These financial statements were approved for issue by the board of directors on May 08, 2017.

Note 1: Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of preparation of financial statements

a) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended March 31, 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act ("Previous GAAP").

These financial statements are the first financial statements of the Company under Ind AS. Refer note 49 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

b) Historical cost convention

The financial statements have been prepared on an accrual and going concern basis. The financial statements have been prepared on a historical cost basis, except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivatives instruments)	Fair Value
Share based payment arrangements	Fair Value
Net defined benefit (asset)/liability	Fair Value of plan assets less present value of defined benefit obligations

c) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (i.e. 12 months) and other criteria set out in Schedule III (Division II) to the Act.

1.2 Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other expenses or other income, as applicable.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of initial transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and

Notes

annexed to and forming part of the standalone balance sheet as at March 31, 2017 and the standalone statement of profit and loss for the year ended March 31, 2017

(All amounts in Rupees million, unless otherwise stated)

liabilities carried at fair value are reported as part of the fair value gain or loss.

The Company has elected to apply the exemption in respect of accounting policy followed for long term foreign currency monetary items. Accordingly long term foreign currency monetary items in the financial statement have been accounted in accordance with adopted under previous GAAP as given below:

- ▶ Foreign exchange differences on account of depreciable assets are adjusted in the cost of depreciable assets and depreciated over the balance life of the assets.
- ▶ In other cases, foreign exchange differences are accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of such long term assets / liabilities.

1.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added tax and amounts collected on behalf of third parties.

The Company recognises revenue from sale of goods when:

- ▶ the Company has transferred to the buyer the significant risk and reward of ownership of goods;
- ▶ the Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold;
- ▶ the amount of revenue can be reliably measured;
- ▶ it is probable that future economic benefits associated with the transaction will flow to the Company; and
- ▶ the cost incurred or to be incurred in respect of the transaction can be measured reliably.

The Company bases its estimates on historical results, taking into consideration the type of

customer, the type of transaction and the specifics of each arrangement.

1.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Managing director and CEO of the Company assess the financial performance and position of the Company, and makes strategic decisions. The chief operating decision makers are Managing director and CEO of the Company (refer note 48).

1.5 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Grants related to assets are government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. Grants related to income are government grants other than those related to assets.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented either under "other operating revenue" or are deducted in reporting the related expense.

Government grants relating to the purchase of property, plant and equipment are included in liabilities as "Government grants" and are credited to profit or loss over the periods and in proportions in which depreciation expense on those assets is recognised.

1.6 Income tax, deferred tax and dividend distribution tax

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in the profit and loss except to the extent it relates to items recognised directly in equity or other comprehensive

Notes

annexed to and forming part of the standalone balance sheet as at March 31, 2017 and the standalone statement of profit and loss for the year ended March 31, 2017

(All amounts in Rupees million, unless otherwise stated)

income, in which case it is recognised in equity or other comprehensive income respectively.

a) Current income tax

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b) Deferred tax

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

c) Dividend distribution tax

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to statement of profit and loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is recognised in equity.

17 Leases

a) As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

b) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

18 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;

Notes

annexed to and forming part of the standalone balance sheet as at March 31, 2017 and the standalone statement of profit and loss for the year ended March 31, 2017

(All amounts in Rupees million unless otherwise stated)

- ▶ equity interests issued by the Company; and
- ▶ fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the:

- ▶ consideration transferred;
- ▶ amount of any non-controlling interest in the acquired entity; and
- ▶ acquisition-date fair value of any previous equity interest in the acquired entity.

Over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

Transition to Ind AS

On transition to first-time adoption of Ind AS, the Company has elected not to restate business combinations which occurred prior to the transition date i.e. April 01, 2015.

1.9 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Cost of Capital Work in Progress (CWIP) comprises amount paid towards acquisition of property, plant and equipment outstanding as of each balance sheet date and construction expenditures, other expenditures necessary for the purpose of preparing the CWIP for its intended use and borrowing cost incurred before the qualifying asset is ready for intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 01, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Freehold land is not depreciated. Leasehold improvements are amortised over the shorter of estimated useful life or the related lease term. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Notes

annexed to and forming part of the standalone balance sheet as at March 31, 2017 and the standalone statement of profit and loss for the year ended March 31, 2017

(All amounts in Rupees million, unless otherwise stated)

Assets	Estimated Useful Lives (In years)
Buildings	
Building	30
Residential and other buildings	60
Road, fencing, etc.	Ranging between 3 to 5 years
Office and other equipments	
Office equipment	5
Computer	3 years except Networking equipment's which are depreciated over useful life of 4 years
Vehicles	8
Furniture and fixtures	10

Plant and machinery is depreciated on straight line method over the useful life ranging between 2 years to 40 years which is different than the life prescribed under Schedule II to the Companies Act, 2013 in order to reflect the actual usage of the assets. The estimated useful lives of plant and machinery has been determined based on internal technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, etc.

The residual values are not more than 5% of the original cost of the asset.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other expenses or other income or other expenses, as applicable.

1.10 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially

at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties (except freehold land) are depreciated using the straight-line method over their estimated useful lives.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment properties recognised as at April 01, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

1.11 Intangible assets

Intangible assets with finite useful lives acquired by the Company are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged on a straight-line basis over the estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation methods and periods

Intangible assets comprise of computer software which is amortised on a straight-line basis over its expected useful life over a period of five years.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at April 01, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

1.12 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

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except for assets such as deferred tax assets, assets arising from employee benefits, financial assets, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

1.13 Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.14 Inventories

Raw materials, stores and spares, work in progress, traded goods and finished goods

Raw materials, stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases on moving weighted average basis. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter

being allocated on the basis of normal operating capacity. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on moving weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

1.15 Investment in subsidiaries, joint ventures and associate

Investment in subsidiaries, joint ventures and associate is carried at cost in the separate financial statements.

Company considers issuance of non-market rate redeemable preference shares by subsidiary as compound instrument comprising a loan with market terms and a capital injection and hence treat the difference between the cash paid and fair value on initial recognition as an addition to the investment in the subsidiary and presented separately as "Investment in equity component of preference shares" under "Equity investments in subsidiaries, joint ventures and associate". Equity Component is not subsequent remeasured.

Transition to Ind AS

Upon first-time adoption of Ind AS, the Company has elected to continue with the carrying value of all of its investments in subsidiaries, joint ventures and associate recognised as at April 01, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of investments in subsidiaries, joint ventures and associate.

1.16 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- ▶ those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and

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- ▶ those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

For investments in debt instruments, this will depend on the business model in which the investment is held.

For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(i) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(i) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- ▶ Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these

financial assets is included in other income using the effective interest rate method.

- ▶ Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.

- ▶ Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

(ii) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income and there is no subsequent reclassification of fair value gains and losses to profit or loss, Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

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Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income or other expenses, as applicable in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(II) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(IV) Derecognition of financial assets

A financial asset is derecognised only when

- ▶ The Company has transferred the rights to receive cash flows from the financial asset or
- ▶ retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(V) Income recognition

(i) Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(ii) Dividend income

Dividend income are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(iii) Export Benefits

In case of sale made by the Company as Support Manufacturer, export benefits arising from Duty Entitlement Pass Book (DEPB), Duty Drawback scheme and Merchandise Export Incentive Scheme are recognised on export of such goods in accordance with the agreed terms and conditions with customers. In case of direct exports made by the Company, export benefits arising from DEPB, Duty Drawback scheme and Merchandise Export Incentive Scheme are recognised on shipment of direct exports.

(VI) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within current liabilities in statement of financial balance sheet and which are considered as integral part of company's cash management policy.

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(VII) Trade receivable

Trade receivables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

b) Financial liabilities

(i) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

(ii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(III) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment

for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit and loss as other income or other expenses, as applicable.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(IV) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

c) Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation, where appropriate.

d) Derivatives and hedging activities

In order to hedge its exposure to foreign exchange and interest rate, the Company enters into forward and interest rate swap contracts and other derivative

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financial instruments. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions and variable interest rate risk associated with borrowings (cash flow hedges).

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

(I) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other income or other expenses (as applicable).

When forward contracts are used to hedge forecast transactions, the Company generally designates the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

When the hedged forecast transaction results in the recognition of a non-financial asset the amounts accumulated in equity are transferred to profit or loss as follows:

- ▶ With respect to gain or loss relating to the effective portion of the change in fair value of forward contracts, the deferred hedging gains and losses are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss.
- ▶ With respect to gain or loss relating to the effective portion of the spot component of forward contracts, both the deferred hedging gains and losses and the deferred aligned forward points are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss within other income or other expense (as applicable). If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will

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be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in statement of profit or loss at the time of the hedge relationship rebalancing.

(ii) Derivatives that are not designated as hedges

The Company enters into derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income or other expenses (as applicable).

e) Embedded Derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

f) Embedded foreign currency derivatives

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- ▶ the functional currency of any substantial party to that contract,
- ▶ the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world, and
- ▶ a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency).

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit and loss. The Company currently does not have any such derivatives which are not closely related.

g) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.17 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

1.18 Employee benefits

a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit

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credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

c) Post-employment obligations

The Company operates the following post-employment schemes:

- ▶ defined benefit plans such as gratuity; and
- ▶ defined contribution plans such as provident fund and superannuation fund.

(i) Defined Benefit Plans

(i) Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of

changes in equity and in the balance sheet. Remeasurements are not reclassified to profit and loss in the subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(ii) Defined contribution plans

(i) Provident Fund, Employee State Insurance Corporation (ESIC) and Pension Fund

The Contribution towards provident fund, ESIC and pension fund for certain employees is made to the regulatory authorities where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations apart from the contributions made on a monthly basis.

(ii) Superannuation Fund

Contribution towards superannuation fund for certain employees is made to SBI Life Insurance Company where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from contribution made on monthly basis.

d) Share-based payments

Share-based compensation benefits are provided to employees under "Employee Stock Option Plan".

Employees of the Company receive remuneration in the form of share-based payments as per the eligibility criteria. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made.

That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense.

e) Bonus Plan

The Company recognises a liability and an expense for bonus. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

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1.19 Provisions, contingent liabilities and contingent assets

a) Provisions

Provisions for legal claims are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

b) Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

c) Contingent Assets

Contingent Assets are disclosed, where an inflow of economic benefits is probable.

1.20 Contributed Equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares

or options are shown in equity as a deduction, net of tax, from the proceeds.

1.21 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.22 Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- ▶ the profit attributable to owners of the Company; and
- ▶ by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

b) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- ▶ the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- ▶ the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

1.23 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees millions (upto two decimals), unless otherwise stated as per the requirement of Schedule III (Division II).

1.24 New standards/ amendments to existing standards issued but not yet adopted

Following are the amendments to existing standards which have been issued by The Ministry of Corporate Affairs ("MCA") that are not effective for the reporting period and have not been early adopted by the Company:

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a) Amendments to Ind AS 7, 'Statement of cash flows' on disclosure initiative:

The amendment to Ind AS 7 introduces an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. This includes changes arising from cash flows (e.g. drawdowns and repayments of borrowings) and non-cash changes (i.e. changes in fair values). Changes resulting from acquisitions and disposals and effect of foreign exchange differences. Changes in financial assets must be included in this disclosure if the cash flows were, or will be, included in cash flows from financing activities. This could be the case, for example, for assets that hedge liabilities arising from financing liabilities. The Company is currently assessing the potential impact of this amendment. These amendments are mandatory for the reporting period beginning on or after April 01, 2017.

b) Amendments to Ind AS 102, 'Share-based Payment':

The amendment to Ind AS 102 clarifies the measurement basis for cash settled share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. It also introduces an exception to the principles in Ind AS 102 that will require an award to be treated as if it was wholly equity-settled, where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority. The Company is currently assessing the potential impact of this amendment. These amendments are mandatory for the reporting period beginning on or after April 01, 2017.

The Company intends to adopt the amendments when it becomes effective. There are no other standards or amendments that are not yet effective and that would be expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

Note 2: Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management

also needs to exercise judgment in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgments

i) Estimation of current tax expense and deferred tax

The calculation of the Company's tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions (refer note 35).

Recognition of deferred tax assets/ liabilities

The recognition of deferred tax assets is based upon whether it is probable that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the approved budgets of the Company. Where the temporary differences are related to losses, local tax law is considered to determine the availability of the losses to offset against the future taxable profits as well as whether there is convincing evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the Company. Significant items on which the Company has exercised accounting judgment include recognition of deferred tax assets in respect of losses. The amounts recognised in the financial statements in respect of each matter are derived from the Company's best estimation and judgment as described above (refer note 35).

Notes

annexed to and forming part of the standalone balance sheet as at March 31, 2017 and the standalone statement of profit and loss for the year ended March 31, 2017

(All amounts in Rupees million, unless otherwise stated)

ii) Estimation of Provisions and Contingent Liabilities

The Company exercises judgment in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision (refer note 19).

iii) Estimation of useful life of Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. For the relative size of the Company's property, plant and equipment (refer notes 3).

iv) Estimation of Provision for Inventory

The Company writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of estimates of net

selling prices of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed (refer note 11).

v) Estimation of Defined Benefit Obligation

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employment plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability (refer note 19).

vi) Estimated fair value of Financial Instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Management uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions (refer note 39).

h) Remuneration of Directors and Key Management for the last three years F.Y. 14-15

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, whole-time directors and/or Manager

Sr. No.	Particulars of Remuneration	Name of the Managing Director
		Mr. Braja Mishra
1	Gross Salary	
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act 1961.	Rs. 45.08 million p.a.
	b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	Rs. 11.14 million p.a.
	c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	Nil
2	Stock Option	2,050,029 Stock Options carrying option to subscribe for equal number of equity shares of Rs. 5 each fully paid-up at a price of Re. 1 per share.
3	Sweat equity	227,781 equity shares of Rs. 5 each fully paid-up of aggregate value of Rs. 12,243,229 determined as per SEBI (Issue of Sweat Equity Shares) Regulations, 2002
4	Commission	Nil
	As % of profit	
	Others, specify,.....	
5	Others, please specify	Nil
	Total (A)	Rs. 121.64 million p.a.
	Ceiling as per the Act.	In terms of the Circular No. 7/ 2015 dated April 10, 2015 issued by the Ministry of Corporate Affairs, the Company can pay the remuneration to the Managing Director for his remaining tenure (including for the year 2014-15) in accordance with terms and conditions approved by Company as per relevant provisions of Schedule XIII of earlier Act even if the part of his tenure falls after April 1, 2014 and hence in terms of the Schedule XIII of the earlier Act read with Notifications dated July 14, 2011 and August 16, 2012 the Managing Director is eligible to receive remuneration for remaining period including the financial year 2014-15 in terms of the approval granted by the shareholders at its meeting held on August 6, 2012 without any further approval.

* Value of ESOP & Sweat Equity – Rs. 65.42 million

B. Remuneration to other directors

(Rs. in Million)

Sr. No.	Particulars of Remuneration	Name of Directors						Total
		RGS	KHV	RKJ	NG	RA	AD	
1	Independent Directors							
	Fee for attending board & committee meetings	0.678	0.683	0.628	0.096	0.120	0.120	2.325
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	0.678	0.683	0.628	0.096	0.120	0.120	2.325
Sr. No.	Particulars of Remuneration	Name of Directors						Total
		MS	MB	UB	BKG	RRM		
2	Other Non-Executive Directors							
	Fee for attending board committee meetings	0.060	0.310	0.030	-	-	-	0.400
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (2)	0.060	0.310	0.030	-	-	-	0.400
	Total (B) = (1 + 2)	-	-	-	-	-	-	2.725
	Total Managerial Remuneration							Rs. 124.36 million
	Overall Ceiling as per the Act	1% of the Net profits of the Company (exclusive of any fees payable to directors for attending meetings of the Board or Committee thereof provided that the amount of such fees does not exceed Rs. one lakh per meeting of the Board or committee thereof.)						

RGS - Ramgopal Sharma
NG - Nimal Gangwal
MS - Mukul Sarkar

KHV - K.H. Viswanathan
RA - Revathy Ashok
MB - Mintoo Bhandari

RKJ - Rajkumar Jain
AD - Atul Desai
UB - Utsav Bajjal

BKG - Balkrishan Goenka
RRM - Rajesh Mandawewala

F.Y. 15-16
VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.
A. Remuneration to Managing Director, whole-time directors and/or Manager

Sr. No.	Particulars of Remuneration	Name of the Managing Director
1	Gross Salary	Mr. Braja Mishra ₹ 50 million p.a.
a)	Salary as per provisions contained in section 17(1) of the Income Tax Act 1961.	
b)	Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	₹ 100.63 million*
c)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil
2	Stock Option*	2,050,029 Stock Options carrying option to subscribe for equal number of equity shares of ₹ 5 each fully paid-up at a price of ₹ 1 per share. Exercised during the year.
3	Sweat equity	Nil
4	Commission as % of profit	Nil
5	Others, specify.....	Nil
	Others, please specify	Nil
Total (A)		₹ 150.63 million
	Ceiling as per the Act.	In terms of the Circular No. 7/ 2015 dated April 10, 2015 issued by the Ministry of Corporate Affairs, the Company can pay the remuneration to the Managing Director for his remaining tenure (including for the year 2014-15) in accordance with terms and conditions approved by Company as per relevant provisions of Schedule XIII of earlier Act even if the part of his tenure falls after April 1, 2014 and hence in terms of the Schedule XIII of the earlier Act read with Notifications dated July 14, 2011 and August 16, 2012 the Managing Director is eligible to receive remuneration for remaining period including the financial year 2014-15 in terms of the approval granted by the shareholders at its meeting held on August 6, 2012 without any further approval.

* Value of ESOP - ₹ 99.34 million.

B. Remuneration to other directors

Sr. No.	Particulars of Remuneration	Name of Directors						(₹ in million)
		RGS	KHV	RKJ	NG	RA	AD	Total amount
1	Independent Directors							
	Fee for attending board & committee meetings	0.678	0.700	0.668	0.168	0.174	0.132	2.520
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	0.678	0.700	0.668	0.168	0.174	0.132	2.520
		MS	MB	UB	BKG	RRM		
2	Other Non-Executive Directors							
	Fee for attending board committee meetings	0.066	0.110	0.096	-	-	-	0.272
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (2)	0.066	0.110	0.096	-	-	-	0.272
	Total (B) = (1 + 2)							2.792
	Total Managerial Remuneration							153.422
	Overall Ceiling as per the Act.	1% of the Net profits of the Company (exclusive of any fees payable to directors for attending meetings of the Board or Committee thereof provided that the amount of such fees does not exceed Rupees one lakh per meeting of the Board or committee thereof.)						

RGS - Ramgopal Sharma MS - Mukul Sarkar KHV - KHViswanathan MB - Minto Bhandari RKJ - Rajkumar Jain UB - Utsav Bajjal
 NG - Nirmal Gangwal BKG - Balkrishna Goenka RA - Revathy Ashok RRM - Rajesh Mandawewala AD - Atul Desai

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VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(₹ in Million)

Sr. No.	Particulars of Remuneration	Name of the Managing Director@	Name of the Managing Director & CEO#
		Mr. Braja Mishra	Mr. Lalitkumar Naik
1	Gross Salary		
a)	Salary as per provisions contained in section 17(1) of the Income Tax Act 1961.	45.19 (Till December 31, 2016)	9.4 (For 3 months Jan - Mar 2017)
b)	Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	Nil	Nil
c)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat equity	Nil	Nil
4	Commission As % of profit	Nil	Nil
5	Others, please specify	Nil	Nil
	Total (A)	45.19	9.4

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B. Remuneration to other directors

(₹ in Million)

Sr. No.	Particulars of Remuneration	Name of Directors							Total amount
		AD	DRD	KHV	NG	RKJ	RGS	RA	
1	Independent Directors								
	Fee for attending board & committee meetings	0.14	0.07	0.78	Nil	0.83	0.83	0.22	2.87
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	0.14	0.07	0.78	Nil	0.83	0.83	0.22	2.87

(₹ in Million)

Sr. No.	Particulars of Remuneration	Name of Directors							Total amount
		MB	MS	UB	BKG	BKM	RRM		
2	Other Non-Executive Directors								
	Fee for attending board committee meetings	0.20	0.11	0.07	Nil	Nil	Nil		0.38
	Commission	-	-	-	-	-	-		-
	Others, please specify	-	-	-	-	-	-		-
	Total (2)	0.20	0.11	0.07	Nil	Nil	Nil		0.38
	Total (B) = (1 + 2)								
	Total Managerial Remuneration								3.25

Overall Ceiling as per the Act. 1% of the Net profits of the Company (exclusive of any fees payable to directors for attending meetings of the Board or Committee thereof provided that the amount of such fees does not exceed Rupees One lakh per meeting of the Board or committee thereof.)

AD - Atul Desai	KHV - KHV Viswanathan	NG - Nirmal Gangwal	RGS - Ramgopal Sharma
BKG - Balkrishna Goenka	MB - Minto o Bhandari	RKJ - Rajkumar Jain	RA - Revathy Ashok
BKM - Braja Mishra	MS - Mukul Sarkar	RRM - Rajesh Mandawewala	UB - Utsav Bajjal
DRD - Desh Raj Dogra			

i) Half yearly performance for the half-year ended September 30, 2017.

WELSPUN CORP

WELSPUN CORP LIMITED
 CH: 427400G109991C025009, Website: www.welspuncorp.com
 Regd. Office: Welspun City, Village Vayalandy, Taluk Aruvai, Dist. Karaikal 750110, Tel No. 2036-602070
 Fax: 02393-279060, email: CompanySecretary_WCL@welspun.com
 Corp. Office: Welspun House, Kamala Mills Compound, Sarajpur Bopal, Ring Road, Gandhinagar, Mumbai 400015, Tel No. 022-2490 9013, Fax: 022-2490 9020

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED SEPTEMBER 30, 2017

Sr. No.	Particulars	Statement				
		Quarter ended (Unaudited)		Half Year ended (Unaudited)		Year Ended (Audited)
		30-Sep-17	30-Jun-17	30-Sep-16	30-Sep-17	30-Sep-17
1	Income					
a	Revenue from operations	122,521	125,189	56,910	250,719	171,079
b	Other operating income	7,594	6,969	9,888	13,084	7,490
c	Other income	3,027	3,321	3,718	10,051	7,671
d	Total income	133,142	135,479	64,225	273,854	186,240
2	Expenses					
a	Cost of materials consumed	119,899	92,082	37,899	210,797	95,814
b	Purchase of fixed assets	-	768	7,392	768	34,687
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(13,618)	(358)	(3,016)	(14,491)	(4,590)
d	Service charge	-	4,478	5,736	4,478	6,289
e	Employee benefits expense	4,512	4,441	4,707	9,051	8,875
f	Depreciation and amortisation expense	6,220	6,088	6,410	12,251	11,824
g	Other expenses	16,626	12,880	8,477	28,798	27,800
h	Finance costs	4,423	4,452	5,123	8,705	10,038
i	Total expenses	159,388	128,212	78,728	266,355	190,006
j	Profit before tax (1-2)	(26,246)	(7,733)	(14,503)	(9,501)	(3,766)
3	Tax expenses					
a	Current tax	130	7,275	-	7,985	-
b	Deferred tax	(1,891)	(1,472)	(2,105)	(2,728)	(1,201)
c	Total tax expense	(1,761)	5,803	(2,105)	5,257	(1,201)
d	Net profit for the period (3-4)	(27,377)	(13,008)	(16,608)	(4,244)	(4,967)
5	Other Comprehensive Income, net of income tax					
a	Items that will be reclassified to profit or loss	290	(1,215)	(124)	(928)	306
b	Items that will not be reclassified to profit or loss	(109)	995	(28)	(861)	(119)
c	Total other comprehensive income, net of income tax	181	(220)	(152)	(789)	187
6	Total Comprehensive Income for the period (5+d)	(27,196)	(13,228)	(16,760)	(5,033)	(4,780)
7	Profit up to equity share (Face value of Rs. 1/- each)	(27,196)	(13,228)	(16,760)	(5,033)	(4,780)
8	Other Equity					
a	Earnings per share (of Rs. 1/- each) (Not annualised)					
b	Basic (in Rs.)	(0.79)	4.23	(1.49)	3.33	(0.77)
c	Diluted (in Rs.)	(0.79)	4.23	(1.49)	3.33	(0.77)
9	Debit Redemption Reserve					
a	Net Worth					
b	Debit - Equity Ratio (Refer note no. 6)					
c	Debit Service Coverage Ratio (DSCR) (Refer note no. 6)					
d	Interest Service Coverage Ratio (ISCR) (Refer note no. 6)					

- Notes:**
- The above financial results for the quarter / half year ended September 30, 2017 were reviewed by the Audit Committee and thereafter approved by the Board of Directors at its meeting held on November 06, 2017. The Statutory Auditors have carried out a Limited Review of the above financial results for the quarter / half year ended September 30, 2017.
 - The Company is principally engaged in a single segment viz., Steel products based on nature of products, risks, returns and the internal business reporting system.
 - This statement has been prepared in all material respects in accordance with the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
 - Details of Secured Redeemable Non-Convertible Debentures is as follows:**
- | Particulars | Previous Due Date 2 | | Next Due Date | |
|---|---------------------|-------------|------------------|-------------|
| | Principal | Interest | Principal | Interest |
| RSR Secured Redeemable Non-Convertible Debentures | Rs. 10,00,00,000 | August 2017 | Rs. 10,00,00,000 | August 2017 |
| Interest and Principal have been paid on the due dates. | | | | |
- The listed Secured, Redeemable, Non-Convertible Debentures of the Company aggregating to Rs. 25,000 lakhs (including transaction costs as per effective interest rate Rs. 65 lakhs) as on September 30, 2017 are secured by first charge ranking pari-passu by way of mortgage / hypothecation of entire immovable and movable tangible assets of the Company both present and future and second / floating charge on current assets subject to prior charge in favour of banks for working capital facilities. The Company has maintained hundred percent asset cover sufficient to discharge the principal amount of the said debentures in terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The fixed assets cover 4.02 times for total debt and the Credit rating by CRISIL for Secured Redeemable Non-Convertible Debentures issued by the Company continues to be "AAA".
 - Formulae for computation of ratios are as follows:**
- | | |
|--|--|
| a. Debt - Equity Ratio | Debt / (Paid up Equity Capital + Reserve and Surplus) |
| b. Debt Service Coverage Ratio (DSCR) (Ref of times) | Earnings before Interest and Tax / (Interest Expenses + Long Term Debt scheduled principal repayments (including prepayments) during the period) |
| c. Interest Service Coverage Ratio (ISCR) (Ref of times) | Earnings before Interest and Tax / Interest Expenses |
- Final Dividend of Rs. 0.50 per share proposed for the year ended March 31, 2017, was approved by the Shareholders in AGM held on September 20, 2017, and paid subsequently during the current quarter.
 - Post the applicability of Goods and Service Tax (GST) with effect from July 1, 2017, revenue from operations are required to disclosed net of GST in accordance with the requirements of IndAS. Accordingly the revenue from operations for the quarter ended and six months ended September 30, 2017 are not comparable with the immediately preceding quarter ended June 30, 2017 and corresponding previous period presented in the financial results which are reported in lakhs of rupees.

For and On Behalf of the Board of Directors of Welspun Corp Limited

 Place: Mumbai
 Date: November 06, 2017

 Lakshman Nath
 Managing Director & CEO
 DIN: 02639288


WELSPUN CORP

WELSPUN CORP LIMITED

CIN : L27100GJ1995PLC025609, Website: www.welspuncorp.com

Regd. Office: Welspun City, Village Versamedi Taluka Anjar, Dist. Kutch Gujarat 370110. Tel No. 2836-662079

Fax : 02836-279060, email - CompanySecretary_WCL@welspun.com

Corp. Office: Welspun House, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400013. Tel No. 022-2490 8000, Fax: 022-2490 8020

STATEMENT OF UNAUDITED STANDALONE ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2017

(Rs. in Lakhs)

Particulars	As at September 30, 2017 (Unaudited)	As at March 31, 2017 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	224,850	236,271
Capital work-in-progress	2,826	2,425
Investment property	12	12
Other intangible assets	1,319	717
Intangible assets under development	120	726
Equity investments in subsidiaries, joint venture and associates	4,967	4,967
Financial assets		
Investments	18,805	18,687
Loans	3,541	2,561
Other financial assets	2,799	2,821
Other non-current assets	8,453	9,443
Total non-current assets	267,692	278,630
Current assets		
Inventories	106,116	132,703
Financial assets		
Investments	27,945	50,186
Trade receivables	127,711	132,297
Cash and cash equivalents	1,036	5,190
Bank balances other than cash and cash equivalents	6,533	6,298
Loans	56	60
Other financial assets	2,185	5,054
Other current assets	31,663	18,782
Assets classified as held for sale	60	60
Total current assets	303,305	350,630
Total assets	570,997	629,260
EQUITY AND LIABILITIES		
Equity		
Equity share capital	13,261	13,261
Other equity		
Reserves and surplus	174,612	166,718
Other reserves	57	982
Total equity	187,930	180,961
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Borrowings	44,851	117,250
Provisions	3,844	3,503
Deferred tax liabilities (net)	21,801	20,192
Government grants	36,431	36,536
Total non-current liabilities	106,927	177,481
Current liabilities		
Financial liabilities		
Borrowings	20,008	21,361
Trade payables	202,546	193,429
Other financial liabilities	20,486	22,081
Provisions	1,907	1,685
Government grants	6,405	4,147
Current tax liabilities (net)	15,008	8,036
Other current liabilities	9,780	20,079
Total current liabilities	276,140	270,838
Total Liabilities	383,067	448,299
Total equity and liabilities	570,997	629,260

For and On Behalf of the Board of Directors of Welspun Corp Limited

 Place : Mumbai
 Date: November 06, 2017


 Lalitkumar Malik
 Managing Director & CEO
 DIN - 02943588


- j) **Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc) at the time of issue which may affect the issue or the investor's decision to invest I continue to invest in the debt securities-**

There are no regulatory proceedings against the issuer/ promoters other than those referred in Audited Annual Financial Statements as on March 31, 2017. The particulars of dues of income tax, customs, excise duty, service tax, duty of customs etc as at March 31, 2017 which have not been deposited due to dispute.

Name of the statute	Nature of dues	Amount (` In Million)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Duty of Excise	0.09	FY 2003-04	High Court, Ahmedabad
		11.16	FY 2012-13	Custom Excise Service Tax Appellate Tribunal, Ahmedabad
		235.35	FY 2007-08 to 2011-12	Custom Excise Service Tax Appellate Tribunal, Ahmedabad
		64.43	FY 2013-14	Review committee, Commissioner LTU, Mumbai
		0.08	FY 2007-08	Custom Excise Service Tax Appellate Tribunal, Ahmedabad
		0.10	FY 2013-14	Custom Excise Service Tax Appellate Tribunal, Ahmedabad
		3.38	FY 2008-09	Commissioner (Appeals), Mumbai
		4.84	FY 2005-06 to 2007-08	Custom Excise Service Tax Appellate Tribunal, Ahmedabad
		3.37	FY 2009-10	Custom Excise Service Tax Appellate Tribunal, Ahmedabad
Gujarat Sales Tax Act, 1969 and Gujarat Value Added Tax Act, 2003	CST	234.74	FY 2013-14 to 2015-16	Dy. Commissioner Appeal, Rajkot
		4.17	FY 2008-09	Joint Commissioner of Commercial Tax Appeals, Vadodara
		1.65	FY 2009-10 to 2012-13	Joint Commissioner of Commercial Tax Appeals, Vadodara
Gujarat Sales Tax Act, 1969 and Gujarat Value Added Tax Act, 2003	Sales Tax/ VAT	769.99	FY 2013-14 to 2015-16	Dy. Commissioner Appeal, Rajkot
		122.29	FY 2006-07 to 2007-08	Dy. Commissioner Appeal, Rajkot
		2.29	FY 1999-00 to 2006-07	Dy. Commissioner Appeal, Rajkot
		15.22	FY 2007-08 to 2009-10	Joint Commissioner of Commercial Tax Appeals, Vadodara
Finance Act, 1994	Service Tax	1.12	FY 2009-10 and 2013-14	Commissioner (Appeals) LTU Mumbai
		3.92	FY 2008-09	Commissioner Central Excise And Customs, Vadodara

- k) **If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with time lines), the same shall be disclosed in the offer document.**

Not Applicable

X. INDUSTRY BRIEF.

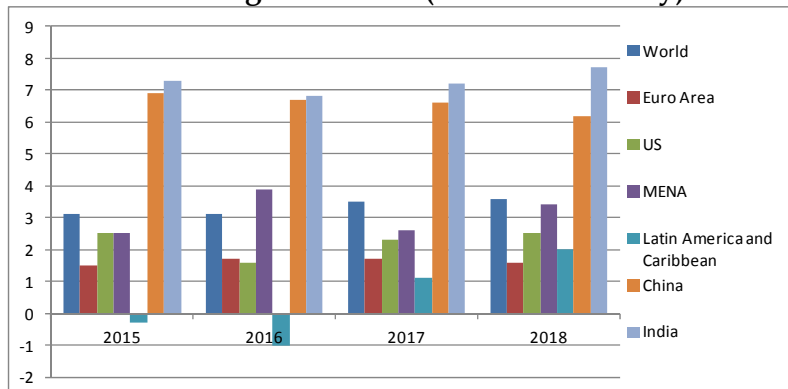
Global Economic Overview

Economic activity gained momentum in the second half of CY2016, especially in advanced economies. Growth picked up in the United States as firms grew more confident about future demand, and inventories started contributing positively to growth (after five quarters of drag). Activity in Japan was a pleasant surprise, thanks to strong net exports, as well as in Eurozone, such as Germany and Spain, as a result of strong domestic demand.

Economic performance across emerging market and developing economies has remained mixed. Whereas China's growth remained strong, reflecting continued policy support, activity had temporarily slowed down in India, following the impact of demonetisation. Brazil, on the other hand, was caught up in deep recession. Activity remained weak in fuel and non-fuel commodity exporters more generally, while geopolitical factors held back growth in parts of the Middle East and Turkey.

India's economy continues to perform better than emerging peers. Stability in the political environment and the government's pro-reform approach continue to strengthen confidence of entrepreneurs and investors. Higher infrastructure spending, increased fiscal devolution to states, and other fiscal reforms are expected to improve investor sentiment and business outlook.

Global real GDP growth rates (constant currency)

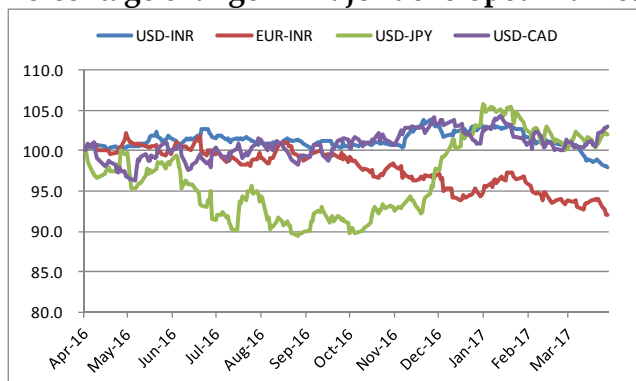


Source: IMF Report – January 2017

Foreign Exchange

During FY2017 USD strengthened (around 2-6%) against all major currencies including Euro, Japanese Yen, and Canadian Dollar. This would benefit the European and Japanese line pipe players.

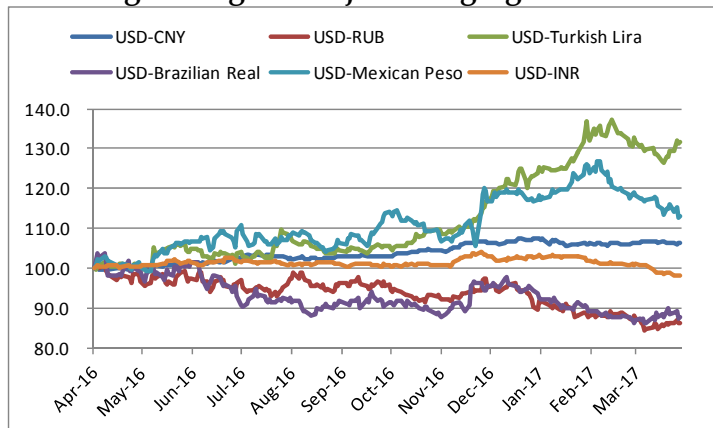
Percentage change in major developed market currencies



Source: Bloomberg

Among emerging market currencies, depreciation of the Chinese Renminbi, Turkish Lira and Mexican Peso significantly enhanced the competitive edge of suppliers from these markets. On the contrary INR was moderately stronger (appreciated approximately 2% against USD), thus increasing the competitive pressures on Indian supplies.

Percentage change of major emerging market currencies



Source: Bloomberg

Global Energy Demand

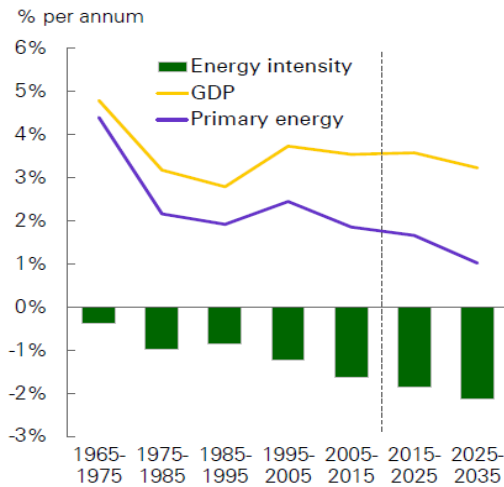
Energy is critical to every aspect of modern life. Around the clock, across the world, people rely on energy to get to work, prepare meals, pursue business endeavours, communicate and do much more. Energy comes in many forms — from gasoline, natural gas to electricity — each with properties well suited for particular applications. Global energy demand is largely determined by growth in population and GDP as well as industrial activities.

Given the sluggish global economic performance, energy consumption is expected to grow less quickly than in the past: 1.3% annually over 2015-35 vis-à-vis 2.2% annually in 1995-2015. The pace at which global energy intensity declines is projected to escalate, as China's economy rebalances and more attention worldwide is focused on improving energy efficiency.

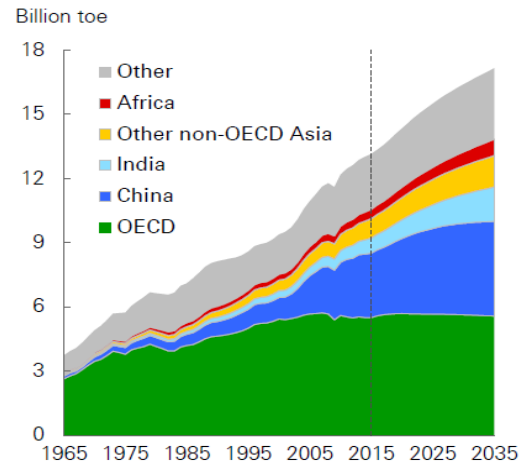
Global energy demand is expected to grow by around 30% by 2035. Virtually the entire proportion of the growth in global energy demand comes from fast-growing emerging economies, with China and India accounting for over half of the escalation. Energy demand within the OECD is expected to remain stagnant. China is expected to be the largest growth market for energy, although it is likely to be overtaken by India towards 2035.

The world's fuel mix is consistently evolving, although oil and gas, together with coal, would remain the dominant sources of energy for next couple of decades. Renewables, with nuclear and hydroelectric power, are expected to provide half of the additional energy required up to 2035.

Growth in GDP and primary energy



Energy consumption by region



Source: BP Energy Outlook 2035, 2017 edition

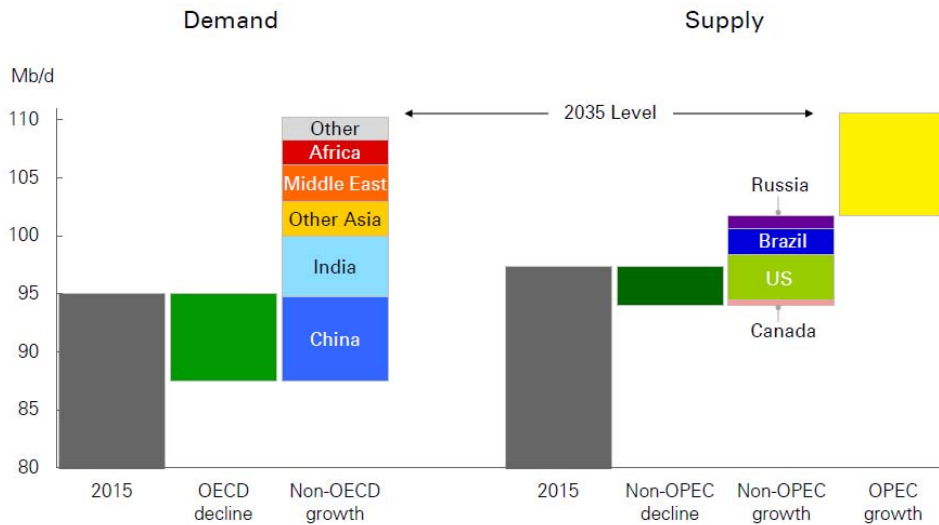
The Oil Scenario

Global liquids demand (oil, biofuels, and other liquid fuels) is expected to increase by around 15 Mb per day, to reach 110 Mb per day by 2035. This demand growth is expected to emanate from emerging economies, as rising prosperity leads to increased oil demand, with China accounting for half of the growth. In contrast, OECD oil demand is expected to decline (-8 Mb per day).

Global liquids supply is expected to increase by a little less (13 Mb per day). Supply escalation is driven by holders of large-scale, low-cost resources, especially in the Middle East, US and Russia, as these producers are assumed to respond to the growing abundance of oil resources by asserting their competitive advantage.

OPEC is assumed to account for nearly 70% of global supply growth, increasing by 9 Mb per day to 48 Mb per day by 2035. Non-OPEC supply is expected to grow by just over 4 Mb per day by 2035 with growth from the US (4 Mb per day), Brazil (2 Mb per day), Russia (1 Mb per day) and Canada (0.5 Mb per day) largely offset by declines in high-cost and mature regions elsewhere.

Oil: Mismatch in demand-supply



Source: BP Energy Outlook 2035, 2017 edition

Global oil consumption is projected to reach 109.4 Mb per day by 2040. Demand is expected to increase by just over 16.4 Mb per day over the period 2015–2040. Developing countries will continue to lead this growth, increasing by close to 25 Mb per day over the period, to reach 66.1 Mb per day by 2040.

Demand from Eurasia is projected to expand, from 5.3 Mb per day to 6.0 Mb per day by 2040. Demand in the OECD region, however, is expected to decline to 37.3 Mb per day by 2040.

Interestingly, while demand in the OECD region in 2015 accounted for 50% of global demand and that of developing countries accounted for 45%, by 2040 the situation is anticipated to change significantly. The OECD is expected to represent just 34% and developing countries 60% of global demand. The outlook for long-term oil demand is presented in the Table below.

OPEC is assumed to account for nearly 70% of global supply growth, increasing by 9 Mb per day to 48 Mb per day by 2035.

World Oil Demand Outlook, 2015 – 2040 (mb/d)

Long-term oil demand in the Reference Case mb/d

	2015	2020	2025	2030	2035	2040
OECD America	24.4	24.8	24.0	22.8	21.5	20.1
OECD Europe	13.7	13.5	13.0	12.4	11.8	11.1
OECD Asia Oceania	8.1	7.7	7.3	6.9	6.5	6.1
OECD	46.2	45.9	44.3	42.1	39.7	37.3
Latin America	5.6	6.0	6.4	6.7	7.0	7.3
Middle East & Africa	3.8	4.2	4.6	5.1	5.5	6.0
India	4.1	5.1	6.4	7.7	9.0	10.4
China	10.8	12.2	13.6	14.9	16.1	17.1
Other Asia	6.3	7.1	7.9	8.7	9.3	9.8
OPEC	10.9	12.2	13.3	14.3	15.0	15.4
Developing countries	41.5	46.8	52.2	57.4	62.0	66.1
Russia	3.4	3.5	3.6	3.6	3.6	3.5
Other Eurasia	1.9	2.1	2.3	2.4	2.5	2.5
Eurasia	5.3	5.6	5.8	6.0	6.1	6.0
World	93.0	98.3	102.3	105.5	107.8	109.4

Source: OPEC - World Oil Outlook 2016 Report

The Gas Scenario

Gas enjoys around a quarter share in the global primary energy mix, after oil and coal. The United States, Russia, China and Iran represent the world's largest gas consumers. The largest producers are Russia, the United States, Canada, Qatar and Iran.

Recently, the growth of gas consumption has been weaker than expected, as gas has been crowded out by cheaper and more abundant coal. Besides, Europe has seen a rapid growth in renewables, which has reduced gas consumption. However, the recent lukewarm demand is not likely to persist, with global gas demand projected to grow by 1.6% annually over 2015-35.

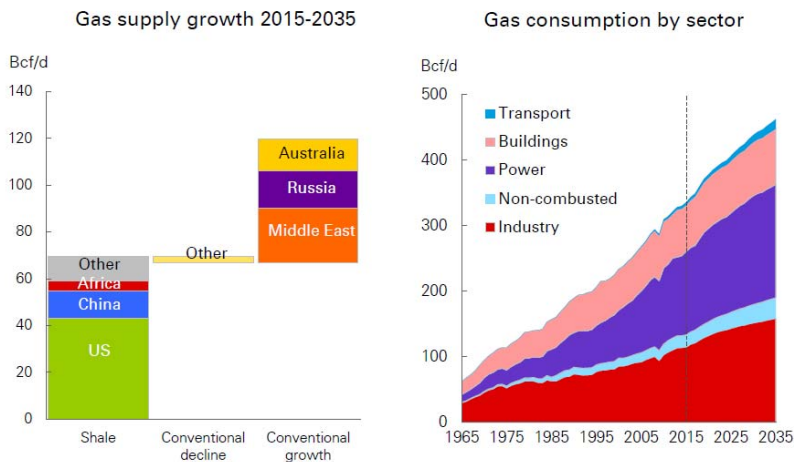
Growth in conventional gas production (0.7% per annum) is expected to be led by the Middle East, Russia and Australia. The primary centres of demand growth are: China, with gas gaining share in industry and power; and the Middle East and the US where increased availability of gas helps boost demand within the power sector. By sector, the largest contributor is the industrial sector (with combusted and non-combusted use together accounting for 45% of growth) followed by power (36%).

While import dependence is expected to grow in both China and Europe, the increased diversity of supplies associated with a rapid expansion of LNG supports gas consumption. In China, growth in gas consumption (5.4% annually, 36 Bcf per day) is expected to outstrip domestic production. The result is that the share of imported gas in total consumption would rise to nearly 40% by 2035, up from 30% in 2015. Around half of these increased imports are expected to be met by LNG, with rising pipeline imports from Russia and other Commonwealth of Independent State (CIS) countries providing the remainder.

In Europe, domestic production is set to decline sharply (-3.2% p.a.) as existing fields mature and are not replaced. As a result, the share of imported gas in total consumption is expected to rise from around 50% in 2015 to nearly 80% by 2035. LNG imports are likely to supply around two-thirds of the increase in imports, with rising pipeline imports from Russia providing the remainder.

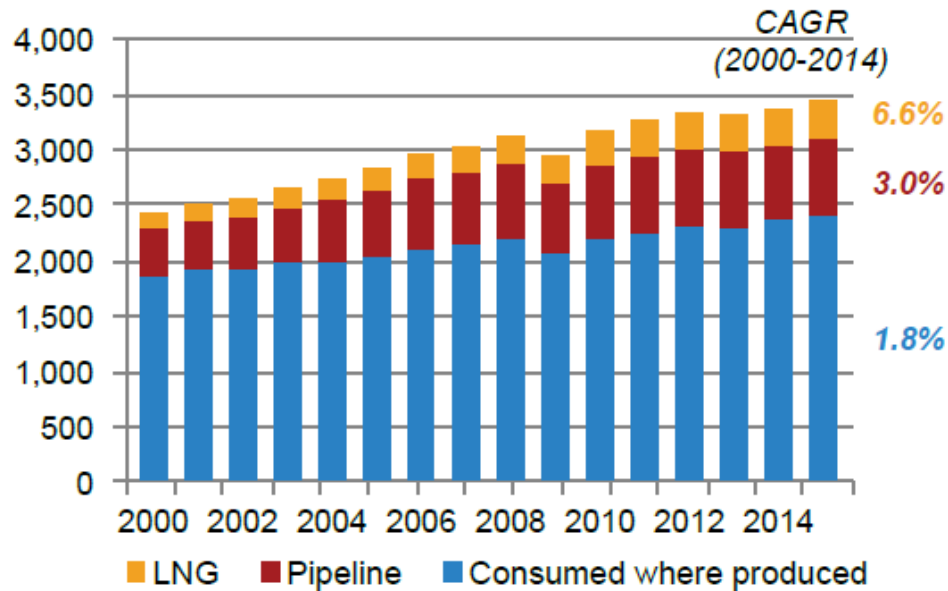
Natural Gas Scenario

The expected escalation in global gas supplies is roughly evenly split between conventional production and Shale gas. Much of the hike in conventional production is contributed by the Middle East, Russia and Australia. Shale production (growing at 5.2% per annum) is expected to account for around 60% of the increase in gas supplies, driven by the US where Shale output is expected to more than double (43 Bcf per day) towards the end of 2035. China is expected to emerge as the second largest Shale supplier.



Source: BP Energy Outlook 2035, 2016 Edition
Global Gas Trade, 2000-2014

Figure 3.9: Global Gas Trade, 2000-2015



Note: CAGR = Compound Annual Growth Rate

Sources: IHS Markit, BP Statistical Review of World Energy

Liquefied Natural Gas

Liquefied natural gas (LNG) experienced a dynamic 2016, with global trade reaching a record 258 million tonnes (MT), an escalation of 13 MT over 2015. Supply ramped up at projects worldwide, from the United States to Australia, and LNG found new markets in diverse economies. At the same time, delays and plant outages kept supply growth subdued. LNG prices remained below the cost of new supply as demand grows to reach balance.

As the advantages of natural gas in the global energy mix become increasingly apparent to governments, businesses and consumers around the world, 2016 saw some encouraging trends in LNG. The much-awaited tranche of US LNG production began with Sabine Pass Trains 1&2 entering commercial operation. Ramp-up in Australia continued as well, with Gorgon LNG Trains 1&2 and Australia Pacific LNG starting commercial operation, coupled with new train additions at Gladstone LNG and Queensland Curtis LNG. Keen interest in LNG was also demonstrated by more than 879 MTPA of proposed project development, concentrated in North America, East Africa and Asia Pacific.

On the demand side, LNG continued to find new markets as a fuel of choice for existing grids that have limited indigenous production, such as Egypt and Pakistan, with combined growth of 6 MT. New niche markets have also developed that prefer clean, flexible fuel for power generation,

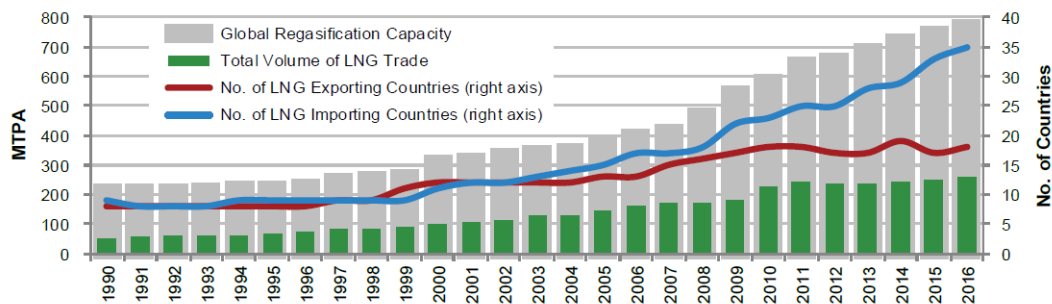
such as Jamaica and Malta. China's LNG consumption increased dramatically, by nearly 35%, to around 27 MTPA. At the same time, however, the two largest markets – Japan and South Korea – are showing signs of satiation, as nuclear, coal and renewables find their balance in the power mix. With a rebound in hydro-power reservoir levels, Brazilian demand for LNG was down by 80% (4 MT), demonstrating the flexible value of LNG. As LNG prices continue in a competitive range, opportunities for demand growth in 2017 abound globally.

Looking forward, supply is poised to increase again in 2017 as new plants and additional trains come online, largely in the Pacific Basin. Major economies (China and India), as well as new LNG importers (Pakistan, Egypt, and Jordan), will continue to support demand driven by fundamentals. The looser LNG supply and demand balance will manifest additional deliveries into European markets of UK, France and Spain, with ample infrastructure. Another trend will be a continued push by developers to locate small demand pockets, which although individually small could amount to substantial volumes in aggregate.

Trends in floating storage regasification units (FRSUs) and LNG bunkering are shaping the LNG industry. FRSU new-builds and conversions are expanding access for emerging LNG markets and will continue to help absorb supply. LNG is increasingly seen as a vital bunkering fuel for maritime transport as well. Last year, for example, the Port of Rotterdam installed its third LNG fuelling berth, as the benefits of switching to natural gas become increasingly apparent. Switching to LNG in the port can reduce NOx emissions by up to 90% and SOx and particulate emissions by up to 100%.

LNG Trade Volumes, 1990-2016

Figure 3.1 LNG Trade Volumes, 1990-2016



Source: IHS Markit, IEA, IGU

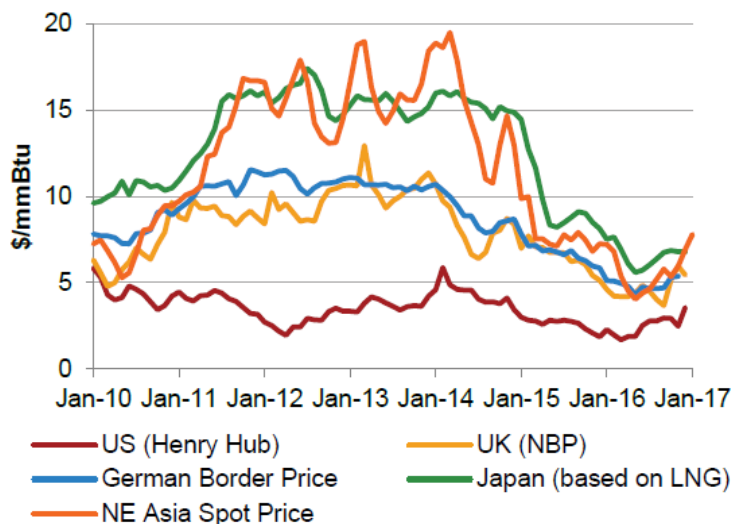
Source: International Gas Union, World LNG Report 2017

2016 LNG Trade Review

Global LNG Trade +13.1 MTPA Growth of global LNG trade	LNG Exporters & Importers +2 Number of new LNG Importers in 2016	LNG Re-Exports FLAT YOY Re-exported volumes remained flat in 2016	LNG Price Change -\$2.32 Drop in average Northeast Asian spot price from 2015 to 2016, in MMBtu
Global LNG trade reached a record of 258.0 MT in 2016, rising above the previous 244.8 MT set last year. China, India, and Egypt provided 15.7 MT in new import demand. Contractions were largest in Brazil, the UK, and Japan (combined -8.8 MT).	Two new countries began importing LNG in 2016, Colombia and Jamaica, although volumes were less than 0.2 MT. Exports resumed from Angola and Egypt. Yemen recorded no exports for the year, after production was shut in during the first half of 2015.	Brazil, a country which had reload capabilities during 2015, but did not do so internationally, reloaded 0.4 MT in 2016. India re-exported LNG internationally during 2015, but did not during 2016. One notable shift in re-export behaviour was a large drop in reloads from Spain (-1.2 MT) and increase in French re-exports (+0.9 MT).	Spot prices in general continue to face weakness due to supply additions outpacing demand growth. Spot price rebounded in the second half of 2016 in response to unanticipated supply outages and cold winter weather in Asia and Europe.

Source: International Gas Union, World LNG Report 2017

Monthly Average Regional Gas Price



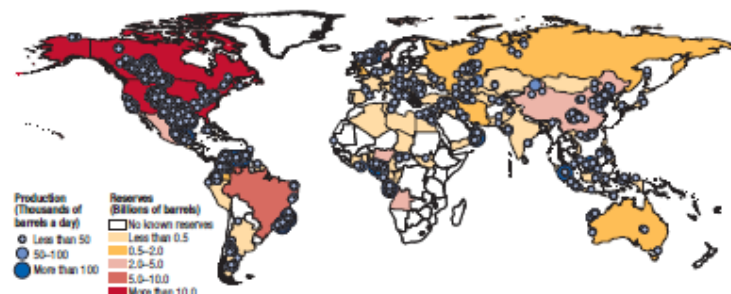
Source: International Gas Union, World LNG Report 2017

Shale Gas

Shale oil (also known as tight oil) is petroleum that consists of light crude oil, contained in petroleum-bearing formations of low penetrability, often Shale or tight sandstone. Exploitation of Shale oil began with the development of Shale gas extraction, using a combination of hydraulic fracturing (or fracking, a well-stimulation technique in which rock is fractured by a hydraulically pressurized liquid) and directional drilling (the practice of drilling non-vertical wells). These techniques were later widely adopted by the oil industry, primarily in the United States. Shale oil sources are developed by relatively smaller corporations and have a cost structure different from those of other oil sources. Shale oil requires

lower sunk costs than conventional oil, and the lag between initial investment and production is much shorter.

Figure 1.SF.2. Unconventional Oil, Proven Reserves, and Production, 2016



Sources: Rystad Energy research and analysis; and IMF staff calculations.
Note: Production and reserves include oil sands, heavy, extra heavy, tight and shale, deepwater, and ultra-deepwater oil. A proven reserve is one with a greater-than-90 percent probability that the resource is recoverable and economically profitable. Deepwater is defined at 1,25–1,500 meters. Ultra-deepwater is defined at 1,500 meters and above. When deepwater (or ultra-deepwater) production was also categorized as heavy (or extra heavy) oil, the production was counted once, as deepwater (or ultra-deepwater). Oil refers to crude oil, condensate, and natural gas liquids.

Table 1.SF.1. Unconventional Oil Production, 2016
(Million barrels a day)

Country	Heavy Oil	Oil Sands and Extra Heavy Oil	Deepwater	Ultra-deepwater	Shale and Tight Oil	Total
United States	0.07	0.40	0.77	0.79	7.25	9.28
Canada	0.08	2.60	-	-	0.60	3.28
Brazil	0.03	0.09	1.09	1.18	-	2.39
Angola	0.00	-	1.34	0.16	-	1.50
Norway	0.02	-	1.36	-	-	1.39
China	0.73	0.36	0.08	0.01	0.03	1.21
Venezuela	0.18	1.00	-	-	-	1.18
Nigeria	0.08	0.00	0.83	-	-	0.91
Mexico	0.31	0.48	0.01	-	0.00	0.80
Azerbaijan	0.01	0.00	0.72	-	-	0.74
Colombia	0.13	0.50	-	-	0.00	0.63
Oman	0.12	0.30	-	-	0.01	0.43
United Kingdom	0.05	-	0.29	-	-	0.34
Russia	0.19	0.10	-	-	-	0.30
Ecuador	0.20	0.01	-	-	-	0.21
Malaysia	0.01	0.01	0.16	-	-	0.19
Australia	-	0.01	0.16	-	0.00	0.17
Equatorial Guinea	-	-	0.17	-	-	0.17
Congo, Republic of	-	0.01	0.16	-	-	0.17
Indonesia	0.01	0.14	0.00	-	-	0.15
Kazakhstan	0.06	0.09	-	-	-	0.15
Argentina	0.08	0.01	-	-	0.04	0.13

Sources: Rystad Energy research and analysis; and IMF staff calculations.
Note: Deepwater is defined at 1,25–1,500 meters. Ultra-deepwater is defined at 1,500 meters and above. When deepwater (or ultra-deepwater) production was also categorized as heavy (or extra heavy) oil, the production was counted once, as deepwater (or ultra-deepwater). Oil refers to crude oil, condensate, and natural gas liquids. Dash signifies zero production in recent.

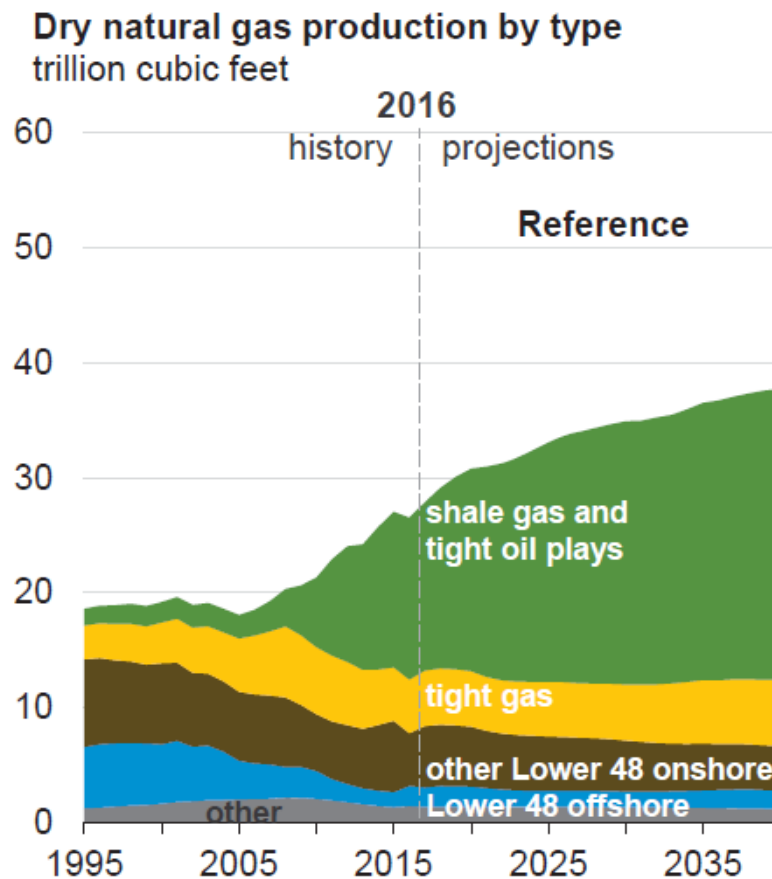
Production and reserve centres for unconventional sources are concentrated in a few countries. North America has the highest concentration of economically recoverable proven reserves and production in unconventional sources. These consist of Shale oil in the United States and oil sands in Canada. Central and South America also host significant reserves and production centres, comprising heavy and extra heavy oil and deep-water and ultra-deepwater oil resources in Brazil, Colombia, Ecuador, and Venezuela.

The remainder of world reserves and production of unconventional sources are scattered and consist mostly of heavy oil in Europe and deep-water and ultra deepwater oil in the North Sea and West Africa. It is noteworthy that the Middle East has the highest concentration of conventional oil reserves and production, but has a relative low level of proven reserves and production in unconventional oil.

Shale oil deposits were identified in several other countries (for example, Argentina, Australia, Canada, China, Mexico and Russia). However, except for Argentina and Canada, where Shale oil production is gearing up, regulatory obstacles and technological challenges, as well as recent low oil prices, have delayed or discouraged extraction.

Specifically, regulatory obstacles are related to environmental concerns, including water supply quality and the need for costly tailoring of fracking to the more complex nature of rock in some places. Some countries have gone so far as to ban all exploration and production of Shale oil. Overall, the global diffusion of Shale oil production remains uncertain, contributing to broader uncertainty about the global oil supply outlook.

Shale Resources remain the dominant source of U.S. natural gas production growth



Source: Annual Energy Outlook 2017, EIA

India

India is the world's fourth largest energy consumer, after USA, China and Russia. According to industry reports, the country's energy demand growth (+129% over 2015-2035) is expected to be more than double the non-OECD average of 52%; it will also outpace each of the BRIC countries as China (+47%), Brazil (+41%), and Russia (+2%), all expand slower. India's share of global demand is expected to touch 9% by 2035, accounting for the second largest share among the BRIC countries with China at 26%, Russia at 4%, and Brazil at 2%. Gas demand would expand by 162%, followed by oil (+120%) and coal (+105%). Renewables would rise by 699%, nuclear by 317%, and hydro by 97%.

	Level		Shares		Change (abs.)		Change (%)		Change (annual)*	
	2015	2035	2015	2035	1995-2015	2015-2035	1995-2015	2015-2035	1995-2015	2015-2035
Primary energy consumption (units in Mtoe unless otherwise noted)										
Total	701	1603			449	902	179%	129%	5.3%	4.2%
Oil* (Mb/d)	4.1	9.2	28%	27%	2.6	5.0	163%	121%	4.9%	4.0%
Gas (Bcf/d)	4.9	12.8	7%	7%	3	8	169%	162%	5.1%	4.9%
Coal	407	833	58%	52%	267	426	190%	105%	5.5%	3.6%
Nuclear	9	36	1%	2%	7	27	399%	317%	8.4%	7.4%
Hydro	28	55	4%	3%	11	27	64%	97%	2.5%	3.5%
Renewables (including biofuels)	16	129	2%	8%	16	113	>1000%	712%	>10%	>10%

GLOBAL STEEL LINEPIPE INDUSTRY

In total, almost 3.6 million kilometres of oil and gas pipeline network is present worldwide, with USA and Russia accounting for more than two-third. Besides, Canada, China, Ukraine, Argentina, UK, Iran, Mexico, and India take the cumulative total to around 80% of the global network by length.

The global pipeline demand as per Simdex for projects over the next four years is estimated at about 1,182 projects. It has resulted in an opportunity for supplies of over 108 million tonnes across geographies as presented in the table below:

Region	No of Projects	EST Tonnage (KMT)
North America	512	18,367
Middle East	97	10,708
Latin America	63	7,238
Europe	77	15,789
Australasia	74	9,829
Asia	141	27,555
Africa	118	19,470
TOTAL	1,182	108,956

Source: Simdex data as on March 2017.

DOMESTIC LINEPIPE DEMAND

Domestic line pipe market continues to be dominated by various water projects being implemented by government and quasi-government bodies in various states, including Madhya Pradesh, Gujarat, Tamil Nadu, Karnataka and Andhra Pradesh. More than 2 million MT of line pipe projects are expected to be awarded and executed over next few quarters. In the oil & gas segment, the implementation of extension of National Gas Grid project would drive the line pipe market.

India's capacity of natural gas pipeline network is approximately 430 MMSCMD; another pipeline (530 MMSCMD) is planned or under construction. In addition to the trunk lines, regional gas pipelines similar to Gujarat's intra-state network are recommended for highly industrialised states. It is expected that going forward the Southern and Northern part of India would catch up with the Western part in terms of pipeline infrastructure, while Eastern and North Eastern parts of the country would lag behind; and would require policy boost for industrial development to attract more investments.

XI. SECURITIES TO BE ISSUED AND LISTED UNDER CURRENT DOCUMENT

Under the purview of current document, the Company intends to raise an amount of Rs.250 crores of Secured, Redeemable, Non-Convertible Debentures.

The Company has a valid rating of CRISIL AA- and CARE AA- with a positive outlook (pronounced CARE double A Minus) for its existing long term availed from Banks/ FIs as per the details given below and the rating letter from CARE Ratings Limited and CRISIL Limited is enclosed as 'Annexure 1' at the end of this document.

The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating obtained is subject to revision at any point of time in the future. The rating agencies have a right to suspend, withdraw the rating at any time on the basis of new information etc.

XII. DETAILS OF THE ISSUE SIZE

The Company proposes to mobilise through private placement of 2500 Secured Redeemable Non-Convertible Debentures (NCDs) of the face value of Rs.10,00,000/- each at par aggregating Rs.250 crores.

XIII. DETAIL OF UTILISATION OF PROCEEDS OBJECTS OF THE ISSUE

The Present Issue of Debenture is being made to meet general corporate purpose including Long term working capital requirements, recouping of high cost NCDs prepaid by the Company and Repayment of existing debts.

XIV. UNDERTAKING TO USE A COMMON FORM OF TRANSFER

The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant. The Issuer undertakes that there will be a common transfer form / procedure for transfer of Debentures.

XV. REDEMPTION AMOUNT, PERIOD OF MATURITY, YIELD ON REDEMPTION

The Company proposes to mobilise through private placement of 2500 Secured Redeemable Non-Convertible Debentures (NCDs) of the face value of Rs.10,00,000/- each at par aggregating Rs. 250 crores. The NCDs will be redeemed 25% at the end of 5th year and 75% at the end of 6th year.

For detail on redemption amount, period of maturity and yield on redemption, kindly refer to section XX titled "Term Sheet".

XVI. TERMS OF OFFER

The Company proposes to mobilise through private placement of 2500 Secured Redeemable Non-Convertible Debentures (NCDs) of the face value of Rs.10,00,000/- each at par aggregating Rs.250 crores. The members of board have approved the raising the NCDs vide their board meeting held on January 23, 2018 and Date of passing of resolution in the general meeting, authorizing the offer of securities was 20.09.2017.

For detailed terms of offer, kindly refer to section XX titled "Term Sheet".

Other Offer details:

Market Lot

The market lot will be one Debenture ("Market Lot"). Since the Debentures are being issued only in dematerialised form, the odd lots will not arise either at the time of issuance or at the time of transfer of Debentures.

Letter(s) of Allotment/ Debenture Certificate(s)/ Refund Order(s)**Issue of Letter(s) of Allotment**

The beneficiary account of the investor(s) with National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL)/

Depository Participant will be given initial credit within 20 days from the Deemed Date of Allotment. The initial credit in the account will be akin to the Letter of Allotment. On completion of the all statutory formalities, such credit in the account will be akin to a Debenture Certificate.

Issue of Debenture Certificate(s)

Subject to the completion of all legal formalities within 3 months from the Deemed Date of Allotment, or such extended period as may be approved by the Appropriate Authorities, the initial credit akin to a Letter of Allotment in the Beneficiary Account of the investor would be replaced with the number of Debentures allotted.

The Debentures since issued in electronic (dematerialized) form, will be governed as per the provisions of The Depository Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL/ CDSL/ Depository Participant from time to time and other applicable laws and rules notified in respect thereof.

Dispatch of Refund Orders

The Company shall ensure dispatch of Refund Order(s) of value upto Rs. 1,500/- under certificate of posting and Refund Order(s) of value of over Rs. 1,500/- by Registered Post only and adequate funds for the purpose shall be made available to the Registrar to the Issue by the Issuer Company.

Terms of Payment

The full face value of the Debentures applied for is to be paid alongwith the Application Form. Investor(s) need to send in the Application Form and the cheque(s)/ demand draft(s) for the full face value of the Debentures applied for.

Face Value Per Debenture	Minimum Application for	Amount Payable on Application per Debenture
Rs. 10,00,000/-	1 Debentures & in multiples of 1 Debenture thereafter	Rs. 10,00,000/-

Payment of Interest

The interest will be payable to the Bondholder(s) whose names appear in the List of beneficial owners given by the Depository to the Bank on the Record Date/ Book Closure Date. Payment of interest will be made by way of issuance of Cheque/ Demand Drafts, credit through RTGS system, ECS (Electronic Clearing Service), Direct Credit or NEFT (National Electronic Funds Transfer).

Tax Deduction at Source (TDS)

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. For seeking

TDS **exemption**/ lower rate of TDS, relevant certificate(s)/ document(s) must be lodged at least 15 days before the payment of interest becoming due with the Company Secretary Welspun Corp Ltd., or to such other person(s) at such other address(es) as the Company may specify from time to time through suitable communication.

Tax exemption certificate/ declaration of non-deduction of tax at source on interest on application money, should be submitted along with the Application Form. Where any deduction of Income Tax is made at source, the Company shall send to the Debentureholder(s) a Certificate of Tax Deduction at Source.

Tax Benefits

Under the existing provisions of the Income Tax Act, 1961 for the time being in force, the following tax benefits and deductions will be available to the Debentureholder(s) of the Company **subject** to the fulfillment of the requirements of the relevant provisions. The tax benefits are given as per the prevailing tax laws and may vary from time to time in accordance with the amendments or enactment thereto. As alternate views are also possible, the Debentureholder(s) are advised to consult their own tax advisers on the tax implications of the acquisition, ownership and sale of Debentures, and income arising thereon.

I. To Resident Debenture holders

No Income Tax will be deducted at source from **interest** payable on Debentures in the following cases:

- a) In case of payment of interest to a Debenture holder, who is an individual and resident in India, where the interest payment in the aggregate during the financial year does not exceeds Rs. 5,000/-;
- b) Tax will be deducted at a lower rate where the Assessing Officer, on an application of any Debenture holder, issues a certificate for deduction of tax at such lower rate as per provisions of the Section 197(1) of the Income Tax Act.

In all other situations, tax would be deducted at source on each payment as per prevailing **provisions** of the Income Tax Act. Details on deduction of tax at source are given under para 'Tax Deduction at Source (TDS)' mentioned elsewhere in this Information Memorandum. No Wealth Tax is payable in respect of investments in Debentures of the Company.

II. To other Eligible Institutions

- a) Mutual Funds registered under the SEBI Act or regulations made thereunder or such other mutual fund sets up by public sector bank or public financial institution or authorised by Reserve Bank of India and notified by the Central Government will, subject to the provisions of Chapter XII-E, be exempted from income tax on all their income,

including from investment in Bonds/ Debentures under the provisions of Section 10(23D) of Income Tax Act.

- b) No Wealth Tax is payable in respect of investments in Debentures of the Company.

Notes:

1. All the above benefits are as per the current tax law as amended by the Finance Act, 2017
2. The stated benefits will be available only to the sole/ first named holder in case the Debentures are held by joint holders.

Redemption

The face value of the Debentures will be redeemed at par. In case if the principal **redemption** date falls on a day which is not a Business Day ('Business Day' being a day on which Commercial Banks are open for Business in the city of Mumbai), then the payment due shall be made on the next Business Day.

Payment on Redemption

In **terms** of the Debt Listing Agreement, the Company shall ensure that services of ECS (Electronic Clearing Service), Direct Credit, RTGS (Real Time Gross Settlement) or NEFT (National Electronic Funds Transfer) or issuance of Cheque or Demand drafts are used for payment of all outstanding amounts on the Debentures, including the principal and interest accrued thereon, as per the applicable norms of the RBI.

The Debentures shall be taken as discharged on payment of the redemption amount by the Company on maturity to the list of beneficial owners as provided by NSDL/ CDSL/ Depository **Participant**. Such payment will be a legal discharge of the liability of the Company towards the Debenture holders. On such payment being made, the Company will inform NSDL/ CDSL/ Depository Participant and accordingly the account of the Debenture holders with NSDL/ CDSL/ Depository Participant will be adjusted.

The Company's liability to the Debenture holders towards all their rights including for payment or **otherwise** shall cease and stand extinguished from the due date of redemption in all events. Further the Company will not be liable to pay any interest or compensation from the date of redemption. On the Company dispatching the amount as specified above in respect of the Debentures, the liability of the Company shall stand extinguished.

Effect of Holidays

Should any of dates defined above or elsewhere in the Information Memorandum, excepting the Deemed Date of Allotment, fall on a Saturday, Sunday or a Public Holiday, the next working day shall be considered as the effective date(s).

List of Beneficial Owners

The Company shall request the Depository to provide a list of beneficial owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be.

Notices

All notices to the Debenture holder(s) required to be given by the Company or the Trustees shall be published in one English and one regional language daily newspaper in Mumbai, New Delhi, Kolkata and Chennai and/ or, will be sent by post/hand delivery/ courier to the sole/ first allottee or sole/ first beneficial owner of the Debentures, as the case may be from time to time.

All **notice(s)** to be given by the Debenture holder(s) shall be sent by registered post, courier or by hand delivery to the Company or to such persons at such address as may be notified by the Company from time to time through suitable communication.

Joint-Holders

Where two or more persons are holders of any Debenture(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to other provisions contained in the Articles.

Sharing of Information

The Company may, at its option, use on its own, as well as exchange, share or part with any financial or other information about the Debenture holders available with the Company, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Company or its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

Undertaking by the Issuer

The Issuer Company undertakes that:

- a) the complaints received in respect of the Issue shall be attended to by the issuer company expeditiously and satisfactorily;
- b) it shall take all steps for completion of formalities for listing and commencement of trading at the concerned stock exchanges where Debentures are proposed to be listed within specified time frame.
- c) the funds required for dispatch of refund orders by registered post shall be made available to the Registrar to the Issue by the Issuer Company;
- d) no further issue of securities shall be made till the securities offered through this Information Memorandum are listed or till the application moneys are refunded on account of non-listing, under-subscription, etc;
- e) necessary co-operation to the credit rating agency shall be extended in providing true and adequate information till the debt obligations in

respect of the instrument are outstanding.

Depository Arrangements

The Company has appointed Link Intime India Private Limited as Registrars & Transfer Agent for the present Debenture issue. The Company has made necessary depository arrangements with National Securities Depository Limited (NSDL) for issue and holding of Debentures in dematerialised form. The tripartite agreement has been executed between Welspun Corp Limited, Link Intime India Private Limited and National Securities Depository Limited (NSDL) for offering depository option to the investors.

Investors can hold the debentures only in dematerialised form and deal with the same as per the provisions of Depositories Act, 1996 as amended from time to time.

Procedure for applying for Demat Facility

1. The applicant must have beneficiary account with the Depository Participants (DPs) of NSDL prior to making the application.
2. The applicant must necessarily fill in the details (including the beneficiary account number and Depository Participant's ID) appearing in the Application Form under the heading 'Details for Issue of Debentures in Electronic/ Dematerialised Form'.
3. Debentures allotted to an applicant will be credited directly to the applicant's respective Beneficiary Account(s) with the DP.
4. For subscribing the debentures, names in the application form should be identical to those appearing in the account details in the depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the depository.
5. Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrars to the Issue.
6. If incomplete/incorrect details are given under the heading 'Details for Issue of Debentures in Electronic/ Dematerialised Form' in the application form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Company.
7. For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The Applicant is therefore responsible for the correctness of his/her demographic details given in the application form vis-à-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for losses, if any.
8. It may be noted that Debentures being issued in electronic form, the same can be traded only on the Stock Exchanges having electronic connectivity with NSDL or CDSL. BSE Ltd., Mumbai where the Debentures of the Company are proposed to be listed has connectivity with NSDL and CDSL.
9. Interest or other benefits would be paid to those Debenture holders whose names appear on the list of beneficial owners given by the Depositories to

the Company as on Record Date/ Book Closure Date. In case of those Debentures for which the beneficial owner is not identified by the Depository as on the Record Date/ Book Closure Date, the Company would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to the Company, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.

Trustees for the Debenture holders

The Company has appointed IDBI Trusteeship Services Ltd. to act as Trustees for the Debenture holders (hereinafter referred to as “Trustees”).

The Company and the Trustees will execute a Debenture Trust Deed, inter alia, specifying the powers, authorities and obligations of the Company and the Trustees in respect of the Debentures.

1. The Debenture holder(s) shall, by signing the Application Form and without any further act or deed, be deemed to have irrevocably given their consent to the Trustees or any of their agents or authorized officials to do inter-alia all acts, deeds and things necessary in respect of or relating to the security to be created for securing the Debentures being offered in terms of this Information Memorandum.
2. All the rights and remedies of the Debenture holder(s) shall vest in and shall be exercised by the said Trustees without having it referred to the Debenture holder(s).
3. No Debenture holder shall be entitled to proceed directly against the Company unless the Trustees, having become so bound to proceed, fail to do so.
4. Any payment made by the Company to the Trustees on behalf of the Debenture holders shall discharge the Company pro tanto to the Debentureholder(s).
5. The Trustees will protect the interest of the Debenture holder(s) in the event of ‘Default’ by the Company in regard to timely payment of interest and repayment of principal and they will take necessary action at the cost of the Company.

The Debenture Trust Deed Shall not contain any clause which has effect of (i) limiting or extinguishing the obligations and liabilities of the Debenture Trustee or the Company in relation to any rights or interests of the holder(s) of the debentures; (ii) limiting or restricting or waiving the provisions of the Securities Exchange Board of India Act, 1992; Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and circulars or guidelines issued by SEBI; (iii) indemnifying the Trustee or the Company for loss or damage caused by their act of negligence or commission or omission; (iv) any provision contained in a trust deed for securing the issue of Debentures, or in any contract with the debenture holders secured by a trust deed, shall be void in so far as it would have the effect of exempting a trustee thereof from, or indemnifying him against any liability for breach of trust, where he fails to show the degree of care and due diligence required of him as a trustee, having regard to the provisions of the trust deed conferring on him any power, authority or discretion; provided that the liability of trustee shall be subject to such exemptions as may be agreed upon by a majority of debenture holders holding

not less than three fourths in value of the total debentures at a meeting held for the purpose.

Right to Accept or Reject Applications

The Board of Directors/ Committee of Directors reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof. The rejected applicants will be intimated along with the refund warrant, if applicable, to be sent. Interest on application money will be paid from the date of realisation of the cheque(s)/ demand drafts(s) till one day prior to the date of refund. The Application Forms that are not complete in all respects are liable to be rejected and would not be paid any interest on the application money. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

- a) Number of debentures applied for is less than the minimum application size;
- b) Applications exceeding the issue size;
- c) Bank account details not given;
- d) Details for issue of debentures in electronic/ dematerialised form not given;
- e) PAN/GIR and IT Circle/Ward/District not given;
- f) In case of applications under Power of Attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted;
- g) In the event, if any Debenture(s) applied for is/ are not allotted in full, the excess application monies of such Debentures will be refunded, as may be permitted.

How to Apply

This Information Memorandum is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the Debentures issued by the Company. The document is for the exclusive use of the Institution(s) to whom it is delivered and it should not be circulated or distributed to third parties. The document would be sent specifically addressed to the institution(s) by the Issuer Company.

Only eligible investors as given hereunder may apply for debentures by completing the Application Form in the prescribed format in **BLOCK LETTERS** in English as per the instructions contained therein. Applications should be for a minimum of 1 Debentures and in multiples of 1 Debenture thereafter. Applications not completed in the said manner are liable to be rejected. Application Form duly completed in all respects must be submitted with any of the designated branches of the Bankers to the Issue. The name of the applicant's bank, type of account and account number must be filled in the Application Form. This is required for the applicant's own safety and these details will be printed on the refund orders and interest/ redemption warrants.

The applicant or in the case of an application in joint names, each of the applicant, should mention his/her Permanent Account Number (PAN) allotted under the Income-tax Act, 1961 or where the same has not been allotted, the GIR No. and the Income tax Circle/Ward/District. As per the provision of Section 139A(5A) of the Income Tax Act, PAN/GIR No. needs to be mentioned on the TDS certificates. Hence, the investor should mention his PAN/GIR No. if the investor does not submit Form 15G/15AA/other evidence, as the case may be for non-deduction of tax at source. In case neither the PAN nor the GIR Number has been allotted, the applicant shall mention "Applied for" and in case the applicant is not assessed to income tax, the applicant shall mention 'Not Applicable' (stating reasons for non applicability) in the appropriate box provided for the purpose. Application Forms without this information will be considered incomplete and are liable to be rejected.

Applications may be made in single or joint names (not exceeding three). In the case of joint applications, all payments will be made out in favour of the first applicant. All communications will be addressed to the first named applicant whose name appears in the Application Form at the address mentioned therein.

Unless the Issuer Company specifically agrees in writing with or without such terms or conditions it deems fit, a separate single cheque/ demand draft must accompany each Application Form. Applicants are requested to write their names and application serial number on the reverse of the instruments by which the payments are made. All applicants are requested to tick the relevant column "Category of Investor" in the Application Form.

Application Form must be accompanied by either demand draft(s) or cheque(s) drawn or made payable in favour of 'Welspun Corp Limited' and crossed 'Account Payee Only'.

In case the subscription amount is being paid to the Company through RTGS (Real Time Gross Settlement) in accordance with the applicable norms of the RBI, following is the RTGS detail:

Beneficiary A/c Name	Welspun Corp Ltd.
Beneficiary Bank A/c No.	0187102000004633
Beneficiary Bank Name*	IDBI Bank
Branch	Lower Parel - West
RTGS NO.	IBKL0000187

* IDBI Bank or any other nationalized Bank on mutually agreed basis with the investor from time to time.

Cash, outstation cheques, money orders, postal orders and stock invest shall not be accepted. The Company assumes no responsibility for any applications/ cheques/ demand drafts lost in mail. Detailed instructions for filling up the application form and list of collection centers are provided elsewhere in this Information Memorandum.

No separate receipts shall be issued for the application money.

Who Can Apply

The following categories of investors may apply for the debentures, subject to fulfilling their respective investment norms/ rules by submitting all the relevant documents alongwith the application form.

1. Individuals;
2. Scheduled Commercial Banks;
3. Regional Rural Banks;
4. Financial Institutions/ Banks;
5. Insurance Companies;
6. Mutual Funds;
7. Companies, Bodies Corporate authorised to invest in debentures;
8. Foreign Institutional Investors (FIIs);
9. Provident Funds; and
10. Trusts

NOTE:

- The investor should not be in the caution list/ negative list of investors, as released by Securities and Exchange Board of India ("SEBI") from time to time.
- All the applicants should check about their eligibility of investment in these Debentures in term of their respective statute / regulations / guidelines governing them or any regulatory order applicable to them.

Applications under Power of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be alongwith the names and specimen signature(s) of all the authorized signatories and the tax exemption certificate/ document, if any, must be lodged alongwith the submission of the completed Application Form. Further modifications/ additions in the power of attorney or authority should be notified to the Company or to its Registrars or to such other person(s) at such other address(es) as may be specified by the Company from time to time through a suitable communication.

Future Borrowings

Subject to Financial Covenants, the Company shall be entitled to borrow/ raise loans or avail of financial assistance in whatever form as also issue Debentures/ Debentures/ Notes/ other securities in any manner with ranking as pari-passu basis or otherwise and to change its capital structure, including issue of shares of any class or redemption or reduction of any class of paid up capital, on such terms and conditions as the Company may think appropriate, without the consent of, or intimation to, the Debenture holder(s) in this connection.

Purchase/ Sale Of Debentures

The Company will have the power exercisable at its absolute discretion from time to time to purchase some or all the Debentures at any time prior to the specified date(s) of redemption, at discount, at par or at premium from the open market in accordance with the applicable laws. Such Debentures, at the option of the Company, may be cancelled, held or resold at such price and on such terms and conditions as the Company may deem fit and as permitted by law.

Right to Re-Issue

In the event of the Debentures being so purchased and/ or redeemed before maturity in any circumstances whatsoever, the Company shall have the right to re-issue the Debentures under section 121 of the Companies Act, 2013 or any other relevant statute(s), as applicable.

Debenture holder not a Shareholder

The Debenture holders will not be entitled to any of the rights and privileges available to the Shareholders.

Rights of Debenture holders

- ♦ The Debentures shall not, except as provided in the Companies Act, 2013 confer upon the holders thereof any rights or privileges available to the members of the Company including the right to receive Notices or Annual Reports of, or to attend and/or vote, at the General Meeting of the Company. However, if any resolution affecting the rights attached to the Debentures is to be placed before the shareholders, the said resolution will first be placed before the concerned registered Debenture holders for their consideration. In terms of Section 219(2) of the Act, holders of Debentures shall be entitled to a copy of the Balance Sheet on a specific request made to the Company.
- ♦ The rights, privileges and conditions attached to the Debentures may be varied, modified and/or abrogated with the consent in writing of the holders of at least two-thirds of the outstanding amount of the Debentures or with the sanction of Special Resolution passed at a meeting of the concerned Debenture holders, provided that nothing in such consent or resolution shall be operative against the Company, where such consent or resolution modifies or varies the terms and conditions governing the Debentures, if the same are not acceptable to the Company.
- ♦ The registered Debenture holder or in case of joint-holders, the one whose name stands first in the Register of Debenture holders shall be entitled to vote in respect of such Debentures, either in person or by proxy, at any meeting of the concerned Debenture holders and every such holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights shall be in proportion to the outstanding nominal value of Debentures held by him/her on every resolution placed before such meeting of the Debenture holders.
- ♦ The Debentures are subject to the provisions of the Companies Act, 2013, the Memorandum and Articles, the terms of this prospectus and Application Form. Over and above such terms and conditions, the Debentures shall also

be subject to other terms and conditions as may be incorporated in the Debenture Trust Deed to be executed / Letters of Allotment/ Debenture Certificates, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Debentures.

- ♦ Save as otherwise provided in this Information Memorandum, the provisions contained in the Companies Act, 2013 as prevailing and to the extent applicable, will apply to any meeting of the Debenture holders, in relation to matters not otherwise provided for in terms of the Issue of the Debentures.
- ♦ A register of Debenture holders will be maintained in accordance with Section 88 of the Act and all interest and principal sums becoming due and payable in respect of the Debentures will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the Register of Debenture holders.

The Debenture holders will be entitled to their Debentures free from equities and/or cross claims by the Company against the original or any intermediate holders thereof.

XVII. DEBENTURE REDEMPTION RESERVE (DRR)

In terms of extant provisions of the Companies Act, 2013, the company shall create a Debenture Redemption Reserve for the purpose of redemption of debentures, in accordance with the conditions given below-

- (a) the Debenture Redemption Reserve shall be created out of the profits of the company available for payment of dividend;
- (b) the adequacy of DRR will be 25% of the value of outstanding debentures] issued through privately placed debentures by listed companies.

Provided that where a company intends to redeem its debentures prematurely, it may provide for transfer of such amount in Debenture Redemption Reserve as is necessary for redemption of such debentures even if it exceeds the limits specified under the Companies Act, 2013.

XVIII. DISCOUNT ON THE OFFER PRICE

The Debentures are being issued at the face value and not at discount to offer price.

XIX. DEBT EQUITY RATIO

The debt equity ratio of the Company on standalone basis as on 31st March 2017 is 0.83 times. Debt includes secured and unsecured debt.

XX. SERVICING BEHAVIOUR OF THE EXISTING DEBTS

The Company is discharging all its liabilities towards lenders in time and would continue doing so in future as well.

XXI. PERMISSION AND CONSENT FROM THE CREDITORS

The Company shall procure consent from the existing charge holders for creation of security for the Debentures on pari passu basis as per the timelines stipulated by the Subscriber. The trustee shall in future provide consent to create pari-passu charge subject to the Issuer Company complying with the requisite terms of the debentures issued.

XXII. NAME OF DEBENTURE TRUSTEE

Name: IDBI TRUSTEESHIP SERVICES LIMITED
Address: Asian Building, Ground Floor, 17 R. Kamani Marg,
Ballard Estate, Mumbai 400 001
Tel: +91 22 4080 7004;
Fax: +91 22 6631 1776

A copy of letter from IDBI Trusteeship Services Ltd conveying their consent to act as Trustees for the Debenture holders is enclosed.

XXIII. RATING RATIONALE ADOPTED BY RATING AGENCIES.

CRISIL AA- (pronounced as CRISIL Double A Minus) by CRISIL Limited and CARE "AA- with positive outlook" (pronounced as CARE Double A Minus) by CARE Ratings Limited for long term facilities indicating "adequate safety for timely servicing of debt obligations. Such instruments carry low credit risk".

The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating obtained is subject to revision at any point of time in the future. The rating agencies have a right to suspend, withdraw the rating at any time on the basis of new information etc.

XXIV. MATERIAL CONTRACTS AND AGREEMENTS INVOLVING FINANCIAL OBLIGATIONS OF THE ISSUER.

By very nature of its business, the Issuer is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Issuer. However, the contracts referred to in Para A below (not being contracts entered into in the ordinary course of business carried on by the Issuer) which are or may be deemed to be material have been entered into by the Issuer. Copies of these contracts together with the copies of documents referred to in Para B may be inspected at the Registered Office of the Issuer between 10.00 a.m. and 2.00 p.m. on any working day until the issue closing date.

A. MATERIAL CONTRACTS

1. Copy of letter appointing the Registrar and Transfer Agents and copy of agreement between the Company and the Registrar.
2. Copy of letter appointing Debenture Trustee.

B. DOCUMENTS

1. Memorandum and Articles of Association of the Company as amended from time to time
2. Board resolution dated 23.01.2018 and Shareholders resolution dated 20.09.2017 authorising issue of debentures offered under terms of this Disclosure Document.
3. Letter of consent from IDBI Trusteeship Services Limited for acting as Debenture Trustee for and on behalf of the holder(s) of the debentures.
4. Letter of consent from Link Intime India Private Limited for acting as Registrar and Transfer Agent to the Issue.
5. Tripartite Agreement between the Issuer, NSDL and Registrar for issue of debentures in dematerialised form.

XXV. LISTING OF DEBENTURES

The Company shall get the Debentures listed on the WDM segment of BSE Limited.

XXVI. TERM SHEET

Terms of Issue of Debentures

Issuer	Welspun Corp Limited ("Welspun")
Type & Nature of Instrument	Secured Redeemable Non-Convertible Debentures ("NCDs" or Debentures")
Seniority	At par with other NCD/Term lenders of the Company
Mode of Issue	Private Placement
Issue Size	Rs. 250 Crore
Option to retain oversubscription	No
End Use	The proceeds would be utilized to meet general corporate purpose including Long term working capital requirements, recouping of high cost NCDs prepaid by Welspun and Repayment of existing debts.
Face Value	Rs. 10,00,000/- per Debenture (Rupees Ten Lacs only)
Form of Certificate of Security holding	Demat
Issue price	Rs. 10,00,000/- per Debenture (Rupees Ten Lacs only) at par, wherein allocation can be done in one or more lots
Minimum Subscription	1 Debentures & in multiples of 1 Debenture thereafter
Coupon	8.90% p.a (payable at the end of 365 days on the last day of the month, from the date of allotment)

Step-up/ Step Down Coupon Rate	Coupon rate fixed till the maturity
Put/Call Option	None
Interest Payment	Annually
Coupon Payment Dates	Payable annually from the date of subscription
Coupon Type (Fixed/ Floating or other)	Fixed
Coupon Reset process	Not applicable
Day Count Basis	365 days
Interest on Application Money	Same as Coupon rate
Default Interest	In case of default in payment of interest and/or principal redemption on the due dates, additional interest of atleast @2% p.a. over the documented rate will be payable by the Company for the defaulting period
Tenor and Repayment	6 Years (72 months) door to door (Average Maturity 5.75 years) 25% of the principal to be paid on end of 5 th Year and 75% of the principal to be paid on end of 6 th year
External Rating	CRISIL AA- or CARE AA-
Security	<p>The Debenture shall be secured by way of first Pari passu charge on the fixed assets of the company with minimum asset coverage of 1.25 times of the outstanding NCDs</p> <p>The fair value of the Net Fixed assets audited by Statutory Auditor of the Company as per IND AS method as on Half year ended September 30, 2018 was at Rs. 2,276.8 Crs</p> <p>We have appointed Techn-o-aid Consultants (Mulund, Mumbai) to perform the valuation of security. The amount of fees payable for obtaining valuation report will be Rs. 2 lacs plus applicable taxes.</p> <p>Principle terms of assets charged as security, if applicable- Please refer Annexure III</p>
Listing	<p>The Debentures are proposed to be listed on the WDM segment of the BSE Limited.</p> <p>In case of delay in listing of Debentures beyond 20 days from the deemed date of allotment, the Company will pay penal interest of atleast 1% over and above the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debentures.</p>
Trading	The Debentures will be traded in Dematerialized form only
Depository	NSDL
Payment settlement	RTGS/NEFT to the Issuer Bank account

Time lines for the Security	The Company shall execute debenture trust deed not later than 60 days after the allotment of debentures and security will be perfected within 3 months from the date of allotment of debentures. In case of delay beyond 90 days from the date of allotment of debentures, the Company will refund the subscription with agreed rate of interest or will pay penal interest of 2% p.a. over the coupon rate for beyond 90 days and till the actual date of creation of the security till these conditions are complied with at the option of the investor.
Business Day Convention	Any day other than Saturday and Sunday or a Public Holiday on which the banks are open in Mumbai.
Record Date	15 days prior to each Coupon Payment/ Redemption Date
Conditions Precedent to disbursement	<ol style="list-style-type: none"> 2. Acceptance of the sanction letter 3. Offer document/Information Memorandum 4. Appointment of Security trustee 5. Application Letter/ Subscription letter 6. Latest Rating letter confirming the rating of the issuer 7. FACR Certificate as on H1-FY18
Conditions subsequent to disbursement	<ol style="list-style-type: none"> 1. Trust deed 2. Trustee appointment agreement 3. Approvals from Stock Exchange 4. Listing of the instrument 5. No Objections certificate from existing charge holders 6. Section 281 IT Certificate
Event of default	<ul style="list-style-type: none"> • Delay in listing within 20 days from the first deemed date of allotment • Default in payment of Interest or Principal redemption on due dates • Delay in execution of Trust deed and charge documents beyond 90 days
Roles and responsibilities of Debenture Trustee	<ol style="list-style-type: none"> 1. To act as trustee and protect the interest of the debenture holders 2. To call for periodic reports from the issuer of debentures 3. Enforce security in the interest of debenture holders 4. Exercise due diligence to ensure compliance of the body corporate with the provisions of Companies Act, listing of agreement of the stock exchange or trust deed 5. Inform the board immediately of any breach of trust deed or provision of any law 6. To ascertain that the debentures have redeemed in accordance with the provisions and conditions under which they are offered to the debenture holders

Issue Program

Issue Open Date	January 25, 2018
Issue Closing Date	February 07, 2018
Pay In Date	on or before February 07, 2018
Deemed Date of Allotment	on or before February 07, 2018

The Company reserves the right to change the Issue program and also accept or reject any application in part or in full without assigning any reason.

XXVII. CASH FLOW - as per SEBI Circular No.: CIR/IMD/DF/18/2013 dated October 29, 2013

Company	Welspun Corp Limited		
Tenure	6 years (25% redemption at end of 5 th Year and 75% redemption at end of 6 th year)		
Face Value	Rs 10,00,000/- per debenture (Rs 10 Lakhs only)		
Date of Allotment	Within 20 days from the date of disbursement		
Redemption	STRPP	Amount in Crs	Redemption Date
	1	0.0	-
	2	0.0	-
	3	0.0	-
	4	0.0	-
	5	62.5	End of 5 th year from the date of allotment
	6	187.5	End of 6 th year from the date of allotment
Coupon Rate	8.90% p.a payable annually		
Frequency of the Coupon Payment with specified dates			
Day count convention	Actual		

year	Interest Rate	Int amt	Payment In Crs
1	8.90%	22.25	22.25
2	8.90%	22.25	22.25
3	8.90%	22.25	22.25
4	8.90%	22.25	22.25
5	8.90%	22.25	84.75
6	8.90%	16.6875	204.19

XXVIII. VALIDITY OF OFFER LETTER : THIS OFFER LETTER IS VALID TILL APRIL 10, 2018

Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects: Not applicable.

XXIX. DETAILS OF ACTS OF MATERIAL FRAUDS COMMITTED AGAINST THE COMPANY IN THE LAST THREE YEARS, IF ANY, AND IF SO, THE ACTION TAKEN BY THE COMPANY:

None

XXX. GOVERNING LAW & PROVISIONS

The Debentures offered are subject to the SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time, the provisions of the Companies Act, 2013 and applicable Rules, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities Contract Regulation Act, 1956, Income Tax Act, 1961, Memorandum and Articles of Association of the Company, terms of this Disclosure Document, Instructions contained in the Application Form and other terms and conditions as may be incorporated in the Trustee Agreement and the Trust Deed. Over and above such terms and conditions, the Debentures shall also be subject to the applicable provisions of the Depositories Act, 1996 and the laws as applicable, guidelines, notifications and regulations relating to the allotment & issue of capital and listing of securities issued from time to time by the Government of India (GoI), Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI), Ministry of Corporate Affairs, concerned Stock Exchange or any other authorities and other documents that may be executed in respect of the Debentures. Any disputes arising out of this issue will be subject to the exclusive jurisdiction of the Court at Ahmedabad, Gujarat.

I, Vipul Mathur, son of Shri Shiv Sahai Mathur holding permanent account number AIGPM2125C solemnly declare that to the best of my knowledge and belief, the information given in the proforma above is correct and complete. I further declare that

- a. the company has complied with the provisions of the Act and the rules made thereunder;
- b. the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government;
- c. the monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter;

I am authorized by the Board of Directors of the Company vide resolution number One (1) dated January 23, 2018 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For Welspun Corp Limited
Welspun Corp Limited

Vipul Mathur Director/Authorised Signatory
Managing Director & CEO
DIN - 07990476

Date: 23/11/2018

Place: Mumbai

Attachments :

Copy of board resolution
Copy of shareholders resolution
Optional Attachments



FORM NO PAS-4
PRIVATE PLACEMENT OFFER LETTER

[Pursuant to section 42 and rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014]

The Private Placement Offer Letter shall contain the following:

1. GENERAL INFORMATION

- a. Name, address, website and other contact details of the company indicating both registered office and corporate office -**

Welspun Corp Limited,

Reg. Office: "Welspun City", Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat 370110. Tel No. +91 2836 662079, Fax No. + 91 2836 279060,

Corp. Office: Welspun House, 5th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra - 400013.

CompanySecretary_WCL@welspun.com;

www.welspuncorp.com

- b. Date of incorporation of the company - April 26, 1995**

- c. Business carried on by the company and its subsidiaries with the details of branches or units, if any -** Please refer "Section II - Summary of Business/ Activities and Line of Business" on page 6 of this document.

- d. Brief particulars of the management of the company -**

We are presently managed by a Board consisting of the following twelve directors

1	Mr. Balkrishan Goenka-Chairman (S/o Late Mr. Gopiram Goenka) Rocky Isle, 46/C, Bhulabhai Desai Road, Breach Candy, Mumbai - 400 026. DIN : 00270175 PAN - AEOPG4891D Occupation: Industrialist	7	Mr. Ram Gopal Sharma- Director* (S/o. Mr. Lakhiram Sharma) E- 707, Lok Sarita, Military Road, Off. Marol Maroshi Road, Andheri (East), Mumbai - 400 059. DIN : 00026514 PAN - AOQPS3114R Occupation: Retired
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2	<p>Mr. Atul Desai* (S/o Late Mr. Manubhai Desai) C - 62, Vellard View, 14 Tardeo Road, Haji Ali, Mumbai - 400034</p> <p>DIN : 00019443 PAN - AABPD9483F Occupation: Professional</p>	8	<p>Ms. Revathy Ashok-Woman Director* 139/6-2, Domlur Layout, Bengaluru - 560 071</p> <p>DIN : 00057539 PAN : ACLPR3951Q Occupation: Professional</p>
3	<p>Mr. Desh Raj Dogra-Director* (s/o Ram Ditta Dogra) Flat No. 402, Somerset Building, Hiranandani Gardens, Powai, Mumbai-400076</p> <p>DIN : 00226775 PAN: ADZPD5926E Occupation: Retired</p>	9	<p>Mr. Rajesh R. Mandawewala - Director (S/o Mr. Ramesh L. Mandawewala) Flat No. 171, B-Wing, 17th Floor, Tanna Residency, Bay View, 392, V.S.Marg, Prabhadevi, Mumbai - 400 025.</p> <p>DIN : 00007179 PAN - AACPM2601D Occupation: Industrialist</p>
4	<p>Mr. K. H. Viswanathan- Director* (S/o. Late K.V.Hariharan) Flat No.4, Kalyani Uttam Soc. St. Antony Road, Chembur, Mumbai - 400 071.</p> <p>DIN : 00391263 PAN - AAHPK4759M Occupation: Professional</p>	10	<p>Mr. S. Krishnan Executive Director and CFO & CEO of PCMD (s/o Srinivasn Krishnan) Pavithra, 38/2, Sector - 6, Vashi, Navi Mumbai - 400703</p> <p>DIN - 06829167 PAN - ABBPS3256L Occupation: Service</p>
5	<p>Mr. Mintoo Bhandari, (S/o. Mr. N.K.Bhandari) (Nominee of Insight Solutions Ltd.) Ground Floor Flat, 16 Upper Wimpole Street, London, W1G 6LT</p> <p>DIN : 00054831 PAN - ARRPB0319B Occupation: Service</p>	11	<p>Mr. Utsav Baijal, (Nominee of Insight Solutions Ltd.) (S/o. Mr. Pradeep Baijal) C-501/502, Chaitanya Towers, Appasaheb Marathe Road, Prabhadevi, Mumbai - 400025.</p> <p>DIN - 02592194 PAN - AFBPB8278H Occupation: Service</p>
6	<p>Mr. Raj Kumar Jain- Director* (S/o. Mr. Kailash Chand Jain) 1601, A - Wing, Abrol Vastu Park, Evershine Nagar, Next to Ryan International School, Malad (West), Mumbai - 400 064.</p> <p>DIN : 00026544 PAN - ADWPJ7140B Occupation: Professional</p>	12	<p>Mr. Vipul Mathur Managing Director & CEO (S/o Mr. Shiv Sahay Mathur) 401, White Lotus, St. Francis Road, Off S.V.Road, Santacruz (W), Mumbai - 400 054 DIN : 0007990476 PAN: AIGPM2125C Occupation: Service</p>

* Independent directors

The composition of the Board is in accordance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- e. **Names, addresses, DIN and occupations of the directors** - Refer point (d) above
- f. **Management's perception of risk factors** - Please refer "Section VI – Management perception on risk factors" on page 24 of this document.
- g. **Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of –**
 - i) statutory dues; Nil
 - ii) debentures and interest thereon; Nil
 - iii) deposits and interest thereon; Not applicable
 - iv) loan from any bank or financial institution and interest thereon. Nil
- h. **Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process -**

Compliance Officer

Mr. Pradeep Joshi - Company Secretary
Welspun Corp Limited
Welspun House, 5th Floor, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai – 400 013
Tel. +91 22 6613 6410
Email: CompanySecretary_WCL@welspun.com

2. PARTICULARS OF THE OFFER

- a. **Date of passing of board resolution** - 23.01.2018
- b. **Date of passing of resolution in the general meeting, authorizing the offer of securities** -20.09.2017
- c. **Kinds of securities offered (i.e. whether share or debenture) and class of security** - Rated, Secured, Redeemable, Non-Convertible Debentures.
- d. **Price at which the security is being offered including the premium, if any, alongwith justification of the price** - Issue at par and price determined as per prevailing market conditions.
- e. **Name and address of the valuer who performed valuation of the security offered** - Techn-o-aid Consultants.

- f. **Amount which the company intends to raise by way of securities** - Rs. 250 crore
 - g. **Terms of raising of securities** - Duration, if applicable, Rate of dividend or rate of interest, mode of payment and repayment; Please refer Section XXVI - Term Sheet on page 87 of this document.
 - h. **Proposed time schedule for which the offer letter is valid** - April 10, 2018
 - i. **Purposes and objects of the offer** - The proceeds would be utilized to meet general corporate purpose including Long term working capital requirements, recouping of high cost NCDs prepaid by Welspun and Repayment of existing debts.
 - j. **Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects** - Not applicable.
 - k. **Principle terms of assets charged as security, if applicable** - The Debenture shall be secured by way of first Pari passu charge on the fixed assets of the company with minimum asset coverage of 1.25 times of the outstanding NCDs.
- 3. DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.**
- i. **Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons** - Not applicable
 - ii. **Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed** - Not applicable
 - iii. **Remuneration of directors (during last three financial years)** - Please refer "Section IX (h) - Remuneration of Directors and Key Management for last three years" on page 54 of this document.

- iv. **Related party transactions entered during the last three financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided - Please refer "Point (f) in Section IX – Audited, Consolidated and Standalone Financials of the Company, including Cash Flow Statement" on page 37 of this document**
- v. **Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark - Not applicable**
- vi. **Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of offer letter in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so, section-wise details thereof for the company and all of its subsidiaries - Not applicable**
- vii. **Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company - Not applicable**

4. FINANCIAL POSITION OF THE COMPANY

- (a) **the capital structure of the company in the following manner in a tabular form-**
 - (i) (a) **the authorized, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value) -**

Share Capital as at 31st December, 2017 is set forth below:

1. SHARE CAPITAL	Amount
A. Authorised Share Capital	
304,000,000 Equity Shares of Rs.5/- each	1,520,000,000.00
98,000,000 Preference Shares of Rs.10/- each	980,000,000.00

B.	Issued, Subscribed and Paid up	
	265,226,109 Equity Shares of Rs.5/- each fully paid up	1,326,130,545.00

Equity shares of the company are listed on the BSE Limited and National Stock Exchange of India.

(b) size of the present offer - Rs. 250 crore

(c) paid up capital

(A) after the offer - no change

(B) after conversion of convertible instruments (if applicable) -
Not applicable

(d) share premium account (before and after the offer) - As on March 31, 2017 - Rs. 7,769.82 million. No change post this offer.

(ii) the details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration -

Sr. No.	Date of Allotment		Dist. No.		Cumulative Capital (No. of Shares)	FV	Issue Price	Cash/ Otherwise than in cash	Type of Issue
		No. of Shares	from	to		(Rs.)	(Rs.)		
1	26.04.1995	700	1	700	700	10.00	10	Cash	MoA
2	16.04.1996	6,041,500	701	6,042,200	6,042,200	10.00	10	Cash	Private Placement
3	18.03.1997	93,898,800	6,042,201	99,941,000	99,941,000	10.00	10	Cash	Public Issue
4	29.11.1997	59,000	99,941,001	100,000,000	100,000,000	10.00	10	Cash	Private Placement
5	19.05.1999	22,719,760	100,000,001	122,719,760	122,719,760	10.00	10	Cash	Preferential Allotment
6	31.03.2002	18,636,000	122,719,761	141,355,760	141,355,760	10.00	10	Cash	OCFD Conversion
Note 1 : Total Equity Shares i.e. 141,355,760 - stood cancelled pursuant to High Court Order approving Scheme of Arrangement in the nature of merger of Eupec Welspun PipeCoatings India Limited with the Company. The Scheme also provide for re-organization of share capital and change in the face value from Rs.10 to Rs.5/-									
1	03.05.2005	107,069,032	1	107,069,032	107,069,032	5.00	-	Cash	Pursuant to the Scheme
2	03.05.2005	3,068	107,069,033	107,072,100	107,072,100	5.00	71.42	Cash	FCCB Conversion
3	13.06.2005	14	107,072,101	107,072,114	107,072,114	5.00	71.42	Cash	FCCB Conversion
4	05.08.2005	3,680,426	107,072,115	110,752,540	110,752,540	5.00	71.42	Cash	FCCB Conversion
5	08.08.2005	1,542,506	110,752,541	112,295,046	112,295,046	5.00	71.42	Cash	FCCB Conversion
6	10.10.2005	535,942	112,295,047	112,830,988	112,830,988	5.00	71.42	Cash	FCCB Conversion

7	14.10.2005	447,339	112,830,989	113,278,327	113,278,327	5.00	71.42	Cash	FCCB Conversion
8	21.10.2005	5,346,008	113,278,328	118,624,335	118,624,335	5.00	71.42	Cash	FCCB Conversion
9	04.11.2005	1,606,274	118,624,336	120,230,609	120,230,609	5.00	71.42	Cash	FCCB Conversion
10	18.11.2005	1,441,344	120,230,610	121,671,953	121,671,953	5.00	71.42	Cash	FCCB Conversion
11	28.12.2005	1,353,577	121,671,954	123,025,530	123,025,530	5.00	71.42	Cash	FCCB Conversion
12	27.01.2006	316,697	123,025,531	123,342,227	123,342,227	5.00	71.42	Cash	FCCB Conversion
13	31.03.2006	5,501,500	123,342,228	128,843,727	128,843,727	5.00	58.57	Cash	Warrant Conversion
14	02.05.2006	3,774,116	128,843,728	132,617,843	132,617,843	5.00	71.42	Cash	OCCP Conversion
15	31.12.2006	651,212	132,617,844	133,269,055	133,269,055	5.00	71.42	Cash	FCCB Conversion
16	04.01.2007	323,419	133,269,056	133,592,474	133,592,474	5.00	71.42	Cash	FCCB Conversion
17	31.01.2007	2,468,830	133,592,475	136,061,304	136,061,304	5.00	71.42	Cash	FCCB Conversion
18	15.02.2007	2,246,019	136,061,305	138,307,323	138,307,323	5.00	71.42	Cash	FCCB Conversion
19	09.03.2007	1,039,497	138,307,324	139,346,820	139,346,820	5.00	71.42	Cash	FCCB Conversion
20	27.03.2007	473,513	139,346,821	139,820,333	139,820,333	5.00	71.42	Cash	FCCB Conversion
21	16.04.2007	841,119	139,820,334	140,661,452	140,661,452	5.00	71.42	Cash	FCCB Conversion
22	30.04.2007	8,548,706	140,661,453	149,210,158	149,210,158	5.00	80.07	Cash	Warrant Conversion
23	30.04.2007	209,054	149,210,159	149,419,212	149,419,212	5.00	71.42	Cash	FCCB Conversion
24	29.06.2007	314,956	149,419,213	149,734,168	149,734,168	5.00	71.42	Cash	FCCB Conversion
25	29.06.2007	985,181	149,734,169	150,719,349	150,719,349	5.00	162.64	Cash	FCCB Conversion
26	06.07.2007	1,548,142	150,719,350	152,267,491	152,267,491	5.00	162.64	Cash	FCCB Conversion
27	08.08.2007	18,577,707	152,267,492	170,845,198	170,845,198	5.00	162.64	Cash	FCCB Conversion
28	31.08.2007	455,875	170,845,199	171,301,073	171,301,073	5.00	71.42	Cash	FCCB Conversion
29	29.09.2007	179,912	171,301,074	171,480,985	171,480,985	5.00	71.42	Cash	FCCB Conversion
30	15.01.2008	100,250	171,480,986	171,581,235	171,581,235	5.00	80.00	Cash	ESOP
31	30.01.2008	57,500	171,581,236	171,638,735	171,638,735	5.00	80.00	Cash	ESOP
32	18.02.2008	27,500	171,638,736	171,666,235	171,666,235	5.00	80.00	Cash	ESOP
33	03.03.2008	60,000	171,666,236	171,726,235	171,726,235	5.00	80.00	Cash	ESOP
34	24.03.2008	27,000	171,726,236	171,753,235	171,753,235	5.00	80.00	Cash	ESOP
35	31.03.2008	6,000,000	171,753,236	177,753,235	177,753,235	5.00	102.20	Cash	Warrant Conversion
36	09.05.2008	17,750	177,753,236	177,770,985	177,770,985	5.00	80.00	Cash	ESOP
37	09.05.2008	8,678,082	177,770,986	186,449,067	186,449,067	5.00	102.20	Cash	Warrant Conversion
38	22.07.2008	13,000	186,449,068	186,462,067	186,462,067	5.00	80.00	Cash	ESOP
39	02.09.2008	375	186,462,068	186,462,442	186,462,442	5.00	87.80	Cash	ESOP
40	02.09.2008	18,750	186,462,443	186,481,192	186,481,192	5.00	80.00	Cash	ESOP
41	02.09.2008	10,000	186,481,193	186,491,192	186,491,192	5.00	94.10	Cash	ESOP

42	09.06.2009	147,500	186,491,193	186,638,692	186,638,692	5.00	80.00	Cash	ESOP
43	22.07.2009	87,250	186,638,693	186,725,942	186,725,942	5.00	80.00	Cash	ESOP
44	27.08.2009	88,250	186,725,943	186,814,192	186,814,192	5.00	80.00	Cash	ESOP
45	03.10.2009	222,625	186,814,193	187,036,817	187,036,817	5.00	80.00	Cash	ESOP
46	13.11.2009	107,500	187,036,818	187,144,317	187,144,317	5.00	80.00	Cash	ESOP
47	27.11.2009	16,694,718	187,144,318	203,839,035	203,839,035	5.00	279.25	Cash	QIP Issue
48	15.12.2009	51,750	203,839,036	203,890,785	203,890,785	5.00	80.00	Cash	ESOP
49	22.01.2010	85,000	203,890,786	203,975,785	203,975,785	5.00	80.00	Cash	ESOP
50	22.02.2010	72,500	203,975,786	204,048,285	204,048,285	5.00	80.00	Cash	ESOP
51	19.03.2010	209,125	204,048,286	204,257,410	204,257,410	5.00	80.00	Cash	ESOP
52	29.03.2010	65,000	204,257,411	204,322,410	204,322,410	5.00	80.00	Cash	ESOP
53	01.05.2010	120,250	204,322,411	204,442,660	204,442,660	5.00	80.00	Cash	ESOP
54	01.05.2010	6,750	204,442,661	204,449,410	204,449,410	5.00	66.75	Cash	ESOP
55	25.06.2010	67,750	204,449,411	204,517,160	204,517,160	5.00	80.00	Cash	ESOP
56	07.09.2010	48,000	204,517,161	204,565,160	204,565,160	5.00	80.00	Cash	ESOP
57	20.10.2010	50,250	204,565,161	204,615,410	204,615,410	5.00	80.00	Cash	ESOP
58	17.01.2011	39,000	204,615,411	204,654,410	204,654,410	5.00	80.00	Cash	ESOP
59	10.03.2011	14,500	204,654,411	204,668,910	204,668,910	5.00	80.00	Cash	ESOP
60	05.05.2011	78,250	204,668,911	204,747,160	204,747,160	5.00	80.00	Cash	ESOP
61	05.05.2011	7,875	204,747,161	204,755,035	204,755,035	5.00	66.75	Cash	ESOP
62	18.08.2011	23,026,000	204,755,036	227,781,035	227,781,035	5.00	225.00	Cash	GDR
63	23.01.2013	128,375	227,781,036	227,909,410	227,909,410	5.00	80.00	Cash	ESOP
64	18.02.2013	35,038,889	227,909,411	262,948,299	262,948,299	5.00	225.00	Cash	CCD Conversion
65	31.03.2015	227,781	262,948,300	263,176,080	263,176,080	5.00	127.13	Other than cash	Sweat Equity to MD
66	09.02.2016	2,050,029	263,176,081	265,226,109	265,226,109	5.00	67.25	Cash	ESOP

Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the offer letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case;

- (b) **Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of offer letter;** Please refer "Section IX – Audited, Consolidated and Standalone Financials of the Company, including Cash Flow Statement" on page 29 of this document.
- (c) **Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid) –** Please refer "Section II(d) Key Operational and Financial Position / Summary of the Company's Operations" on page 12 of this document.
- (d) **A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of circulation of offer letter –** Please refer "Section IX – Audited, Consolidated and Standalone Financials of the Company, including Cash Flow Statement" on page 29 of this document.

- (e) **Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter** - Please refer "Section IX(d) Cash Flow" on page 34 of this document.
- (f) **Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company** - Please refer "Section IX(g) - Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company" on page 39 of this document.

5. A DECLARATION BY THE DIRECTORS THAT-

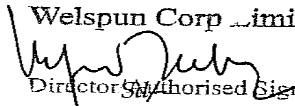
- a. the company has complied with the provisions of the Act and the rules made thereunder;
- b. the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government;
- c. the monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter;

I am authorized by the Board of Directors of the Company vide resolution number 1 dated January 23, 2018 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Date: 23/1/2018

Place: Mumbai

Welspun Corp Limited

Director/Authorised Signatory
Vipul Mathur
Managing Director & CEO

Attachments:-

Copy of board resolution
Copy of shareholders resolution

Optional attachments, if any



Annexure 1
Rating Letter

CARE Ratings
Professional Risk Opinion
Mr. S. Krishnan,
Chief Financial Officer,
Welspun Corp Ltd.,
Welspun House, 5th Floor,
Kamala City,
Senapati Bapat Marg, Lower Parel,
Mumbai – 400 013



January 16, 2018

Confidential

Subject: Confirmation for the validity of the rating letters CARE/HO/RL/2017-18/2464, CARE/HO/RL/2017-18/2465, CARE/HO/RL/2017-18/2466 and CARE/HO/RL/2017-18/2467 dated September 5, 2017.

Reference: Your request vide email dated January 15, 2018 for confirmation for validity of the rating letters dated September 5, 2017

Dear Sir,

- We refer to our rating letters CARE/HO/RL/2017-18/2464, CARE/HO/RL/2017-18/2465, CARE/HO/RL/2017-18/2466 and CARE/HO/RL/2017-18/2467 dated September 5, 2017 conveying our ratings CARE AA-; Positive (Double A Minus); Outlook: Positive for the Long term facilities and CARE A1+ (A One Plus) for the short term working capital facilities of Welspun Corp Limited are valid as on date. The total facilities rated by CARE is tabulated below:

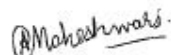
Facilities	Amount (Rs. crore)	Rating ¹
Long-term Bank Facilities	401.50	CARE AA-; Positive (Double A Minus; Outlook: Positive)
Short-term Bank Facilities	5600.00	CARE A1+ (A One Plus)
Total	6001.50 (Rupees Six Thousand One crore and Fifty lakh only)	
Non- Convertible Debentures	994.00	CARE AA-; Positive (Double A Minus; Outlook: Positive)
Commercial Paper	200.00	CARE A1+ (A One Plus)

¹ Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.



- With reference to the above, we confirm the following (also mentioned under CARE's Credit Rating Process manual on our website www.careratings.com):
 - Rating letters for short term instruments have a validity period of two months while those for long term/medium term instruments are valid for six months. However, once the instrument has been placed, CARE's ratings are valid for the life of instrument, unless the rating is withdrawn.
- CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

The letter is being issued at the specific request from your end and should not be used for any other purposes.



[Anilkumar Maheshwari]
Manager

anilkumar.maheshwari@careratings.com



[Pawan Matkari]
Sr. Manager

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CARE/HO/RR/2017-18/1754
Mr. S. Krishnan,
Chief Financial Officer,
Welspun Corp Limited,
Welspun House, 5th Floor,
Kamala City,
Senapati Bapat Marg, Lower Parel,
Mumbai - 400 013

September 11, 2017

Confidential

Dear Sir,

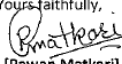
Credit rating for Bank Facilities, Non-Convertible Debentures issues and Commercial Paper issues of Welspun Corp Limited

Please refer to our letters dated September 5, 2017, on the above subject.

1. The rationale for the rating (s) is attached as **Annexure - I**.
2. A write-up (brief rationale) on the above rating is proposed to be issued to the press shortly. A draft of the same is enclosed for your perusal as **Annexure - II**.

If you have any further clarifications, you are welcome to approach us.

Thanking you,

Yours faithfully,

[Pawan Matkari]
Sr. Manager

Encl.: As above

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Annexure-I
Rating Rationale
Welspun Corp Ltd

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Long-term Bank Facilities	401.50	CARE AA-; Stable (Double A Minus; Outlook: Positive)	Reaffirmed; Outlook revised from Stable to Positive
Short-term Bank Facilities	5600.00	CARE A1+ (A One Plus)	Reaffirmed
Total	6001.50 (Rupees Six Thousand One crore and Fifty lakh only)		
Non-Convertible Debentures	994.00	CARE AA-; Stable (Double A Minus; Outlook: Positive)	Reaffirmed; Outlook revised from Stable to Positive
Commercial Paper	200.00	CARE A1+ (A One Plus)	Reaffirmed

Details of instruments/facilities in Annexure-1

Rating Rationale

The reaffirmation of the ratings on the bank facilities, Non-convertible Debenture issue and Commercial Paper program of Welspun Corp Ltd. (WCL) continue to derive strength from the resourceful promoters with long standing experience in the industry, comfortable liquidity position as reflected in high level of cash and cash equivalent consistently maintained by the company. Further, the ratings continue to draw strength from WCL's dominant position amongst global large diameter welded pipe producers along with presence of certifications and accreditations from major oil & gas companies worldwide as well as healthy order book position providing medium-term revenue visibility. The ratings are, however, tempered by continued pressure on consolidated operating margins and subdued performance during FY17 (refers to the period April 1 to March 31) reflecting the subdued performance of the industry in the recent past. However, it is expected that the order book in India for the industry will built up in H2FY18 considering the Government spending on infrastructure. Also, in United States, it is expected that investments in the oil & gas industry specifically related to pipe lines would pick up in the medium term.

Any significant change in the available liquidity maintained by the company and WCL's ability to achieve the envisaged improvement in operational performance and profitability in the medium term, remain the key rating sensitivities.

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

**Outlook Positive:**

WCL reported moderate order book position and considerable improvement in the profitability in Q1FY18. However, the FY18 performance will show normalization and is expected to report better profitability going forward. Expected improvement in the order book position accompanied by strong liquidity profile and moderate debt coverage indicators with no major capex plan enhances the overall financial profile of the company.

Background

Established in 1995, WCL is the flagship company of the Welspun group promoted by Late Mr. G.R. Goenka, Mr. B.K. Goenka and Mr. R.R. Mandawewala. WCL is engaged in manufacturing HSAW, LSAW and ERW pipes, with total pipe capacity of 1.60 million tonnes per annum (mtpa), at three locations in India. In addition, WCL through its 100% wholly owned subsidiaries has set up operations in the USA and has an 50.01% Joint Venture in Saudi Arabia, with its global pipe production capacity at 2.425 mtpa.

Credit Risk Assessment***Experienced promoters; dominant position in steel pipe segment***

WCL is the flagship company of the Welspun group having established track record in fields such as line pipes, steel and home textiles. The company was set up in 1995 with technical expertise from Intertec GmbH, Germany and equity participation from Intertec GmbH and Gujarat Industrial Investment Corporation Ltd. WCL's product portfolio comprises LSAW, HSAW and ERW pipes ranging from ½ inch to 140 inches, along with specialized coating, double jointing and bending. WCL has an aggregate pipe manufacturing capacity of 1.60 mtpa at its facilities located in Dahej and Anjar (Gujarat) and Mandya (Karnataka) in India. In addition, WCL, through its subsidiaries, has set up operations in the USA and Saudi Arabia bringing its total pipe production capacity to 2.425 mtpa globally. The company enjoys a dominant position amongst global large diameter welded pipe manufacturers and has gathered several accreditations from major oil & gas companies worldwide.

Comfortable liquidity position; high levels of cash and equivalents; gearing and remains elevated

Historically, WCL has maintained free cash and cash equivalents (Rs.1,167 crore as on June 30, 2017 and Rs.655 crore as on March 31, 2017) to meet contingencies.

As the company had healthy accumulated cash accruals available for the operations, the reliance on working capital bank borrowings remained low reflecting healthy liquidity position. The average utilization of working capital (fund based) related borrowings were low at 34% during the 12 months ended March 2017 reflecting healthy liquidity position. The current ratio of the company was comfortable at 1.39x as on March 31, 2017 (1.52x as on March 31, 2016). In the recent past the

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company has been successful in lengthening maturity profile of the borrowings of its overseas subsidiaries.

During FY17, WCL had moderate overall gearing and debt coverage indicators:

(Rs. Crore)		
Particulars	FY16	FY17
Total Debt (including Acceptances)	3,837	3,828
Cash & Cash Equivalents	839	655
Net Debt	2,998	3,174
PBILDT	885	646
Key Ratios		
PBILDT Interest Coverage (times)	3.67	2.74
Net Overall Gearing (times)	1.02	1.09
Net Overall Gearing (Excluding Acceptances) (times)	0.62	0.41
Net Debt/PBILDT(times)	3.39	4.91

WCL primarily utilize non-fund based limits to meet its working capital requirements reflected in comfortable net overall gearing (excluding acceptances).

WCL intends to maintain adequate liquidity in the form of cash/cash equivalents at all times in line with its financial policy, providing comfort for meeting debt commitments (including prepayment of high cost debt) in the near term. In addition, the company does not have any substantial capex plans in the near term involving commitment of funds. Any substantial decline in the cash holding remains a key rating sensitivity.

Continued pressure on consolidated operating margins

WCL's performance continued to remain under pressure in FY17 due to increased competition in the industry and general economic slowdown. Operating margins are under pressure during the past few years due to increase in number of small orders, on which company earned lower margins; strain on realizations owing to stiff competition, lower operating capacity utilization levels and global slowdown.

At the consolidated level, net sales declined by 30% on y-o-y basis in FY17. However, during Q1FY18, WCL reported PBILDT margin of 16.05% (9.01% in Q1FY17) on account of execution of niche orders in USA and Saudi. However, the margins are above average and difficult to sustain on annual basis.

Moderate order book position providing medium-term revenue visibility; higher share of LSAW orders to improve profitability going forward

As on June 30, 2017, WCL had consolidated order book comprising 0.700 mt (0.958 mt as on June 30, 2016) of pipes translating to approx. Rs.4,200 crore, to be executed over the next 12 months.

Region-wise and product-wise details of the order book as on June 30, 2017 is tabulated below:

Order Book position as on June 30, 2017			Higher % of LSAW orders in FY18		
Location	KMT	%	Products	KMT	%
India	203	29%	L-SAW	240	34%
USA	269	38%	H-SAW	397	57%
Saudi Arabia	228	33%	ERW	63	9%

Going forward the order book is expected to improve mainly on account of pick-up in demand in the India business, as well renewed demand in North America. Further, the profitability is may improve going forward with higher proportion of orders expected for LSAW pipes (which command higher margin as compared to HSAW pipes).

However, the overall profitability will be under stress considering the gradual increase in demand and continued losses from the Saudi Arabia's operations. Going forward, standalone business operations are expected to continue to report improved profitability (on account of higher domestic order flows). However, the turnaround in US and Saudi Arabia operations remain a key rating sensitivity.

Prospects

The outlook for the pipe business remains challenging. While there are early signs of revival of line pipe business on the back of announcement of new projects in North America, Latin America and India, competition continues to remain stiff, keeping margins under pressure. Key regions to drive the growth in the medium term are expected to be Canada, the USA, Latin America and parts of Middle East. Canada has oil and gas reserves and most of the current exports are to the USA. With the USA is moving towards energy self-sufficiency, due to large scale exploration of shale gas, Canada is expected to build pipelines to take this oil to new markets and de-risk their economy. In the Saudi market, Improvement is expected in the KSA operations, as the Kingdom had raised long term bonds to fund the stalled projections and also in process of listing its largest oil entity with valuation of over \$2 trillion, which shall further unlock the liquidity in the kingdom. The domestic pipe ordering is expected to pick up during FY18-FY20 period on back of higher ordering from the water pipeline projects and the proposed national gas grid. Any further sluggishness in order book position and consequent financial performance would result in change in outlook debt profile.

Financial Performance (Consolidated) – As per IGAAP

	(Rs. Cr)		
	2015	2016	2017
For the period ended / as at Mar.31,	(I-GAAP)	(IND-AS)	(IND-AS)
	(12m, A)	(12m, A)	(12m, A)
Working Results			
Total Income from Continuing Operations	8,556	7,341	6,030
PBILDT	951	887	646
Interest	283	241	236
Depreciation	437	386	386

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For the period ended / as at Mar.31,	2015 (i-GAAP) (12m, A)	2016 (IND-AS) (12m, A)	2017 (IND-AS) (12m, A)
PBT	231	299	115
PAT (after deferred tax) from continuing operations	214	179	10
Gross Cash Accruals	659	524	375
Financial Position			
Equity Capital	132	133	133
Networth	3,142	2,919	2,915
Total capital employed	6,745	5,977	5,146
Key Ratios			
Growth			
Growth in Total income (%)	8.70	-14.20	-17.86
Growth in PAT (after D. Tax) (%)	117.77	2.88	-104.55
Profitability			
PBILDT/Total Op. income (%)	11.11	12.08	10.71
PAT (after deferred tax)/ Total income (%)	2.50	2.44	0.17
ROCE (%)	7.17	7.85	4.88
Solvency			
Long Term Debt Equity ratio (times)	0.97	0.71	0.56
Overall gearing ratio (including acceptances)	1.62	1.31	1.31
Overall gearing ratio (net of cash)	1.27	1.31	1.31
Interest coverage(times)	3.36	3.68	2.74
Total debt/Gross cash accruals(years)	7.73	7.32	10.21
Liquidity			
Current ratio(times)	1.41	1.31	1.39
Quick ratio(times)	0.76	0.87	0.80
Turnover			
Average collection period (days)	38	63	95
Average creditors (days)	76	114	128
Average inventory (days)	83	99	113
Operating cycle (days)	45	48	80

A-Audited

Rm

Details of Rated Facilities

Details of Rated Facilities (Rs. Crore)

1. Long-term facilities

Name of Lender	Amount O/s as on March 31, 2017	Rated Amount	Repayment Terms
ECB-BOB DUBAI (USD 20 mn)	147	202.70	10 half yearly step-up instalments from April 16th 2015 to Oct 16th 2019
ECB-DBS (USD 22.6 mn)	130	198.80	Three instalments of USD 10.0 mn each falling due on Oct 29th 2016, 2017 & 2018
Total	277	401.50	

1.B. Fund/Non Fund Based limits

Sr. No.	Name of Institution	Fund based	Non Fund based		Total
		CC	L/C	BG	
1	Andhra Bank	(20)	200	75	275
2	Bank of Baroda	(50)	350	225	575
3	Bank of India	(17)	300	(112)	300
4	Canara Bank	(38)	266	170	436
5	CitiBank	0	0	12	12
6	Corporation Bank	12	140	36	188
7	ICICI Bank	50	443	(443)	493
8	IDBI Bank	(50)	584	(584)	584
9	Oriental Bank of Commerce	(18)	123	82	205
10	Punjab National Bank	(68)	462	322	784
11	Standard Chartered Bank	(20)	120	(120)	120
12	State Bank of India	(40)	815	(152)	815
14	UBI	(15)	155	100	255
15	Proposed	0	558	(558)	558

CC= Cash Credit; LC=Letter of credit; BG=Bank guarantee

Utilisation of working capital limits is restricted to the assessed consortium limits of Rs.5,600 crore consisting of Non Fund Based limits of Rs.5,600 crore and Fund Based limits of Rs.400 crore as a sub limit to the Non Fund Based limit.

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Annexure -II
Welspun Corp Ltd
 September 11, 2017

Ratings

Facilities	Amount (Rs. crore)	Rating ²	Rating Action
Long-term Bank Facilities	401.50	CARE AA-; Stable (Double A Minus; Outlook: Positive)	Reaffirmed; Outlook revised from Stable to Positive
Short-term Bank Facilities	5600.00	CARE A1+ (A One Plus)	Reaffirmed
Total	6001.50 (Rupees Six Thousand One crore and Fifty lakh only)		
Non- Convertible Debentures	994.00	CARE AA-; Stable (Double A Minus; Outlook: Positive)	Reaffirmed; Outlook revised from Stable to Positive
Commercial Paper	200.00	CARE A1+ (A One Plus)	Reaffirmed

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

Rating Rationale

The reaffirmation of the ratings on the bank facilities, Non-convertible Debenture issue and Commercial Paper program of Welspun Corp Ltd. (WCL) continue to derive strength from the resourceful promoters with long standing experience in the industry, comfortable liquidity position as reflected in high level of cash and cash equivalent consistently maintained by the company. Further, the ratings continue to draw strength from WCL's dominant position amongst global large diameter welded pipe producers along with presence of certifications and accreditations from major oil & gas companies worldwide as well as healthy order book position providing medium-term revenue visibility. The ratings are, however, tempered by continued pressure on consolidated operating margins and subdued performance during FY17 (refers to the period April 1 to March 31) reflecting the subdued performance of the industry in the recent past. However, it is expected that the order book in India for the industry will built up in H2FY18 considering the Government spending on infrastructure. Also, in United States, it is expected that investments in the oil & gas industry specifically related to pipe lines would pick up in the medium term.

Any significant change in the available liquidity maintained by the company and WCL's ability to achieve the envisaged improvement in operational performance and profitability in the medium term, remain the key rating sensitivities.

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.


Outlook Positive:

WCL reported moderate order book position and considerable improvement in the profitability in Q1FY18. However, the FY18 performance will show normalization and is expected to report better profitability going forward. Expected improvement in the order book position accompanied by strong liquidity profile and moderate debt coverage indicators with no major capex plan enhances the overall financial profile of the company.

Detailed description of the key rating drivers
Key Rating Strengths

Experienced promoters; dominant position in steel pipe segment: WCL is the flagship company of the Welspun group having established track record in fields such as line pipes, steel and home textiles. The company was set up in 1995 with technical expertise from Intertec GmbH, Germany and equity participation from Intertec GmbH and Gujarat Industrial Investment Corporation Ltd. WCL's product portfolio comprises LSAW, HSAW and ERW pipes ranging from ½ inch to 140 inches, along with specialized coating, double jointing and bending.

Moderate financial risk profile with comfortable liquidity position

Historically, WCL has consistently maintained high levels of free cash and cash equivalents to meet contingencies; cash and cash equivalents stood at Rs.1,167 crore as on June 30, 2017. As the company had healthy cash accruals available for operations, the reliance on working capital bank borrowings remained low reflecting healthy liquidity position. WCL had moderate overall gearing and debt coverage indicators:

Particulars	FY16	FY17
PBILDT Interest Coverage (times)	3.67	2.74
Net Overall Gearing (times)	1.02	1.09
Net Overall Gearing (Excluding Acceptances) (times)	0.62	0.41
Net Debt/PBILDT(times)	3.39	4.91

WCL primarily utilizes non-fund based limits to meet its working capital requirements reflected in comfortable net overall gearing (excluding acceptances). WCL intends to maintain adequate liquidity in the form of cash/cash equivalents at all times in line with its financial policy, providing comfort for meeting debt commitments (including prepayment of high cost debt) in the near term. In addition, the company does not have any substantial capex plans in the near term involving commitment of funds. Any substantial decline in the cash holding remains a key rating sensitivity.

Key Rating Weaknesses

Continued pressure on consolidated operating margins: WCL's performance continued to remain under pressure in FY17 due to increased competition in the industry and general economic slowdown. At the consolidated level, net sales declined by 30% on y-o-y basis in FY17. However, during Q1FY18,

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WCL reported PBILDT margin of 16.05% (9.01% in Q1FY17) on account of execution of niche orders in USA and Saudi. However, the margins are above average and are not likely to sustain on annual basis. Going forward, standalone business operations are expected to report improved profitability (on account of higher domestic order flows). However, the turnaround in US and Saudi Arabia operations remains a monitorable.

Moderate order book position providing medium-term revenue visibility; higher share of LSAW orders to improve profitability going forward : As on June 30, 2017, WCL had consolidated order book comprising 0.700 mt (0.958 mt as on June 30, 2016) of pipes translating to approx. Rs.4,200 crore, to be executed over the next 12 months. However, the overall profitability will be under stress considering the gradual increase in demand and continued losses from the Saudi Arabia's operations.

Subdued outlook for global steel pipes industry: The outlook for the pipe business remains challenging. While there are early signs of revival of line pipe business on the back of announcement of new projects in North America, Latin America and India, competition continues to remain stiff, keeping margins under pressure.

Analytical approach

For arriving at the ratings, CARE has combined the business and financial risk profiles of Welspun Corp Ltd, Welspun Pipes Inc (subsidiary in USA) and WCL's Saudi Arabia JV, as these entities have significant operational linkages and are under a common management.

Applicable Criteria

Rating Methodology-Manufacturing Companies

Financial ratios – Non-Financial Sector

Criteria on assigning Outlook to Credit Ratings

CARE's Policy on Default Recognition

Criteria for Short Term Instruments

Rating Methodology: Factoring Linkages in Ratings

About the Company

Established in 1995, WCL is the flagship company of the Welspun group promoted by Late Mr. G.R. Goenka, Mr. B.K. Goenka and Mr. R.R. Mandawewala. WCL is engaged in manufacturing HSAW, LSAW and ERW pipes, with total pipe capacity of 1.60 million tonnes per annum (mtpa), at three locations in India. In addition, WCL through its 100% wholly owned subsidiaries has set up operations in the USA and Saudi Arabia, with its global pipe production capacity at 2.425 mtpa.

Following are the brief financials of WCL (Consolidated):

Brief Financials (Rs. crore)	FY16 (Audited)	FY17 (Audited)
Income from Continuing Operations	7,341	6,030
PBILDT	887	646
PAT	179	10
Overall Gearing (Including LC Acceptances) (times)	1.31	1.31
Interest coverage (times)	3.68	2.74

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Analyst Contact:

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Email: pawan.matkari@careratings.com

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.



Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Non-fund-based - ST-BG/LC	-	-	-	5600.00	CARE A1+
Fund-based - LT-Term Loan	-	-	Oct 2019	401.50	CARE AA-; Positive
Debentures-Non Convertible Debentures	Aug 2010	9.55%	Aug 2025	700.00	CARE AA-; Positive
Debentures-Non Convertible Debentures	Aug- 2012	11.25%	Aug 2019	294.00	CARE AA-; Positive
Commercial Paper	-	-	-	200.00	CARE A1+

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016	Date(s) & Rating(s) assigned in 2014-2015
1.	Debentures-Non Convertible Debentures	LT	700.00	CARE AA-; Positive	1)CARE AA-; Stable (05-May-17)	1)CARE AA- (03-Aug-16)	1)CARE AA- (10-Nov-15)	1)CARE AA- (17-Oct-14)
2.	Non-fund-based - ST-BG/LC	ST	5600.00	CARE A1+	1)CARE A1+ (05-May-17)	1)CARE A1+ (03-Aug-16)	1)CARE A1+ (10-Nov-15)	1)CARE A1+ (17-Oct-14)
3.	Fund-based - LT-Term Loan	LT	401.50	CARE AA-; Positive	1)CARE AA-; Stable (05-May-17)	1)CARE AA- (03-Aug-16)	1)CARE AA- (10-Nov-15)	1)CARE AA- (17-Oct-14)
4.	Commercial Paper	ST	200.00	CARE A1+	1)CARE A1+ (05-May-17)	1)CARE A1+ (03-Aug-16)	1)CARE A1+ (10-Nov-15)	1)CARE A1+ (17-Oct-14)
5.	Debentures-Non Convertible Debentures	LT	294.00	CARE AA-; Positive	1)CARE AA-; Stable (05-May-17)	1)CARE AA- (03-Aug-16)	1)CARE AA- (10-Nov-15)	1)CARE AA- (17-Oct-14)



Ratings



Rating Rationale

August 16, 2017 | Mumbai

Welspun Corp Limited

'CRISIL AA-/Stable/CRISIL A1+' assigned to bank debt and debt programmes

Rating Action

Total Bank Loan Facilities Rated	Rs.5825 Crore
Long Term Rating	CRISIL AA-/Stable (Assigned)
Short Term Rating	CRISIL A1+ (Assigned)
Rs.990 Crore Non Convertible Debentures	CRISIL AA-/Stable (Assigned)
Rs.200 Crore Commercial Paper	CRISIL A1+ (Assigned)

1 crore = 10 million

Refer to annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL has assigned its 'CRISIL AA-/Stable/CRISIL A1+' ratings to the bank facilities and debt programmes of Welspun Corp Limited (WCL; part of the Welspun group).

The ratings reflect the group's strong business risk profile backed by leadership position in the global line pipe business, geographically diverse capacities, steady order book, sustained operating margin and prudent risk management strategies. The ratings also factor in the strong financial risk profile because of large network, comfortable capital structure, committed stance of the management towards controlling external debt levels, and healthy debt coverage ratio, albeit average interest coverage. Overall financial risk profile is driven by adequate liquidity.

These strengths are partially offset by susceptibility to slowdown in end-user industries and to government regulations, and below-par return on capital employed (RoCE) because of capital intensive business, sub-optimal capacity utilisation levels, and significant losses at the Middle East subsidiary.

Analytical Approach

For arriving at the rating, CRISIL has combined the business and financial risk profiles of WCL and its subsidiaries - Welspun Mauritius Holdings Ltd, Welspun Pipes Inc (WPI), and Welspun Tradings Ltd; and step-down subsidiaries- Welspun Middle East Pipe Company LLC (WMEP), Welspun Middle East Pipe Coating Company LLC (WMEC), Welspun Tubular LLC, and Welspun Global Trade LLC. This is because all these entities, together referred to as the Welspun Corp group, have the same business, brand, management, and significant financial and operational linkages.

Key Rating Drivers & Detailed Description

Strengths

* **Strong business risk profile supported by market leadership in the line pipe business:** The Welspun Corp group is one of the largest players in the global line pipe business with capacities of 24.25 lakh tonne per annum and consistent sales of about 10 lakh tonne annually. It has a track record of over two decades and demonstrated technical capability in supply of high grade line pipes for critical and large projects in oil & gas and water & sanitation segments. The group has established relations with reputed overseas customers which include Transcanada Pipelines Ltd, Shell, TOTAL, Kinder Morgan, Saudi Arabian Oil Company, Qatar Petroleum, Saudi Aramco and Kuwait Oil Company. It also supplies line pipes to all major players in the domestic market, such as BPCL, IOCL, GAIL, Reliance Industries Ltd, Gujarat State Petronet Ltd, and L&T. Order book was sizable at about 7 lakh tonne as on June, 2017. It has ability to execute projects in quick time given large and multi-location capacities. Furthermore, limited competition due to large capital requirement, necessity to have critical accreditation and customer approvals, bolster its business risk profile. Future performance will be supported by strong domestic demand and anticipated influx of orders from the US market post ongoing revival in new projects/developments in oil and gas segment, mainly driven by production cuts by OPEC countries and improvement in crude prices.

* **Geographically diverse capacities and presence:** The group has multi-locational presence with facilities in India, the US, and Kingdom of Saudi Arabia (KSA), which enables it to cater to geographically diverse customers, counter protectionist policies in few export markets, and guard itself against economic downturns in specific regions. Its geographically diversified presence mitigates the concentration risk which is extremely critical in the steel line pipe segment. Furthermore, the group has the flexibility to manufacture pipes at any of its facilities, which lends support to overall operations. On account of the above, operating margin has been steady at 9.4-10.8% in the past three fiscals.

* **Prudent risk management strategies:** Back-to-back purchases and order-backed inventory mitigate price fluctuation risk of key input, steel. Also, 75-80% of domestic sales is backed by letter of credit or bank guarantees, which partially offsets bad debt risks. The group also has a prudent risk management policy, it fully hedges its foreign exchange exposure for net

of sales over purchases as well as one year debt obligations.

*** Strong financial risk profile and adequate liquidity:** As on March 31, 2017, networth was strong at Rs 3344 crore, gearing healthy at 0.72 time, and total outside liabilities to networth (TOLTNW) ratio comfortable at 1.65 times. Unencumbered cash and bank balance and liquid investments of more than Rs 700 crore as on March 31, 2017, provide significant cushion to overall liquidity. Adjusting for these, net gearing and net TOLTNW reduce further to 0.5 time and 1.43 times, respectively. Net debt/EBITDA is also comfortable at 2.5 times. With term loan repayment, no debt-funded capital expenditure, and healthy cash accrual, gearing is expected to improve further over the medium term. Management has the policy of maintaining net gearing at below 1 time and net debt/EBITDA below 2 times. Nonetheless, interest coverage ratio remained average at 2.6 times in fiscal 2017, and has been in the 2.6-3.9 times in the four years through fiscal 2017.

Weakness

*** Susceptibility to slowdown in end-user industries, and to government policies:** The group derives around 70% of revenue from the oil and gas segment, and the remaining from water segment. Slowdown in the oil and gas industry because of significant decline in crude prices have impacted the group's operations in recent time. Revival of new projects in this segment in the key markets of US and Middle East is critical for improvement in overall operations. Any severe slowdown in end-user industries will weaken demand for line pipes, affecting the group's operating performance. Furthermore, the operations remain exposed to government policies and preferences with respect to local supply, trade duties etc.

*** Below-average RoCE because of sub-optimal capacity utilisation, and losses in Middle East subsidiary:** The line pipe business is inherently capital intensive because of the need to set up large-capacity units. Furthermore, the group has sizeable investments in its backward integration unit, plate and coil mill. The line pipe capacities were utilised at 40-45%, while utilisation of plate and coil mill was minimal in recent past. In fiscal 2017, the group incurred severe losses in KSA operations due to prevailing adverse market conditions and economic downturn. Further its US operations also remained subdued because of majority of the large projects were kept on hold. Hence, RoCE was low at 3.3% during fiscal 2017 (8.2% in the previous fiscal). Increasing utilisation and improvement in RoCE are critical and will be monitored.

Outlook: Stable

CRISIL believes Welspun Corp group will maintain its leadership position in the line pipe segment and benefit from its diversified global presence. The outlook may be revised to 'Positive' if the group is able to ramp up its capacity utilization levels, while maintaining its operating profitability, such that RoCE and interest coverage improves significantly on a sustained basis. The outlook may be revised to 'Negative' if a prolonged downturn in the industry leads to subdued operating performance, or if the financial risk profile weakens considerably because of increase in working capital requirement or unanticipated acquisition, debt-funded capex, or any unforeseen liabilities.

About the Group

Incorporated in 1995, WCL is a flagship company of the Welspun group promoted by Mr BK Goenka. It manufactures line pipes at its plants in India (Dahej and Anjar in Gujarat and Mandya in Karnataka), the US (Little Rock, Arkansas), and Kingdom of Saudi Arabia (Dammam). Product base includes longitudinal, spiral, and high frequency induction-welded pipes. WCL also has coating facilities in the three countries and a plate and coil mill in India.

The company operates in the US through its 100% subsidiary ' WPI; and in Saudi Arabia through step-down subsidiaries - WMEP and WMEC. It also has a 100% subsidiary- Welspun Tradings Ltd- which acts as a bid arm for the company in export markets.

WCL's operations are managed by a professional team headed by Mr Lalit Naik (MD and CEO).

WCL (consolidated) on Ind-AS basis, reported profit after tax (PAT) of Rs 10.1 crore on an operating income of Rs 5920 crore for fiscal 2017; PAT was Rs 179.3 crore on an operating income of Rs 7382.5 crore for fiscal 2016.

WCL (standalone) on Ind-AS basis reported PAT of Rs 175 crore on an operating income of Rs 4368 crore in fiscal 2017; net loss was Rs 123 crore on an operating income of Rs 3775 crore in fiscal 2016.

WPI (USA) reported net loss of Rs 82 crore on an operating income of Rs 2167 crore for fiscal 2017, against a PAT of Rs 229 crore on an operating income of Rs 3742 crore for fiscal 2016.

WMEP reported a net loss of Rs 129 crore on an operating income of Rs 564 crore for fiscal 2017, against a PAT of Rs 20 crore on an operating income of Rs 1221 crore for fiscal 2016.

Any other information: Not applicable

Note on complexity levels of the rated instrument:

CRISIL complexity levels are assigned to various types of financial instruments. The CRISIL complexity levels are available on www.crisil.com/complexity-levels. Users are advised to refer to the CRISIL complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of instrument	Date of Allotment	Coupon Rate (%)	Maturity date	Issue Size (rs. Crore)	Rating assigned With outlook
NA	Proposed Letter of	NA	NA	NA	472	CRISIL A1+

	Credit					
NA	Letter of Credit	NA	NA	NA	3834	CRISIL A1+
NA	External Commercial Borrowings	NA	NA	31-Oct-2019	277	CRISIL AA-/Stable
NA	Bank Guarantee	NA	NA	NA	1160	CRISIL A1+
NA	Cash Credit	NA	NA	NA	82	CRISIL AA-/Stable
INE191B07071	Non-Convertible Debentures	03-Aug-2010	9.55%	03-Aug-2025	200	CRISIL AA-/Stable
INE191B07089	Non-Convertible Debentures	28-Sep-2010	9.55%	28-Sep-2025	500	CRISIL AA-/Stable
INE191B07105	Non-Convertible Debentures	17-Aug-2012	11.15%	17-Aug-2019	146	CRISIL AA-/Stable
INE191B07113	Non-Convertible Debentures	29-Aug-2012	11.15%	28-Aug-2019	5	CRISIL AA-/Stable
INE191B07121	Non-Convertible Debentures	18-Sep-2012	11.15%	18-Sep-2019	49	CRISIL AA-/Stable
INE191B07139	Non-Convertible Debentures	09-Nov-2012	11.00%	08-Nov-2022	90	CRISIL AA-/Stable
NA	Commercial Paper	NA	NA	7-365 Days	200	CRISIL A1+

Annexure - Rating History for last 3 Years

		Current		2017 (History)		2016		2015		2014		Start of 2014
Instrument	Type	Quantum	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Commercial Paper	ST	200	CRISIL A1+		--		--		--		--	--
Non Convertible Debentures	LT	990	CRISIL AA-/Stable		--		--		--		--	--
Fund-based Bank Facilities	LT/ST	359	CRISIL AA-/Stable		--		--		--		--	--
Non Fund-based Bank Facilities	LT/ST	5466	CRISIL A1+		--		--		--		--	--

Table reflects instances where rating is changed or freshly assigned. 'No Rating Change' implies that there was no rating change under the release.

Annexure - Details of various bank facilities

Current facilities			Previous facilities		
Facility	Amount (Rs.Crore)	Rating	Facility	Amount (Rs.Crore)	Rating
Proposed Letter of Credit	472	CRISIL A1+	--	0	--
Letter of Credit	3834	CRISIL A1+	--	0	--
External Commercial Borrowings	277	CRISIL AA-/Stable	--	0	--
Bank Guarantee	1160	CRISIL A1+	--	0	--
Cash Credit	82	CRISIL AA-/Stable	--	0	--
Total	5825	--	Total	0	--

Links to related criteria

CRISILs Approach to Financial Ratios
CRISILs Bank Loan Ratings - process, scale and default recognition
Rating criteria for manufacturing and service sector companies
CRISILs Bank Loan Ratings
Criteria for rating Short-Term Debt (including Commercial Paper)
The Rating Process
Understanding CRISILs Ratings and Rating Scales

For further information contact:

Media Relations	Analytical Contacts	Customer Service Helpdesk
Saman Khan Media Relations CRISIL Limited D: +91 22 3342 3895	Rahul Guha Director - CRISIL Ratings CRISIL Limited D: +91 22 4097 8320	Timings: 10.00 am to 7.00 pm Toll free Number: 1800 267 1301 For a copy of Rationales / Rating Reports:

**Annexure – III- Principle terms of the Asset charged/ offered for the
DETAILS OF MOVEABLE FIXED ASSETS****PART A:**

All tangible movable Plant and Machinery spares, tools, accessories, equipments, furniture, fixtures and fittings either installed or lying loose or in cases or being under or upon or above the Company's plants at Village Jolva and Vadadla, Near Dahej, Taluka Vagra, District Bharuch, Gujarat or at branches in India or held by any party to the order or disposition of the Mortgagor or in the course of transit or in high seas or on order or delivery, howsoever and wheresoever in the possession of the Mortgagor and either by substitution or addition.

PART B:

All tangible movable Plant and Machinery spares, tools, accessories, equipments, furniture, fixtures and fittings either installed or lying loose or in cases or being under or upon or above the Company's plants at Village Varsamedi, Taluka Anjar, Dist. Kutch, Gujarat or at branches in India or held by any party to the order or disposition of the Mortgagor or in the course of transit or in high seas or on order or delivery, howsoever and wheresoever in the possession of the Mortgagor and either by substitution or addition.

(Description of entire Fixed Assets)**DAHEJ PROPERTY**

All those pieces and parcels of lands admeasuring 3,05,500 sq. mtrs. equivalent to 30.55 hectares or thereabouts comprised in New Survey Nos. 204,205,216, 219 & 220 of Jolva Village and New Survey Nos. 259 to 261 and 264 to 266 of Vadadla Village both in the Registration Sub- District of Vagra, District Bharuch, in the State of Gujarat, bounded :

On or towards the North: by Survey No.267, 268, 269, 282 ;

On or towards the South: by Bharuch Dahej Road ;

On or towards the East: by Survey No.200, 203, 206, 209, 215, 217; and

On or towards the West: by Village Road.

together with all the buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth both present and future.

ANJAR PROPERTY

Properties situated in the Registration Sub District and Taluka of Anjar of Registration District and Dist. Kachchh in the state of Gujarat.

All that piece and parcel of non-agricultural land in the sim of Village Versamedi, of Registration Sub-District and Taluka Anjar of Registration District and District Kutch in the State of Gujarat together with all buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth, both present and future comprised in Survey Nos. given below:

S.No.	Survey No.	Area
1	665-P1	Acre 20-00 - Hectare 08-09-37
2	664-P1	Acre 9-22 Gunthas - Hectare 3-46-00
3	684	Acre 6-25 Gunthas - Hectare 2-68-11
4	686	Acre 10-07 Gunthas - Hectare 4-11-77
5	664-P2	Acre 8-23 Gunthas - Hectare 3-46-03
6	678	Acre 7-28 Gunthas - Hectare 3-11-61
7	697	Acre 7-35 Gunthas - Hectare 3-18-69
8	691	Acre 5-19 Gunthas - Hectare 2-21-57
9	663-P1	Acre 14-32 Gunthas - Hectare 5-98-95
10	663-P2	Acre 13-02 Gunthas - Hectare 5-28-11
11	685	Acre 10-36 Gunthas - Hectare 4-41-11
12	681	Acre 14-12 Gunthas - Hectare 5-78-70
13	696	Acre 08-31 Gunthas - Hectare 3-55-11
14	682/1	Acre 05-28 Gunthas - Hectare 2-30-67

Survey Nos appearing in serial no 1 to 14 as above have since been consolidated as Survey No. 663/1 having total area of Hectare 57-65-83 which is equivalent to the aforesaid areas appearing against Serial No. 1 to 14.

15	984-P	Acre 18-03 Gunthas - Hectare 7-31-47
16	984	Acre 18-29 Gunthas - Hectare 7-57-78
17	662-P	Acre 08-09 Gunthas - Hectare 3-32-86
18	658	Acre 16-00 Gunthas - Hectare 6-47-50
19	661-P1	Acre 16-00 Gunthas - Hectare 6-47-50
20	594	Acre 07-15 Gunthas - Hectare 2-98-46
21	890	Acre 13-34 Gunthas - Hectare 5-60-49
22	781	Acre 16-34 Gunthas - Hectare 6-81-90
23	661-P2	Acre 06-13 Gunthas - Hectare 2-55-97
24	687	Acre 10-08 Gunthas - Hectare 4-12-78
25	695	Acre 14-01 Gunthas - Hectare 5-67-57
26	657-P3	Acre 04-03 Gunthas - Hectare 1-64-91
	657-P2	Acre 04-05 Gunthas - Hectare 1-64-91
	657-P1	Acre 04-05 Gunthas - Hectare 1-65-59
27	659	Acre 21-12 Gunthas - Hectare 8-61-99

Annexure – IV

IDBI Trusteeship Services Ltd

CIN : U65991MH2001GOI131154
8430/ITSL/OPR/CL/17-18/DEB/906
Date: January 15, 2018

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



Dear Sir,

Subject: Consent to act as Debenture Trustee for the Secured, Listed, redeemable Non-Convertible debentures of Rs. 250 Crores

This is with reference to the discussion we had regarding appointment of IDBI Trusteeship Services Limited as Debenture Trustee for the Secured, Listed, redeemable Non-Convertible debentures of Rs. 250 Crores. In this connection, we indicate our trusteeship remuneration for the said assignment as follows:

Charge Heads	Terms
Acceptance Fees	Rs.1,50,000/- plus applicable taxes (Onetime payment, Payable upfront and Non-Refundable)
Service Charges	Rs.1,50,000/- p.a. plus applicable taxes. First such payment would become payable on the date of execution (DoE) for the pro-rata period from DoE till March 31, 2018; thereafter the Service Charges are payable on an annual basis in advance on 1st April every year till the redemption and satisfaction of charges in full.
Delay Payment Charges	In case the payment of the service charges not received within a period of 30 days from the date of the bill, ITSL reverse the right to charge "delayed payment charges" @ 12% on the outstanding amount.
Out of Pocket Expenses & Statutory Dues	Would be reimbursable on actual basis within 30 days of the claim.
Validity:	This Consent is valid for a Period of three (3) months from the date of this letter and shall stand automatically cancelled/revoked/withdrawn without any further communication/reference to you unless otherwise revalidated by us. This Consent Letter shall not be construed as giving rise to any obligation on the part of IDBI Trusteeship Services Ltd to act as Trustees unless the Company communicates acceptance to ITSL within 3 days from the date of this letter and also executes Trusteeship documents including Security Documents within 30 days from the date of this letter or such extended time as may be agreed to by ITSL.
Reset Clause	Debenture Trustee shall have the right to reset the above referred service charges on expiry of years from the date of this consent letter.
Any enforcement consequent to the event of default (EOD) would attract separate charges	

Please provide your acceptance to the above by signing at the space provided below.

Assure you of our best services at all times.

Yours faithfully,

For IDBI Trusteeship Services Limited

(Authorized Signatory)

We accept the above terms
Welspun Corp Ltd

(Authorized Signatory)

NOTE: As per recent Goods and Service Tax guidelines (GST), ITSL would be required to pay the applicable GST on the amounts / charges payable to us as indicated above. Please note that the Company would be liable to pay all such charges even in the event of cancellation of the aforesaid transaction. Therefore, no refund of any statutory dues already paid would be made.

Please feel free to contact us for query. For information on our services, visit website www.idbitrustee.co.in

Regd. Office : Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001.
Tel. : 022-4080 7000 • Fax : 022-6631 1776 • Email : itsl@idbitrustee.com • response@idbitrustee.com
Website : www.idbitrustee.com

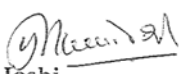
CERTIFIED TRUE COPY OF RESOLUTION PASSED AT THE ANNUAL GENERAL MEETING OF WELSPUN CORP LIMITED HELD ON SEPTEMBER 20, 2017.

APPROVAL OF BORROWING BY ISSUING SECURITIES ON PRIVATE PLACEMENT BASIS.

"RESOLVED THAT pursuant to the provisions of Sections 42 and 71 of the Companies Act, 2013 ("the Act") read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions of the Act and the Rules framed thereunder, as may be applicable, and other applicable Guidelines and Regulations issued by the Securities and Exchange Board of India ("SEBI") or any other law for the time being in force (including any statutory modification(s) or amendment thereto or re-enactment thereof for the time being in force) and in terms of the Articles of Association of the Company, approval of the members of the Company be accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) to borrow from time to time, by way of issuing securities including but not limited to secured/unsecured, redeemable, Non-Convertible Debentures (NCDs) to be issued on Private Placement basis, in domestic and/or international market, in one or more series/tranches aggregating up to an amount not exceeding Rs. 700 crores (Rupees Seven Hundred crores only) issuable / redeemable at discount / par / premium, under one or more shelf disclosure documents, during the period of 1 (one) year from the date of this Annual General Meeting, on such terms and conditions as the Board may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said NCDs be issued, the consideration for the issue, utilization of the issue proceeds and all matters connected with or incidental thereto; provided that the said borrowing shall be within the overall borrowing limits of the Company.

RESOLVED FURTHER THAT approval of the members be accorded to the Board of the Company to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

For Welspun Corp Limited


Pradeep Joshi
Company Secretary
FCS - 4959



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.

T : +91 2836 662222 F : +91 2836 279060

Corporate Identity Number: L27100GJ1995PLC025609

CERTIFIED TRUE COPY OF RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF WELSPUN CORP LIMITED HELD ON JANUARY 23, 2018.

OFFER AND ISSUE OF RATED, REDEEMABLE, SECURED, NON-CONVERTIBLE DEBENTURES UPTO Rs. 250 CRORES ON PRIVATE PLACEMENT BASIS.

"RESOLVED THAT pursuant to Section 179 of the Companies Act, 2013 ("Act") and the Companies (Share Capital and Debentures) Rules, 2014 and any other rule or regulation under the Act and any other act, rules, regulations as may be applicable, if any, the Board do hereby approve issue of Secured, Redeemable, Non-Convertible Debentures aggregating to Rs. 250 Crores (Rupees Two Hundred Fifty Crores) (the "Debentures") on private placement basis, under Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, to meet general corporate purpose including long term working capital requirements, recouping of high cost NCDs prepaid by the Company and repayment of existing debts."

RESOLVED FURTHER THAT Mr. B. K. Goenka-Chairman, Mr. Vipul Mathur-MD & CEO, Mr. S. Krishnan-ED, CFO & CEO (PCMD) and Mr. Pradeep Joshi-Company Secretary, Mr. Gaurav Merchant- Head - Global Banking & Treasury of the Company be and are hereby jointly and severally authorized:

- to decide the terms and conditions of the issue of the Debentures, timing, number, amount and form of the Debentures issue;
- to sign Information Memorandum, Addendum to the Information Memorandum containing terms and conditions of the issue of the Debenture and also to execute such other documents as may be required relating to the issue of Debentures;
- to finalize and appoint Lead Managers, Bankers and such other intermediaries as may be required to be appointed in relation to the issue of Debentures; and
- to do all such other acts, deeds and things, as may be required relating to the issue of Debentures;

(the powers herein above mentioned shall include the power to sub-delegate any of the above powers to any of the executive of the Company).

RESOLVED FURTHER THAT Mr. B. K. Goenka-Chairman, Mr. Vipul Mathur-MD & CEO, Mr. S. Krishnan-ED, CFO & CEO (PCMD) and Mr. Pradeep Joshi-Company Secretary, Mr. Gaurav Merchant- Head - Global Banking & Treasury, Mr. Vijayendra Prabhu- Deputy General Manager- Banking and Treasury, Mr. Navin K. P. Sinha, Mr. Nilesh Javker, Mr. Aman Anand, Ms. Vandana Patel, Bhumi Dave, Mr. Keyur Thakkar representatives of the Company be and is hereby jointly and severally authorized:

- to finalize and appoint Debenture Trustee, Registrars, Printers and such other intermediaries as may be required to be appointed in relation to the issue of Debentures;
- to negotiate, finalize, sign, execute and submit all the relevant agreements, deeds, documents and forms as may be required to be executed, submitted relating to the issue of Debentures;

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.
T : +91 2836 662222 F : +91 2836 279060
Corporate Identity Number: L27100GJ1995PLC025609

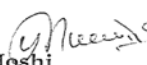


- to create mortgage(s) and /or charge(s) in such form and in such manner as and of such assets of the Company, both present and future, as may be required, for the purpose of securing the Debentures issue, interest thereon, remuneration of Debenture trustees and all such other amounts as may be payable in respect of the Debentures issue to and in favour of the Debenture trustees."
- to complete listing formalities;
- to do all such other acts, deeds and things, including interaction with the depositories, stock exchanges and other relevant authorities, as may be required relating to the issue of Debentures;

RESOLVED FURTHER THAT the Common Seal of the company, if required to be affixed in India on any agreement, undertaking, deed or other document, the same be affixed in the presence of anyone or more of the directors of the Company or anyone or more of Mr. Pradeep Joshi-Company Secretary, Mr. Gaurav Merchant- Head - Global Banking & Treasury, Mr. Vijayendra Prabhu- Deputy General Manager- Banking and Treasury, Mr. Navin K. P. Sinha, Mr. Nilesh Javkar, Mr. Aman Anand, Ms. Vandana Patel, Bhumik Dave, Mr. Keyur Thakkar representatives of the Company in accordance with the Articles of the Association of the Company."

RESOLVED FURTHER THAT the NCD Issue Committee comprising of Mr. Vipul Mathur, Mr. S.Krishnan, Mr. K.H.Viswanathan and Mr. Rajkumar Jain be and is hereby formed to finalize the list of subscribers eligible for allotment of the Debentures and allot the Debentures to them and also to finalize the terms & conditions and timing of issue and allotment of the further debentures upto Rs. 250 Crore."

For Welspun Corp Limited


Pradeep Joshi
Company Secretary
FCS - 4959



TECHN-O-AID CONSULTANTS PVT. LTD.



**APPROVED TECHNICAL CONSULTANTS
ARCHITECTS , CHARTERED ENGINEERS & VALUERS**

128, 1ST FLR. RUNWAL COMMERCIAL COMPLEX, NEAR SHREE SANTOSHI MATA MANDIR. L.B.S. MARG,
MULUND (W), MUMBAI - 400 080. TEL.: 2590 2669 • TELEFAX : 2569 0712 • CELL : 98210 18187
E-mail : tacpl@bplmobile.blackberry.com • technoaidconsultants@gmail.com • tacpl@yahoo.com

January 31, 2018

To,

**M/s. Welspun Corp Ltd.
Welspun House, 7th Floor,
Kamala City, Senapati Bapat Marg,
Lower Parel (West), Mumbai – 400013.**

**Kind Attn. : Mr. Vijayendra V. Prabhu –
Deputy General Manager- Banking and Treasury**

Re : Valuation of Assets Owned by M/s. Welspun Corp Ltd.

Respected Sir,

With reference to above captioned matter regarding valuation of assets owned by M/s. Welspun Corp Ltd. We have personally inspected the Assets located at Anjar, Bharuch & Mandya & hereby certify the valuation of following properties. (Enclosed)

We have assessed the assets on the basis of documents & information provided to us by the Company and we planned & performed the study to reach at & express the opinion towards the preparation of Valuation report.

We are pleased to provide you the detailed Valuation Report, as proposed by the Company along with this letter.

Thanking you,

Yours faithfully,

For TECHN-O-AID CONSULTANTS PVT. LTD.

**Vilas J. Bardapurkar
Managing Director**



TECHN-O-AID CONSULTANTS PVT. LTD.



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CONSOLIDATED STATEMENT

₹ In Lakhs							
Particulars	Bharuch Pipe	Anjar Pipe	Mandya Pipe	Anjar L-Saw	Anjar Plate	Anjar Power	Total
TANGIBLE ASSETS							
Gross Block	42,284	74,356	7,625	55,939	234,315	15,510	430,028
Net Block	9,605	27,015	4,116	35,513	133,814	7,397	217,460
Replacement Value	106,009	161,673	10,936	76,583	437,627	32,399	825,226
Fair Market Value	42,075	103,998	8,132	58,970	285,196	23,356	521,727
INTANGIBLE ASSETS							
Gross Block	116.90	39.66	2.13	59.00	4,598.26	-	4,815.95
Net Block	0.37	19.05	0.01	19.91	25.29	-	64.64
Replacement Value	0.37	19.05	0.01	19.91	25.29	-	64.64
Fair Market Value	0.37	19.05	0.01	19.91	25.29	-	64.64

Date : 31.01.2018

Place: MUMBAI



Vilas J. Bardapurkar
B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)
Approved Valuer

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VALUATION OF ASSETS OWNED BY **M/S. WELSPUN CORP LTD.** **CONSOLIDATED**

Sr. No.	Particulars	Gross Block	Net Block	Replacement	Fair Market
		As on 31.12.17	As on 31.12.17	Value In ₹	Value In ₹
I	Land	314265370	314265370	3462007502	3462007502
II	Factory Building	4181081391	3106995308	7204062750	5563183700
	Other Building	2055375531	1466526350	3332998000	2567030753
III	Plant & Machineries	37452767262	19364126676	65490261580	42182883770
IV	Electrical	2879808	392384	6227490	2555700
V	Vehicles	19422292	4386835	4386835	4386835
VI	Furniture & Fixtures	135024037	43271576	43271576	43271576
VII	Office Equipments	139415332	29716472	29716472	29716472
VIII	Computers	68145632	7180083	7180083	7180083
IX	Software	475804875	8417815	8417815	8417815
Grand Total of Assets		44844181530	24345278870	79588530104	53870634207
Rounded Off To		44844182000	24345279000	79588530000	53870634000

(₹ Five Thousand Three Hundred Eighty Seven Crore Six Lakh Only.)

Date : 31.01.2018

Place: MUMBAI



Vilas J. Bardapurkar
B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)
Approved Valuer

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VALUATION OF ASSETS OWNED BY **M/S. WELSPUN CORP LTD.** **PIPE DIVISION - DAHEJ**

AT

SURVEY NO. 204, 205, 216 to 220, 259, 260, 261, 264, 265, 266, VILLAGE: JOLVA & VADADLA,
DAHEJ ROAD, TALUKA: VAGRA, DISTRICT: BHARUCH, GUJARAT - 392 130, INDIA.

Sr. No.	Particulars	Gross Block	Net Block	Replacement	Fair Market
		As on 31.12.17	As on 31.12.17	Value In ₹	Value In ₹
I	Land	20315464	20315464	369331200	369331200
II	Factory Building	422568133	191250421	1110437420	625118558
	Other Building	295377589	143397386	781451520	397038690
III	Plant & Machineries	3378596681	587628613	8184728420	2778124214
IV	Electrical	51855092	2592755	139591210	22579250
V	Vehicles	10805032	3194054	3194054	3194054
VI	Furniture & Fixtures	8924798	2095167	2095167	2095167
VII	Office Equipments	23599339	8557985	8557985	8557985
VIII	Computers	16336042	1468230	1468230	1468230
IX	Software	11689787	36966	36966	36966
Grand Total of Assets		4240067958	960537040	10600892172	4207544313
Rounded Off To		4240068000	960537000	10600892000	4207544000

(₹ Four Hundred Twenty Crore Seventy Five Lakh Only.)

Date : 31.01.2018

Place: MUMBAI



Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

Approved Valuer

TECHN-O-AID CONSULTANTS PVT. LTD.



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VALUATION OF ASSETS OWNED BY **M/S. WELSPUN CORP LTD.** **PIPE DIVISION - ANJAR**

AT
WELSPUN CITY, SURVEY NOS. 663/P1, 663/P2, 664/P1, 664/P2, 665/P1, 678, 681, 684, 685, 686,
687, 691, 695, 696, 697, 781, 890, 984, VILLAGE – VARSAMEDI, TALUKA – ANJAR,
DIST. – KUTCH, GUJARAT – 370110.

Sr. No.	Particulars	Gross Block	Net Block	Replacement	Fair Market
		As on 31.12.17	As on 31.12.17	Value In Rs.	Value In Rs.
I	Land	166108249	166108249	1948538073	1948538073
II	Factory Building	906660289	588375254	1887449730	1350613420
	Other Building	333324988	231179244	570884780	427874623
III	Plant & Machineries	5889402313	1688263774	11727022600	6643013380
IV	Electrical	2699516	266452	6043230	2387250
V	Vehicles	11625767	2782626	2782626	2782626
VI	Furniture & Fixtures	46512581	11927371	11927371	11927371
VII	Office Equipments	53713125	9932720	9932720	9932720
VIII	Computer	25511558	2702019	2702019	2702019
IX	Software	3966116	1905048	1905048	1905048
Grand Total of Assets		7439524503	2703442756	16169188197	10401676530
Rounded Off To		7439525000	2703443000	16169188000	10401677000

(₹ One Thousand and Forty Crore Seventeen Lakh Only.)

Date : 31.01.2018

Place: MUMBAI



Vilas J. Bardapurkar

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Approved Valuer

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VALUATION OF ASSETS OWNED BY **M/S. WELSPUN CORP LTD.** **PIPE DIVISION - MANDYA**

AT

PLOT NO.58, PART – I, KIADB INDUSTRIAL AREA, SY. NO. 151, 152 & 153, EJJALAGERE
HOBLI KASABA, TALUKA MADDUR, DISTRICT MANDYA, KARNATAKA – 571428, INDIA.

Sr. No.	Particulars	Gross Block	Net Block	Replacement	Fair Market
		As on 31.12.17	As on 31.12.17	Value In Rs.	Value In Rs.
I	Land	-	-	-	-
II	Factory Building	118195672	94462607	175641240	144590390
	Other Building	33551259	10646502	47170740	38624910
III	Plant & Machineries	586762328	301605235	865825320	625047760
IV	Electrical	180291	125932	184260	168450
V	Vehicles	-	-	-	-
VI	Furniture & Fixtures	12166070	3401790	3401790	3401790
VII	Office Equipments	8827021	1155450	1155450	1155450
VIII	Computer	2846647	181149	181149	181149
IX	Software	212596	910	910	910
Grand Total of Assets		762741886	411579574	1093560858	813170808
Rounded Off To		762742000	411580000	1093561000	813171000

(₹ Eighty One Crore Thirty Two Lakh Only.)

Date : 31.01.2018

Place: MUMBAI



Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

Approved Valuer

TECHN-O-AID CONSULTANTS PVT. LTD.



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VALUATION OF ASSETS OWNED BY **M/S. WELSPUN CORP LTD.** **L-SAW PIPE PLANT - ANJAR**

AT
WELSPUN CITY, SURVEY NOS. 682/1, 984, VILLAGE – VARSAMEDI, TALUKA – ANJAR,
DIST. – KUTCH, GUJARAT – 370110, INDIA.

Sr. No.	Particulars	Gross Block	Net Block	Replacement	Fair Market
		As on 31.12.17	As on 31.12.17	Value In Rs.	Value In Rs.
I	Land	8,150,190	8,150,190	35,334,750	35,334,750
II	Factory Building	919010040	759725744	1272992640	1072022920
	Other Building	150612169	81847169	209097220	167008400
III	Plant & Machineries	4452462949	2682648157	6121943590	4603711860
IV	Electrical	-	-	-	-
V	Vehicles	1044259	571976	571976	571976
VI	Furniture & Fixtures	25526621	10350136	10350136	10350136
VII	Office Equipments	24357113	6124564	6124564	6124564
VIII	Computer	12773411	1905383	1905383	1905383
IX	Software	5899897	1991245	1991245	1991245
Grand Total of Assets		5599836650	3553314565	7660311505	5899021235
Rounded Off To		5599837000	3553315000	7660312000	5899021000

(₹ Five Hundred Eighty Nine Crore Ninety Lakh Only.)

Date : 31.01.2018

Place: MUMBAI



Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)
Approved Valuer

TECHN-O-AID CONSULTANTS PVT. LTD.



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VALUATION OF ASSETS OWNED BY **M/S. WELSPUN CORP LTD.** **PLATE & COIL DIVISION – ANJAR**

AT

WELSPUN CITY, SURVEY NOS.594, 657/P1, 657/P2, 657/P3, 658, 659, 661/P1, 661/P2, 662/P, 890,
984, VILLAGE – VARSAMEDI, TALUKA – ANJAR, DIST. – KUTCH, GUJARAT – 370110, INDIA.

Sr. No.	Particulars	Gross Block	Net Block	Replacement	Fair Market
		As on 31.12.17	As on 31.12.17	Value In Rs.	Value In Rs.
I	Land	131,856,741	131,856,741	1,442,799,929	1,442,799,929
II	Factory Building	1259037156	865279306	2470426210	1844642190
	Other Building	1328649578	1016187619	2179663870	1688851770
III	Plant & Machineries	20640168831	11353984169	37655787250	23529282500
IV	Electrical	-	-	-	-
V	Vehicles	5708008	460258	460258	460258
VI	Furniture & Fixtures	25177021	7204014	7204014	7204014
VII	Office Equipments	26693352	5915157	5915157	5915157
VIII	Computer	14164006	483646	483646	483646
IX	Software	459826369	2529366	2529366	2529366
Grand Total of Assets		23891281060	13383900277	43765269701	28522168831
Rounded Off To		23891281000	13383900000	43765270000	28522169000

(₹ Two Thousand Eight Hundred Fifty Two Crore Twenty Two Lakh Only.)

Date : 31.01.2018

Place: MUMBAI



Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

Approved Valuer

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VALUATION OF ASSETS OWNED BY **M/S. WELSPUN CORP LTD.** **POWER PLANT – ANJAR**

AT
WELSPUN CITY, SURVEY NO.890, VILLAGE – VARSAMEDI, TALUKA – ANJAR
DIST. – KUTCH, GUJARAT – 370110, INDIA.

Sr. No.	Particulars	Gross Block	Net Block	Replacement	Fair Market
		As on 31.12.17	As on 31.12.17	Value In Rs.	Value In Rs.
I	Land	-	-	-	-
II	Factory Building	59168193	39426653	124560290	79291860
	Other Building	58625368	44818647	117084170	77662650
III	Plant & Machineries	1431507891	654977184	2997739230	2178116410
IV	Electrical	-	-	-	-
V	Vehicles	-	-	-	-
VI	Furniture & Fixtures	115123	38129	38129	38129
VII	Office Equipments	1467607	464018	464018	464018
VIII	Computer	76599	2503	2503	2503
IX	Software	-	-	-	-
Grand Total of Assets		1550960782	739727133	3239888339	2335575569
Rounded Off To		1550961000	739727000	3239888000	2335576000

(₹ Two Hundred Thirty Three Crore Fifty Six Lakh Only.)

Date : 31.01.2018

Place: MUMBAI



Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

Approved Valuer

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VALUATION OF ASSETS

OWNED BY

M/S. WELSPUN CORP LTD.

PIPE DIVISION - DAHEJ

AT

**SURVEY NO. 204, 205, 216 to 220, 259, 260, 261, 264, 265, 266,
VILLAGE: JOLVA & VADADLA, DAHEJ ROAD, TALUKA: VAGRA,
DISTRICT: BHARUCH, GUJARAT – 392 130, INDIA.**

TO ASSESS FAIR MARKET VALUE

DATE OF INSPECTION

23.01.2018

DATE OF REPORT

31.01.2018



SUMMARY
VALUATION OF IMMOVABLE PROPERTY
OWNED BY
M/S. WELSPUN CORP LTD.

Sr. No.	Particulars	Gross Block In ₹	Net Block In ₹	Replacement Value In ₹	Fair Market Value In ₹
I	Land	2,03,15,464	2,03,15,464	36,93,31,200	36,93,31,200
II	Building	71,79,45,722	33,46,47,807	189,18,88,940	102,21,57,248
III	Plant & Machineries	337,85,96,681	58,76,28,613	818,47,28,420	277,81,24,214
IV	Electrical	5,18,55,092	25,92,755	13,95,91,210	2,25,79,250
V	Vehicles	1,08,05,032	31,94,054	31,94,054	31,94,054
VI	Furniture & Fixtures	89,24,798	20,95,167	20,95,167	20,95,167
VII	Office & Other Equip.	2,35,99,339	85,57,985	85,57,985	85,57,985
VIII	Computers	1,63,36,042	14,68,230	14,68,230	14,68,230
IX	Software	1,16,89,787	36,966	36,966	36,966
Grand Total of Assets		424,00,67,958	96,05,37,040	1060,08,92,172	420,75,44,313
Rounded Off To		424,00,68,000	96,05,37,000	1060,08,92,000	420,75,44,000
In Crore		424.01	96.05	1,060.09	420.75

(₹ Four Hundred and Twenty Crore Seventy Five Lakh Only.)

Date : 31.01.2018

Place: MUMBAI

Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

Approved Valuer

TECHN-O-AID CONSULTANTS PVT. LTD.



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VALUATION OF ASSETS : LAND & BUILDING

OWNED BY

M/S. WELSPUN CORP LTD.

AT

**SURVEY NO. 204, 205, 216 to 220, 259, 260, 261, 264, 265, 266,
VILLAGE: JOLVA & VADADLA, DAHEJ ROAD, TALUKA: VAGRA,
DISTRICT: BHARUCH, GUJARAT – 392 130, INDIA.**

TO ASSESS FAIR MARKET VALUE

DATE OF INSPECTION

23.01.2018

DATE OF REPORT

31.01.2018



BASIS & ASSUMPTIONS FOR VALUATION OF FIXED ASSETS

1) This Valuation Assignment is given by the Owner – To Assess Fair Market Value

- 2) While undertaking the Assignment of Valuation, we refer to Xerox copies of anyone or more Documents of Ownership i.e. Agreement / Share Certificate / Bill / Index II / Property Card / Plan furnished to us before or during visit and as our policy we do not retain these documents with us and return the same to Bank / Client. As Regards to the Authenticity / Genuineness / Verification of the Documents, the onus lies with the Bank. Our Report is valid subject to the same Property is legally cleared by Banks panel Advocate and Bank is having a Clear & Marketable Title to the Property without any encumbrance.

We / Our Representative Personally Visit the site for inspection after co – ordination with the owner / his consultants / representative & in majority of the cases the owner arranges for the visit to the site.

Subsequently after the visit we Prepare Valuation Report for the Property had shown to us.

It is mandatory for societies older than 15 years have to conduct a structural audit of the building every 5 yrs & after 30 yrs, every 3 yrs. This applies to existing structures as well as upcoming buildings also.

Bank is requested to obtain the said structural audit certificate from competent authority given to the Society.

- 3) VALUATION is the Art of Process of Estimating Value, depending on the circumstances of the case and purpose for which Valuation is needed, at a given time, Place & under Specified Market conditions and Our Report is an opinion expressed keeping in mind the purpose. Buying and Selling Assets is a Totally Different Activity & is out of scope of the Valuation Assignment.

FAIR MARKET VALUE is the Price that the Capital Asset would ordinarily fetch on sale in the open market on the relevant date. Market value is thus the warranted Price expressed in terms of money which a property is estimated to bring, at any given Time, and Place, where the Buyers and Sellers act without compulsion & with full knowledge of all the uses to which the asset is adopted and for which it is capable of being used, As Defined by the International Valuation Standards Committee London.

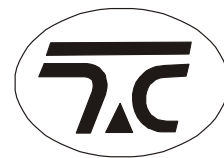
- 4) VALUATION is a function of Time; 'VALUE' varies with the purpose viz. Value of the same Property will be different, when purpose is different viz.

There are Different yardsticks / Approaches to Valuation viz.

1. If Valuation is for Income Tax / Wealth Tax Purpose, the approach is Cost of Construction Less Deprecation Applicable considering the Age of the Building.
 2. If Valuation is for Insurance Purpose, GIC Subsidiaries who work on IRDA Guidelines, the Replacement Cost of Construction / Sq. Ft. for Building Duly (Not Land) is Considered and Market Value is not considered while issuing the Policy.
 3. If Valuation is for Merger / Acquisition, then as per understanding for SWAP Ratio Decided by the Purchasing Co. & Selling Co., the Valuation is arrived at.
 4. If Valuation is for VISA Purpose Value, will be Market Value Approach is adopted.
 5. If Valuation is for Balance Sheet Purpose, Fair Market Value Approach is adopted.
 6. If Valuation is for Availing Bank Facilities, Conservative Approach is adopted.
- 5) Whatever Documents / Data was not available, we have arrived at the values on Basis of our experience and knowledge in the field. In case of any Human & / Technical error of judgment, a fresh Report will be submitted at a later Date, as & when the mistake is identified.



- 6) Regarding Area of the Property there are different terminologies in vogue in the Real Estate Market. e.g. Carpet Area, Built Up Area (BUA), Super Built Up Area (SBUA), Saleable Area etc. For the same property the per Sq. Ft. rate is different depending upon for what type of area the rate is specified.
- a) Carpet Area : - This is wall to wall area which is Actually Measurable.
 - b) Built Up Area : - This is 20% more than Carpet area as defined by Stamp Duty Ready Reckoner Published by the Government on 1st January Every Year.
 - c) Super Built Up Area : - This is Calculated Area which is Loaded by the Builder on the Carpet Area and the general practice followed is to load by 50 % or more for Commercial Properties & by 33 – 45% or more for Large Residential Projects having many high Rise Towers, having various amenities viz. Landscape Garden, Children's Play Area, Swimming Pools, High Speed Lifts, Health Club, Car Parkings, Separate area for Functions etc. This is a Calculated Area, using the loading factor determining for providing the any or all above Amenities given to the Owners / Purchasers in the Complex and various from Project to Project and Builder to Builder.
 - d) Saleable Area : - This is again a Calculated Area. The Builder depending on the Project & Location apply a Still Higher loading % particularly for Commercial properties in Mall Builder/Administration Cum Sales Office / Owner inform that due to Extra High Class Amenities Provided viz. Lifts / Escalators / Full Air Conditioned Premises / Generators Back up / Fire Fighting and Security Services, the % is decided which ranges between 50-200% & even Govt. agencies like MHADA, CIDCO & DDA are also following the trend. The Rates for Properties in Mall also vary a lot for Property on Gr. Floor, at the Entrance whether in front or on sides are Highest and may be Lower on Upper floors. The Super Built Up & Saleable Area's are Notional Area's which do not exists & are calculated Area's.
- 7) Legislations :
1. The State Government on 24th April 2008 passed a Bill, to Amend Maharashtra Ownership Flat Act, 1963 that the Builders should sell properties on Actual Carpet Area & Mention in the Agreement for Sale / Sale Deed. At the same time, Government has allowed Builders to charge separately for the various Amenities provided by them.
 2. As far as Super Built up Area or Saleable Area, there is no Law to Govern the Sale Transaction & Builders are enjoying this lack of Legislation as per their wish.
 3. In some cases, we have come across situations, where the property owners have undertaken to enclose the Balconies provided - Legally or illegally, in such cases, the Carpet Area observed is more than mentioned in ownership Document. However, we take the area as mentioned in the Agreement Or other Document of Ownership Document.
 4. Change in Use of the property from Residential to Commercial is ILLEGAL under the MRTP (Monopolies & Restrictive Trade Practices) Act & under Section 52, (for changing the use of Premises of Residential Bldg to Commercial to run Offices), the Matter is non-cognizable, that can attract a Punishment of 3 Years in Jail.
- 8) Ownership Documents
- a. The Agreement for Sale is Registered on the Basis of the Area mentioned in this Document after paying Stamp Duty and Registration Charges, However this area may not be a True Area, at times, to reduce the Stamp Duty, the Area mentioned in the Agreement is decided by seller & Purchaser on lower side.
 - b. It is to be understood that the Amount which is mentioned in the Agreement is again decided by seller and Buyer on terms mutually Agreed by them. This Amount is COST PRICE of the property to the Purchaser & NOT A REAL VALUE because it is the payment made by purchaser by way of Cheque / D.D. to the seller. All times, there is Cash Element also, which is not reflected in the Agreement.



9) Different values of the Property

- a. Fair Market Value : The Market value obtained in this report is defined as follows: Market Value is the Estimated Amount for which an Asset should exchange on the date of valuation between a willing buyer and willing seller in an Arm's length transaction after proper marketing wherein the parties had each acted Knowledgeably and without compulsion. (As Defined by the International Valuation Standards Committee, London.) Thus, the characteristics of the Market Values are :
- It is depend on 'Purpose of Valuation'.
 - It is time-specific as on the given date & it is free will Sale.
 - It is an estimated amount & not a predetermined or an actual sale price.
 - Buyer & Seller are actuated by business principles. They are unrelated & are acting independently.
 - Asset would be exposed to the market in the most appropriate manner to effect its disposal at the best price possible.
- b. Realisable Value : The Value Realisable by the Bank is generally less than the Market value because of various facts such as mode of payment (Strictly by Cheque), limitations of effective marketing, costs involved in the process of the sale etc. The percentage variation between RV & MV depends on various factors such as urban or rural property, user & location of the property etc. in our opinion, Considering characteristics of the subject Property under Valuation we have considered reduction factor of 10% of Market Value.
- c. Distress Sale Value : It means the amount which may reasonably be expected to be obtained from the sale of a property in which one or more characteristics of the definition of market value are not satisfied. The Seller may be a unwilling seller and the buyer may be motivated by the knowledge of the disadvantage the seller suffers from Due to this we are discounting the market value by 20%.

In view of this, when we are giving opinion to the bank regarding Value of the Security, for us the Intrinsic Value of the Property is relevant. Our emphasis is on "Value" of the Security & not on "Built Up Area" or "Super Built Up Area" etc. Hence the Per Sq. Ft. Rate is judiciously adopted keeping in mind the characteristics such as the amenities provided, the loading factor adopted etc.

As Panel Valuer of the Bank, we do keep in Mind, the Bank's Interest Only. The Report is purely our opinion on date of Inspection, as Professionals having several years of Experience in the field for many Banks.

We are in no way concerned or have any Authority in the financial facilities which are applied by the Borrowers to the Bank, subsequent sanction & Disbursal by the Bank.

In case in future if the Account becomes N.P.A. or Bank Notices that the Borrower with Fraudulent Intentions has either By Concealing the information or forging or tampering the papers, cheated the Bank and the case is handed over to Investigating Authority, It is to be very clearly understood & noted by the bank that we in no way work hand in glove with the Borrower any time & not responsible for any Loss / Damage / Claim incurred by the Bank & we indemnify our self from any of these things.

Our Reports are never wrong or inflated and we refer to the Real Estate Periodicals / News Papers Supplements or gather the information from Websites of Real Estate Agencies / Sources and Verbal Information gathered from Estate Agents/ Builders sale Offices in the Locality at the time of arriving at the Valuation figure.

Our Report is issued for a Specific Bank which is mentioned in our Report. Use of Our Report for any other Bank or for any other purpose is Strictly Prohibited. In Case the Bank has any Querries, they should be address formally in writing to us by way of Formal Letter and we shall reply to the same by Formal Letter by answering the querries / clarifications sought by bank.



Report No. : TACPL / DIR / 17 - 18 / 311 – A

FOR : TO ASSESS FAIR MARKET VALUE

VALUATION REPORT : LAND & BUILDING

1. Date of Inspection : 23.01.2018
- Person/s accompanying/Available At the site at the time of visit/ inspection/valuation : Mr Stany Dsouza - DGM Finance
2. Name & Address of the Valuer : **Mr. Vilas J. Bardapurkar**
C/o Techn-O-Aid Consultants Pvt. Ltd.
128, Runwal Commercial Complex, L.B.S. Marg,
Mulund (W), Mumbai – 400 080.
3. List of Documents handed over to the Valuer by the Owner : Various Sale Deeds for Land, Building Plans, Balance Sheet – Fixed Assets Schedule and Physical Verification of Building & Structures
4. Details of enquiries made for arriving Fair Market Value. :
 - a. Local enquires from Estate agents
 - b. Real Estate, Bulletins / Supplements
5. Sub – Registrar Value / Guideline Value / Rate : ----
6. Fair Market Value of the Property : **₹ 139,14,88,000 = 00**
7. Factors for determining its market value : Locality, quality of construction, age, amenities etc.
8. Conservative Market Value of the Property : 90 % Of F.M.V. i.e. **₹ 125,23,39,200 = 00**
9. Distress Value of the Property : 80 % Of F.M.V. i.e. **₹ 111,31,90,400= 00**
10. Any Critical Aspects Associated With Property : N.A.

AS /AS

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.



11. **PROPERTY DETAILS** :
- * **Name(s) & address(es) of the Owner (s):** : **M/S. Welspun Corp Ltd.**
Survey No. 204, 205, 216 To 220, 259, 260, 261, 264, 265, 266, Village: Jolva & Vadadla, Dahej Road, Taluka: Vagra, District: Bharuch, Gujarat – 392 130, India.
- * If the Property is under Joint Ownership / co- ownership share of each owner / are the shares in undivided : Company Ownership
- * Brief description of the Property (Whether Open Land, House Property, Land area, Built – up Area, No. of Floors etc. : As per Given below;

LAND :

Sr. No.	Asset Code	Cap Date	Description	Area In Acres.	Area In Sq. Mtr.
1	10011000037	27-May-02	Survey No 218	1.53	6,200.00
2	10011000038	16-Feb-96	Survey No 259	3.90	15,800.00
3	10011000039	16-Feb-96	Survey No 264	3.31	13,400.00
4	10011000040	16-Feb-96	Survey No 265	6.35	25,700.00
5	10011000041	19-Feb-96	Survey No 261	8.57	34,700.00
6	10011000042	19-Feb-96	Survey No 266	12.97	52,500.00
7	10011000043	20-Feb-96	Survey No 260	6.52	26,400.00
8	10011000044	04-Apr-96	Survey No 204	1.73	7,000.00
9	10011000045	04-Apr-96	Survey No 205	8.97	36,300.00
10	10011000046	04-Apr-96	Survey No 219	2.05	8,300.00
11	10011000047	04-Apr-96	Survey No 220	2.08	8,400.00
12	10011000048	07-May-96	Survey No 216	19.03	77,000.00
13	10011000049	01-Feb-97	Survey No 217	7.81	31,600.00
14	10011000050	01-Apr-01	Land At Umraj Dist Bharuch	2.09	8,444.00
Total - Land				86.92	351,744.00



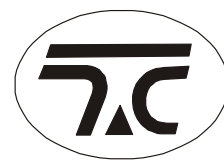
BUILDING & STRUCTURES:

AREA STATEMENT :

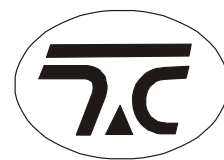
Sr. No.	Particulars	Area In Sq. Mtr.	Area In Sq. Ft.
Building - Factory			
1	Factory Building -Spiral	3,879.48	41,743.20
2	Factory Building -Sub Station	296.33	3,188.51
3	Factory Building -D.G House	986.54	10,615.17
4	Factory Building -Plant Building	38,083.90	4,09,783.00
5	Chips Godown Building	728.00	7,833.28
6	Factory Building Of CTCP	2,160.00	23,241.60
7	3lpe Main Factory Building	4,680.00	50,356.80
8	Roads	483.34	5,200.74
9	Construction Of Underground Water Tank	178.75	1,923.35
10	Store Building	460.40	4,953.90
Building - Others			
11	Labour Quarter	2,258.90	24,305.76
12	Staff Canteen	248.00	2,668.48
13	Gate House	67.73	728.77
14	Worker Canteen	332.50	3,577.70
15	Guest House	512.56	5,515.15
16	Temple	66.73	718.01
17	Staff Canteen	480.00	5,164.80
18	Guest House	512.46	5,514.07
19	Gas Cylinders Storage Room	31.02	333.77
20	Workshop Staff Cabin	450.00	4,842.00
21	Construction Of Gate House	1,006.00	10,824.56



Sr. No.	Asset Code	Cap Date	Description
	Building - Factory		
1	10020000038	6-Feb-96	Factory Building -Hand Pump, Drill Pipes, Compressor
2	10020000039	30-Jun-97	Factory Building -Spiral Building
3	10020000040	1-Jul-97	Factory Building -Spiral Building
4	10020000041	30-Jun-00	Factory Building -Sub Station
5	10020000042	30-Jun-00	Factory Building -D.G House
6	10020000043	30-Jun-00	Factory Building -Plant Building
7	10020000044	1-Aug-02	Chips Godown Building
8	10020000045	1-Aug-02	Factory Building Of CTCP
9	10020000046	31-Dec-02	Scrap Yard
10	10020000047	31-Dec-02	Pipe Yard
11	10020000048	31-Dec-02	Installation Of Rolling Shutter
12	10020000049	31-Dec-02	Pathway Near Substation
13	10020000050	25-Feb-01	3lpe Main Factory Building
14	10020000051	25-Feb-01	Construction Of Sub Station
15	10020000052	25-Feb-01	Roads
16	10020000053	25-Feb-01	Fab Platform For Pile Rig Movement In Yellow Soil
17	10020000054	25-Feb-01	Construction Of Underground Water Tank
18	10020000055	6-Apr-01	Supply And Fixing Of Aluminium Doors And Freight
19	10020000056	1-Aug-01	Const. Of Road Drain At Southside Of Coating Plant
20	10020000057	1-Mar-02	Sea Sand Purchase
21	10020000058	1-Mar-02	Work Of Dress, Level Of The Area For Stk Co Pipes
22	10020000059	1-Jan-04	Store Building
23	10020000060	31-Jul-03	Road - West North Side - CTCP
24	10020000066	7-Dec-16	New Roof Sheet-Factory Building- L Saw & Power Plant



Sr. No.	Asset Code	Cap Date	Description
	Building - Others		
1	10024000101	1-Jul-97	Other Building -Store Building
2	10024000102	1-Jul-97	Other Building -Toilet
3	10024000103	1-Jul-97	Other Building -Labour Quarter
4	10024000104	1-Jul-97	Other Building -Compound Wall
5	10024000105	1-Jul-97	Other Building -Staff Canteen
6	10024000106	1-Jul-97	Other Building -Labour Canteen
7	10024000107	1-Jul-97	Other Building -Gate House
8	10024000108	1-Jul-97	Other Building -Weigh Bridge
9	10024000109	1-Jul-97	Other Building -Road & Drainage
10	10024000110	3-Feb-99	Other Building -Pipe Storage Plat Form
11	10024000111	23-Jun-00	Other Building - Water Tank 2000 Litre Capacity
12	10024000112	30-Jun-00	Other Building -Worker Canteen
13	10024000113	30-Jun-00	Other Building -Road & Drainage
14	10024000114	30-Jun-00	Other Building -U.G Tank
15	10024000115	30-Jun-00	Other Building -Guest House
16	10024000116	30-Jun-00	Other Building -Stock Yard
17	10024000117	30-Jun-00	Other Building -Fencing
18	10024000118	30-Jun-00	Other Building -Labour Quarter
19	10024000119	30-Jun-00	Other Building -Temple
20	10024000120	1-Apr-01	Other Building -Housing Colony-Umraj
21	10024000121	26-Mar-02	Other Building -Staff Canteen
22	10024000122	26-Mar-02	Other Building -Guest House
23	10024000123	26-Mar-02	Other Building -Labour Quarter
24	10024000124	26-Mar-02	Other Building -Oil Plant Building
25	10024000125	26-Mar-02	Other Building -Scrap Yard
26	10024000126	26-Mar-02	Other Building -Yard
27	10024000127	26-Mar-02	Other Building -Housing Colony
28	10024000128	26-Mar-02	Other Building -Work Shop
29	10024000129	26-Mar-02	Other Building -Stores
30	10024000130	26-Mar-02	Other Building -Water Tank
31	10024000131	26-Mar-02	Other Building -Pipe Staking Platform
32	10024000132	28-May-02	Sewerage And Drainage
33	10024000133	31-Jul-02	Yard



Sr. No.	Asset Code	Cap Date	Description
34	10024000134	31-Jul-02	Road
35	10024000135	31-Jan-03	Cross Over
36	10024000136	16-Apr-03	New Borewell In Staff Colony(Basera)
37	10024000137	30-Sep-03	Lighting Tower & Watch Tower
38	10024000138	1-Sep-03	NAC Lab Room
39	10024000139	8-Mar-04	New Cross Over For Welding
40	10024000140	8-Mar-04	Conference Room B-C Bay Saw Plant
41	10024000141	8-Mar-04	Oxygen Storage Tank
42	10024000142	8-Mar-04	Root Zone System(Permanent Sewage Treat)
43	10024000143	31-Mar-04	Yard
44	10024000144	30-Sep-04	Gas Cylinders Storage Room
45	10024000145	30-Sep-04	Workshop Staff Cabin
46	10024000146	25-Sep-05	Cross Over & Railing At Saw Plat
47	10024000147	31-Mar-05	Other Building-Scrap Yard At Labour Colony
48	10024000148	31-Dec-05	Cross Over & Railings At Saw Plant
49	10024000149	1-Jun-01	Construction Of Labour Colony
50	10024000150	1-Nov-01	Air Pathway At Labour Colony
51	10024000151	1-Jan-02	Construction Of Gate House
52	10024000152	1-Jan-02	Construction Of Compound Wall
53	10024000153	30-Sep-03	Coal Tar Storage Area - CTCP
54	10024000154	22-Mar-06	Water Pipe Line Gidc To Plant
55	10024000155	22-Mar-06	Water Pipe Line Gidc To Plant
56	10024000156	31-Mar-06	New Stores Building In Saw Plant
57	10024000157	10-Jul-06	RCC Lining Of Storm Water Drain
58	10024000158	10-Jul-06	Auto Mobile Workshop Near Coltar Coating Plan
59	10024000160	3-Feb-08	C.N.G Pipe Line
60	10024000161	25-Nov-09	Building -Dispatch & Yard Office
61	10024000162	25-Apr-10	Extension Of Worker Canteen Building
62	10024000163	25-Dec-10	Waste Water Disposal System For Staff Colony -Bh
63	10024000164	20-Jan-11	New Water Reservoir-Increasing Cap-Up 2000m3
64	10024000165	8-Apr-12	Replacement Exiting National Gas Line
65	990100000006	20-Jun-98	Sintex Water Tank 1000 Litre Capacity
66	990100000007	17-Oct-98	Sintex Water Tank 500 Litre Capacity
67	990100000008	1-Apr-01	Vista Classic Vertical Blinds



* Dimensions of the Site	:	As Per Plan
North	:	
South	:	
East	:	
West	:	
* Location of the Property (Plot / Door No. Survey No. etc.)	:	Survey No. 204, 205, 216 To 220, 259, 260, 261, 264, 265, 266, Village: Jolva & Vadadla, Dahej Road, Taluka: Vagra, District: Bharuch,
* Postal Address	:	Same as above
* Boundaries of the Property	:	As per Agreement
North	:	
South	:	
East	:	
West	:	
* Any Specific identification marks (Like Electric pole No. Dug well etc)	:	N.A.
* Whether covered under Corporation / Panchayat / Municipality.	:	Gram Panchayat
* Whether covered under any land ceiling of State / Central Government	:	N.A.
* Is the Land Freehold / leasehold	:	Freehold
* Are there any restrictive covenants in regard to use of Land ? If so attach a copy of the covenant.	:	No.
* Type of the property - Whether	:	
Agriculture	:	
Industrial	:	Yes. – Industrial Unit
Commercial	:	
Institutional	:	
Government	:	
Non-Government	:	
Others (Specify)	:	
* In Case of Agricultural Land	:	N.A.
Any conversion to House site is obtained	:	
Whether the land is dry or wet	:	
Availability of irrigation facilities	:	
Type of crops grown	:	
Annual yield or income	:	



* Year of Purchase	:	As per Agreement
* Value of Purchase price	:	As per Agreement
* Whether the Property is occupied by owner or tenant. If occupied by tenant since how long he is staying and the amount of rent being paid.	:	Owner Occupied.
* Classification of the Site	:	
Population Group	:	Rural
High / Middle / Poor Class	:	N.A.
Residential / Non residential	:	Non Residential
Development of surrounding area	:	Developed
Possibility of any threat to the property (Floods, calamities etc.)	:	No.
* Proximity of civic amenities (like School, hospital, bus stop, market etc)	:	Available in Vicinity
* Level of the Land (Plain, rock etc.)	:	Plain
* Terrain of the Land	:	Leveled
* Shape of the Land (Square, Rectangular etc)	:	Trapezoidal
* Type of use to which it can be put (for construction of house, factory etc)	:	Industrial Factory
* Any usage restrictions on the property	:	Industrial Purpose
* Whether the plot is under town planning approved layout	:	Yes
* Whether the plot is intermittent or corner	:	Intermittent
* Whether any road facility is available	:	Yes.
* Type of Road available (B.T / Cement Road etc)	:	B.T. Road
* Front Width of the Road	:	20 Mtrs.
* Source of water & water potentiality	:	Borewell
* Type of Sewerage System	:	Underground
* Availability of power supply	:	Paschim Gujarat VIJ Co. Ltd.
* Advantage of the site	:	Develop Industrial Locality



- * Give instances of sale of immovable property in the locality on a separate sheet, indicating the name & address of the property, Registration no. Sale price and area of Land sold. : Not Available

12. RENT DETAILS

- * Is the Building owner occupied / tenant / both ? : Owner Occupied
- * If partly owner occupied, specify portion & extent of area under occupation : N.A.
- * Name of the Tenant / Lessees / Licensees etc : N.A.
- * Portion in their occupation : N.A.
- * Has the tenant to bear the whole or part of the cost of repairs & maintenance. Give particulars : N.A.
- * If lift is installed, who is to bear the cost of maintenance and operations. Owner or tenant ? : N.A.
- * Has any standard rent has been fixed for the premises under any law relating to the control of rent? : N.A.
- * Present / expected income / rent from the Property : N.A.

13. VALUATION OF THE PROPERTY :

Part I : (Valuation of Land) : As Per Valuation Annexure

- 1 Dimensions of the Plot :
- 2 Total area of the plot :
- 3 Prevailing market rate :
- 4 Guideline rate obtained from the Registrar office :
- 5 Assessed / adopted rate of Valuation :
- 6 Estimated Value of the land. :
- 7 The conservation value of the land. :

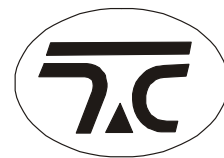


Part II : (Valuation of Factory Property)

a. Technical Details of the Factory Building

- * Type of the Building : Industrial Factory
(Residential / Commercial / Industrial)
- * Year of Construction : As Per Valuation Annexure
- * Future life of the Property : As Per Valuation Annexure
- * No. of floors and height. of each floor : As Per Details
including Basement
- * Plinth area of each floor : ---
- * Type of Construction (Load bearing / : R.C.C, Heavy M.S. & Load Bearing
RCC / Steel Framed)
- * Condition of the Building :
 - External : GOOD
 - Internal : GOOD
- * Whether the building / property is : Yes.
constructed strictly according to the
sanctioned plan, Details of variations
noticed if any and effect of the same on
the valuation.

- b. Specification of construction** : As Per Valuation Annexure



VALUATION ANNEXURE

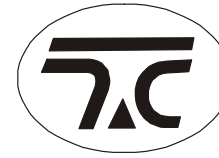
I. LAND

This is a Freehold Land on **Survey No. 204, 205, 216 To 220, 259, 260, 261, 264, 265, 266, Village: Jolva & Vadadla, Dahej Road, Taluka: Vagra, District: Bharuch, Gujarat – 392 130, India.**

Being Connected with National Highway, Transportation facility will be available easily & at reasonable rates. All Infrastructures such as Water Supply, Roads, Communication, Network etc. are easily available at the location. As many manufacturing units are working in this area since many years, skilled, semi skilled & unskilled Labour is available at very cheaper rates. Market of finished goods viz. Domestic as well as Exports are well connected by roads, so that the finished goods can be transported at low transport cost and at ease.

This Locality has Factories of many Reputed Companies. During Last two years the Reality Market has Shown upward trend & prices of Properties are **Sky Rocketing Northwards**. There is heavy demand for Industrial Properties in this locality.

For the property under valuation, which is located at **Village: Jolva & Vadadla, Dahej Road, Taluka: Vagra, District: Bharuch, Gujarat – 392 130, India**, the Valuation works out as below;



VALUATION :

Sr. No.	Description	Gross Block	Net Block	Area	Rate Per	Replacement	Fair Market
		As on 31.12.17	As on 31.12.17	In Sq. Mtr.	Unit In ₹	Value In ₹	Value In ₹
1	Survey No 218	450,275.00	450,275.00	6,200.00	1,050.00	6,510,000.00	6,510,000.00
2	Survey No 259	802,826.33	802,826.33	15,800.00	1,050.00	16,590,000.00	16,590,000.00
3	Survey No 264	664,212.05	664,212.05	13,400.00	1,050.00	14,070,000.00	14,070,000.00
4	Survey No 265	1,319,218.43	1,319,218.43	25,700.00	1,050.00	26,985,000.00	26,985,000.00
5	Survey No 261	1,609,881.98	1,609,881.98	34,700.00	1,050.00	36,435,000.00	36,435,000.00
6	Survey No 266	2,601,174.40	2,601,174.40	52,500.00	1,050.00	55,125,000.00	55,125,000.00
7	Survey No 260	1,224,822.15	1,224,822.15	26,400.00	1,050.00	27,720,000.00	27,720,000.00
8	Survey No 204	360,421.85	360,421.85	7,000.00	1,050.00	7,350,000.00	7,350,000.00
9	Survey No 205	1,824,667.12	1,824,667.12	36,300.00	1,050.00	38,115,000.00	38,115,000.00
10	Survey No 219	417,896.86	417,896.86	8,300.00	1,050.00	8,715,000.00	8,715,000.00
11	Survey No 220	422,269.01	422,269.01	8,400.00	1,050.00	8,820,000.00	8,820,000.00
12	Survey No 216	3,899,160.07	3,899,160.07	77,000.00	1,050.00	80,850,000.00	80,850,000.00
13	Survey No 217	1,570,898.76	1,570,898.76	31,600.00	1,050.00	33,180,000.00	33,180,000.00
14	Land At Umraj Dist Bharuch	3,147,740.00	3,147,740.00	8,444.00	1,050.00	8,866,200.00	8,866,200.00
Total - Land		20,315,464.01	20,315,464.01	351,744.00		369,331,200.00	369,331,200.00



II. BUILDING & STRUCTURES

A. Building - Factory

Sr. No.	Cap Date	Description	Type Of Structure	Resi. Life In Yrs.
1	30-Jun-97	Factory Building -Spiral Building	Heavy M.S. Structure	19
2	1-Jul-97	Factory Building -Spiral Building	Heavy M.S. Structure	19
3	30-Jun-00	Factory Building -Sub Station	Heavy M.S. Structure	22
4	30-Jun-00	Factory Building -D.G House	Heavy M.S. Structure	22
5	30-Jun-00	Factory Building -Plant Building	Heavy M.S. Structure	22
6	1-Aug-02	Factory Building Of CTCP	Heavy M.S. Structure	24
7	25-Feb-01	3LPE Main Factory Building	Heavy M.S. Structure	23

These Ground Storied Heavy M.S. Framed Structure having R.C.C footings, Heavy M.S. Beams, Columns & GI Sheet Roofing over MS Trusses. The Present condition of the Structures is Good & Well Maintained by the owners.

DESCRIPTION	DETAILS
Superstructure	Heavy M.S. Framed Structure
Roof	GI Sheet Roofing over M.S. Trusses
Doors	M.S. Rolling Shutters
Windows	----
RCC work	Good
Plastering	BB Walls / GI Sheet Cladding
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial

Sr. No.	Cap Date	Description	Type Of Structure	Resi. Life In Yrs.
1	6-Feb-96	Factory Building -Hand Pump, Drill Pipes, Compressor	M.S Structure	8
2	1-Aug-02	Chips Godown Building	M.S Structure	14
3	31-Dec-02	Scrap Yard	M.S Structure	14
4	31-Dec-02	Pipe Yard	M.S Structure	14
5	31-Dec-02	Installation Of Rolling Shutter	M.S Structure	14
6	1-Jan-04	Store Building	M.S Structure	16
7	7-Dec-16	New Roof Sheet-Factory Building- L Saw & Power Plant	M. S. Structure	28

These Ground Storied M.S. Framed Structure having R.C.C footings, M.S. Beams, Columns & GI Sheet Roofing over MS Trusses. The Present condition of the Structures is Good & Well Maintained by the owners.



DESCRIPTION	DETAILS
Superstructure	M.S. Framed Structure
Roof	GI Sheet Roofing over M.S. Trusses
Doors	M.S. Rolling Shutters
Windows	----
RCC work	Good
Plastering	BB Walls / GI Sheet Cladding
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial

Sr. No.	Cap Date	Description	Type Of Structure	Resi. Life In Yrs.
1	25-Feb-01	Construction Of Sub Station	R.C.C	43
2	25-Feb-01	Fab Platform For Pile Rig Movement In Yellow Soil	R.C.C	43
3	25-Feb-01	Construction Of Underground Water Tank	R.C.C	43

These Ground Storied R.C.C. Framed Structure having R.C.C Beams, Columns & Slabs. The Present condition of the Structures is Good & Well Maintained by the owners.

DESCRIPTION	DETAILS
Superstructure	R.C.C. Framed Structure
Roof	R.C.C. Slab
Doors	M.S. Rolling Shutters
Windows	M.S. Grills
RCC work	Good
Plastering	BB Walls
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial

B. Building - Others

Sr. No.	Cap Date	Description	Type Of Structure	Resi. Life In Yrs.
1	26-Mar-02	Other Building - Yard	Heavy M.S.	24
2	31-Jul-02	Yard	Heavy M.S.	24
3	31-Mar-04	Yard	Heavy M.S.	26
4	10-Jul-06	Auto Mobile Workshop Near Coltar Coating Plan	Heavy M.S.	28



These Ground Storied Heavy M.S. Framed Structure having R.C.C footings, Heavy M.S. Beams, Columns & GI Sheet Roofing over MS Trusses. The Present condition of the Structures is Good & Well Maintained by the owners.

DESCRIPTION	DETAILS
Superstructure	Heavy M.S. Framed Structure
Roof	GI Sheet Roofing over M.S. Trusses
Doors	M.S. Rolling Shutters
Windows	----
RCC work	Good
Plastering	BB Walls / GI Sheet Cladding
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial

Sr. No.	Cap Date	Description	Type Of Structure	Resi. Life In Yrs.
1	6-Feb-96	Factory Building -Hand Pump, Drill Pipes, Compressor	M.S Structure	8
2	1-Aug-02	Chips Godown Building	M.S Structure	14
3	31-Dec-02	Scrap Yard	M.S Structure	14
4	31-Dec-02	Pipe Yard	M.S Structure	14
5	31-Dec-02	Installation Of Rolling Shutter	M.S Structure	14
6	1-Jan-04	Store Building	M.S Structure	16
7	7-Dec-16	New Roof Sheet-Factory Building- L Saw & Power Plant	M. S. Structure	28
8	1-Jul-97	Other Building -Store Building	M.S. Structure	9
9	30-Jun-00	Other Building -Stock Yard	M.S. Structure	12
10	30-Jun-00	Other Building -Fencing	M.S. Structure	12
11	26-Mar-02	Other Building -Oil Plant Building	M.S. Structure	14
12	26-Mar-02	Other Building -Scrap Yard	M.S. Structure	14
13	26-Mar-02	Other Building -Work Shop	M.S. Structure	14
14	26-Mar-02	Other Building -Stores	M.S. Structure	14
15	30-Sep-03	Lighting Tower & Watch Tower	M.S. Structure	15
16	1-Sep-03	NAC Lab Room	M.S. Structure	15
17	8-Mar-04	Oxygen Storage Tank	M.S. Structure	16
18	30-Sep-04	Gas Cylinders Storage Room	M.S. Structure	16
19	30-Sep-04	Workshop Staff Cabin	M.S. Structure	16
20	31-Mar-05	Other Building-Scrap Yard At Labour Colony	M.S. Structure	17
21	30-Sep-03	Coal Tar Storage Area - CTCP	M.S. Structure	15
22	31-Mar-06	New Stores Building In Saw Plant	M.S. Structure	18

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.



These Ground Storied M.S. Framed Structure having R.C.C footings, M.S. Beams, Columns & GI Sheet Roofing over MS Trusses. The Present condition of the Structures is Good & Well Maintained by the owners.

DESCRIPTION	DETAILS
Superstructure	M.S. Framed Structure
Roof	GI Sheet Roofing over M.S. Trusses
Doors	M.S. Rolling Shutters
Windows	----
RCC work	Good
Plastering	BB Walls / GI Sheet Cladding
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial

Sr. No.	Cap Date	Description	Type Of Structure	Resi. Life In Yrs.
1	1-Jul-97	Other Building -Toilet	R.C.C.	39
2	1-Jul-97	Other Building -Labour Quarter	R.C.C.	39
3	1-Jul-97	Other Building -Staff Canteen	R.C.C.	39
4	1-Jul-97	Other Building -Labour Canteen	R.C.C.	39
5	1-Jul-97	Other Building -Gate House	R.C.C.	39
6	1-Jul-97	Other Building -Weigh Bridge	R.C.C.	39
7	3-Feb-99	Other Building -Pipe Storage Plat Form	R.C.C.	41
8	23-Jun-00	Other Building - Water Tank 2000 Litre Capacity	R.C.C.	42
9	30-Jun-00	Other Building -Worker Canteen	R.C.C.	42
10	30-Jun-00	Other Building -U.G Tank	R.C.C.	42
11	30-Jun-00	Other Building -Guest House	R.C.C.	42
12	30-Jun-00	Other Building -Labour Quarter	R.C.C.	42
13	30-Jun-00	Other Building -Temple	R.C.C.	42
14	1-Apr-01	Other Building -Housing Colony-Umraj	R.C.C.	43
15	26-Mar-02	Other Building -Staff Canteen	R.C.C.	44
16	26-Mar-02	Other Building -Guest House	R.C.C.	44
17	26-Mar-02	Other Building -Labour Quarter	R.C.C.	44
18	26-Mar-02	Other Building -Housing Colony	R.C.C.	44
19	26-Mar-02	Other Building -Water Tank	R.C.C.	44
20	26-Mar-02	Other Building -Pipe Staking Platform	R.C.C.	44
21	8-Mar-04	Conference Room B-C Bay Saw Plant	R.C.C.	46
22	8-Mar-04	Root Zone System(Permanent Sewage Treat)	R.C.C.	46
23	1-Jun-01	Construction Of Labour Colony	R.C.C.	43



Sr. No.	Cap Date	Description	Type Of Structure	Resi. Life In Yrs.
24	1-Jan-02	Construction Of Gate House	R.C.C.	44
25	10-Jul-06	RCC Lining Of Storm Water Drain	R.C.C.	48
26	3-Feb-08	C.N.G Pipe Line	R.C.C.	50
27	25-Apr-10	Extension Of Worker Canteen Building	R.C.C.	52
28	25-Dec-10	Waste Water Disposal System For Staff Colony	R.C.C.	52
29	20-Jan-11	New Water Reservoir-Increasing Cap-Up 2000m3	R.C.C.	53
30	8-Apr-12	Replacement Existing National Gas Line	R.C.C.	54

These Ground Storied R.C.C. Framed Structure having R.C.C Beams, Columns & Slabs. The Present condition of the Structures is Good & Well Maintained by the owners.

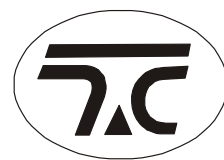
DESCRIPTION	DETAILS
Superstructure	R.C.C. Framed Structure
Roof	R.C.C. Slab
Doors	M.S. Rolling Shutters
Windows	M.S. Grills
RCC work	Good
Plastering	BB Walls
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial

Site Development :

Sr. No.	Description	Type Of Structure	Resi. Life In Yrs.
Building - Factory			
1	Pathway Near Substation	Road	14
2	Roads	Roads	13
3	Supply And Fixing Of Aluminium Doors And Freight	Al. Doors	13
4	Const. Of Road Drain At Southside Of Coating Plant	Roads	13
5	Sea Sand Purchase	Roads	14
6	Work Of Dress, Level Of The Area For Stk Co Pipes		14
7	Road - West North Side - CTCP		15
Building - Others			
	Other Building -Compound Wall	BB Walls	9
	Other Building -Road & Drainage	Roads & Drains	9
	Other Building -Road & Drainage	Roads & Drains	12



Sr. No.	Description	Type Of Structure	Resi. Life In Yrs.
	Sewerage And Drainage	Drains	14
	Road	Roads & Drains	14
	Cross Over		15
	New Borewell In Staff Colony(Basera)	Borewell	15
	New Cross Over For Welding		16
	Cross Over & Railing At Saw Plat		17
	Cross Over & Railings At Saw Plant		17
	Air Pathway At Labour Colony		13
	Construction Of Compound Wall	BB Walls	14
	Water Pipe Line Gidc To Plant		18
	Water Pipe Line Gidc To Plant		18
	Building -Dispatch & Yard Office		21
	Sintex Water Tank 1000 Litre Capacity		
	Sintex Water Tank 500 Litre Capacity	PVC	0
	Vista Classic Vertical Blinds	PVC	3



VALUATION

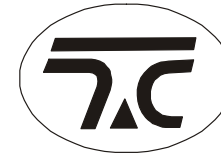
1. The Building & Structures are in good condition & for Valuation we are adopting **“OPTIMIZED REPLACEMENT VALUE BASIS”**. The detailed Lists of Building & Structures are enclosed.
2. The Total Life of Building & Structures at the Factory is considered at : for R.C.C Structures at 55-60 years, for Heavy M.S. Structures at 40-45 years & for M.S./ Load bearing Structures at 30-35 years respectively As per Companies Act, 2013.

Valuation Methodology

Taking into consideration the various Details / Specifications / Construction & present condition of **Building & Structures** as described in the Annexure for the Factory located on **Survey No. 204, 205, 216 To 220, 259, 260, 261, 264, 265, 266, Village: Jolva & Vadadla, Dahej Road, Taluka: Vagra, District: Bharuch, Gujarat – 392 130, India**, which is a Developed Industrial Locality of Gujarat. The Fair Market Value as on Date of Valuation has been arrived on the **“OPTIMIZED REPLACEMENT VALUE BASIS”**.

To arrive at the Fair Market Value for the Assets owned by **M/s. Welspun Corp Limited;**

- Considered the investment cost (Purchase Price) of the assets as per the asset registers, annual additions and deletions in the assets,
- Worked out Present Day Replacement Value applying relevant cost inflation indices and current market prices of Modern Equivalent Assets,
- Adjusted the Replacement Value to get Fair Market Value with due consideration to economic life of the assets, expected future life, technological and commercial/ economical obsolescence, etc.
- To arrive to the Fair Market Value (FMV), due weightage was given to the life span, comparison of useful life of assets and depreciation rates as per fair life of the assets.

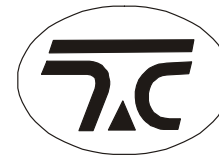


Taking into consideration the various Details / Specifications / Construction & present condition of the Buildings as described above for the Property located at **Village: Jolva & Vadadla, Dahej Road, Taluka: Vagra, District: Bharuch, Gujarat – 392 130**, Hence, the Valuation works out as below;

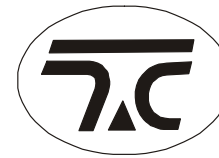
Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
Building - Factory					
1	Factory Building -Hand Pump, Drill Pipes, Compressor	42320	12052	115110	30700
2	Factory Building -Spiral Building	149595	49323	406900	193280
3	Factory Building -Spiral Building	32021268	10564874	87097850	41371480
4	Factory Building -Sub Station	6808702	2908864	18519670	10185820
5	Factory Building -D.G House	9567784	4087619	26024370	14313400
6	Factory Building -Plant Building	262586461	112184118	714235170	392829340
7	Chips Godown Building	2836218	1405611	7347160	3428670
8	Factory Building Of CTCP	17946039	8920489	46488790	27893270
9	Scrap Yard	91341	46517	236620	110420
10	Pipe Yard	892656	454600	2312400	1079120
11	Installation Of Rolling Shutter	13588	6920	35200	16430
12	Pathway Near Substation	9477	4826	24550	11460



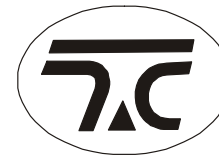
Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
13	3lpe Main Factory Building	45980025	20635600	125065670	71912760
14	Construction Of Sub Station	2584370	1159852	7029490	5037800
15	Roads	896632	44832	2438840	1056830
16	Fab Platform For Pile Rig Movement In Yellow Soil	12506314	5612770	34017170	24378970
17	Construction Of Underground Water Tank	2274618	1020837	6186960	4433990
18	Supply And Fixing Of Aluminium Doors And Freight	291190	131708	792040	343220
19	Const. Of Road Drain At Southside Of Coating Plant	53460	2673	145410	63010
20	Sea Sand Purchase	33000	1651	85490	39900
21	Work Of Dress, Level Of The Area For Stk Co Pipes	169936	81882	440220	205440
22	Store Building	3626483	1966196	8729230	4655590
23	Road - West North Side - CTCP	569539	28477	1421230	710620
24	New Roof Sheet-Factory Building- L Saw & Power Plant	20617118	19918130	21241880	20817038
	Total - Building - Factory	42,25,68,133	19,12,50,421	111,04,37,420	62,51,18,558



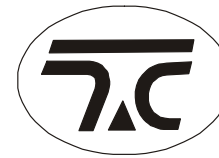
Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
	Building - Others				
1	Other Building -Store Building	3039250	1626169	8266760	2480030
2	Other Building -Toilet	537077	287366	1460850	949550
3	Other Building -Labour Quarter	1104611	591029	3004540	1952950
4	Other Building -Compound Wall	4132793	2211275	11241200	3372360
5	Other Building -Staff Canteen	150961	80773	410610	266900
6	Other Building -Labour Canteen	141135	75515	383890	249530
7	Other Building -Gate House	560723	300018	1525170	991360
8	Other Building -Weigh Bridge	332287	177792	903820	587480
9	Other Building -Road & Drainage	2791047	139553	7591650	2277500
10	Other Building -Pipe Storage Plat Form	1131973	650967	3078970	2103960
11	Other Building - Water Tank 2000 Litre Capacity	6000	300	16320	11420
12	Other Building -Worker Canteen	2236667	1360004	6083730	4258610
13	Other Building -Road & Drainage	23917808	1195891	65056440	26022580
14	Other Building -U.G Tank	1986501	99326	5403280	3782300
15	Other Building -Guest House	8253332	5916817	22449060	15714340
16	Other Building -Stock Yard	94787112	57635234	257820940	103128380
17	Other Building -Fencing	47438041	2371903	129031470	51612590
18	Other Building -Labour Quarter	3731043	2268658	10148440	7103910



Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
19	Other Building -Temple	830915	505237	2260090	1582060
20	Other Building -Housing Colony-Umraj	43307334	31577324	117795950	84420430
21	Other Building -Staff Canteen	461246	343689	1194850	876220
22	Other Building -Guest House	1840223	1371208	4767050	3495840
23	Other Building -Labour Quarter	890601	575918	2307080	1691860
24	Other Building -Oil Plant Building	196663	127174	509450	237740
25	Other Building -Scrap Yard	269085	174007	697060	325290
26	Other Building -Yard	2386433	1543216	6182000	3709200
27	Other Building -Housing Colony	140425	90807	363770	266760
28	Other Building -Work Shop	352646	228043	913520	426310
29	Other Building -Stores	509892	329728	1320860	616400
30	Other Building -Water Tank	220199	142394	570420	418310
31	Other Building -Pipe Staking Platform	6446553	4168741	16699640	12246400
32	Sewerage And Drainage	123760	92565	320600	149610
33	Yard	4622698	3023993	11974990	7184990
34	Road	3838734	191938	9944150	4640600
35	Cross Over	528743	351566	1319430	659720
36	New Borewell In Staff Colony(Basera)	128334	89806	320250	160130
37	Lighting Tower & Watch Tower	341099	231546	851180	425590



Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
38	NAC Lab Room	165979	112396	414190	207100
39	New Cross Over For Welding	406924	279926	979500	522400
40	Conference Room B-C Bay Saw Plant	217595	149685	523770	401560
41	Oxygen Storage Tank	209823	144339	505060	269370
42	Root Zone System(Permanent Sewage Treat)	544104	374293	1309700	1004100
43	Yard	8190724	5645095	19715730	12815220
44	Gas Cylinders Storage Room	87166	60972	209810	111900
45	Workshop Staff Cabin	43152	30184	103870	55400
46	Cross Over & Railing At Saw Plat	120938	87009	281160	159320
47	Other Building-Scrap Yard At Labour Colony	99991	70956	232460	131730
48	Cross Over & Railings At Saw Plant	290563	210591	675500	382780
49	Construction Of Labour Colony	2959923	1861118	8050990	5769880
50	Air Pathway At Labour Colony	83984	53584	228440	98990
51	Construction Of Gate House	115483	74101	299160	219380
52	Construction Of Compound Wall	442383	22120	1145980	534790
53	Coal Tar Storage Area - CTCP	502694	341241	1254430	627220
54	Water Pipe Line Gidc To Plant	4476272	1915163	9979890	5987930



Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
55	Water Pipe Line Gidc To Plant	184987	79527	412430	247460
56	New Stores Building In Saw Plant	702578	512656	1566400	939840
57	RCC Lining Of Storm Water Drain	416815	306428	929290	743430
58	Auto Mobile Workshop Near Coltar Coating Plan	1609895	1183541	3589270	2512490
59	C.N.G Pipe Line	447980	241374	889420	741180
60	Building -Dispatch & Yard Office	502955	402606	924350	647050
61	Extension Of Worker Canteen Building	1100499	964657	1792430	1553440
62	Waste Water Disposal System For Staff Colony - Bh	1036481	919812	1688160	1463070
63	New Water Reservoir-Increasing Cap-Up 2000m3	4551382	3742075	6728130	5943180
64	Replacement Exiting National Gas Line	2082737	1464448	2832520	2549270
65	Sintex Water Tank 1000 Litre Capacity	3050	0	0	0
	Total - Building - Others	29,53,77,589	14,33,97,386	78,14,51,520	39,70,38,690
	Total - Building	71,79,45,722	33,46,47,807	189,18,88,940	102,21,57,248



SUMMARY

Sr. No.	Particulars	Gross Block In ₹	Net Block In ₹	Replacement Value In ₹	Fair Market Value In ₹
A	Land	2,03,15,464	2,03,15,464	36,93,31,200	36,93,31,200
B	Factory Building & Structures	71,79,45,722	33,46,47,807	1,89,18,88,940	102,21,57,248
Total		73,82,61,186	35,49,63,271	226,12,20,140	139,14,88,448
Rounded Off To		73,82,61,000	35,49,63,000	226,12,20,000	139,14,88,000
In Crore		73.83	35.50	226.12	139.15

(₹ One Hundred Thirty Nine Crore Fifteen Lakh Only.)

We Certify that

- The Property is being valued by me personally.
- The Rates for valuation of the property are as per Prevailing Market Rates in the Locality as on date of visit.
- We have no direct or indirect interest in the Asset Valued & we have used the basic Data / Documents provided to us at the Time of our personal Visit to the Site on **23.01.2018**
- The value of the property : **₹ 139.15 Crore**
- Our Report does not cover Check of the Ownership / Title clearance / Legal aspects & there is no Legal / Contractual obligation on our Part. We have assumed that the assets are free of encumbrances of loan, Or Govt. or other dues, Stamp Duty, Registration Charges, Transfer charges etc. if any, are not considered in the valuation.
- Emphasis of this Report is on the value of the Property & not on the Area Measurement or Title Verification of the property & is based on market rate.
- It may be noted that, the Valuation of the Asset arrived by us is purely our opinion based on Basis and Assumptions as Listed in Page No. 2, 3 of this Report.
- This Report contains 42 Pages & Photographs.

Date : 31.01.2018

Place: MUMBAI



Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

Approved Valuer

TECHN-O-AID CONSULTANTS PVT. LTD.



**APPROVED TECHNICAL CONSULTANTS
ARCHITECTS , CHARTERED ENGINEERS & VALUERS**

128, 1ST FLR . RUNWAL COMMERCIAL COMPLEX, NEAR SHREE SANTOSHI MATA MANDIR. L.B.S. MARG,
MULUND (W), MUMBAI - 400 080. TEL.: 2590 2669 • TELEFAX : 2569 0712 • CELL : 98210 18187
E-mail : tacpl@bplmobile.blackberry.com • technoaidconsultants@gmail.com • tacpl@yahoo.com

VALUATION OF PLANT & MACHINERY AND OTHER ASSETS OWNED BY M/S. WELSPUN CORP LTD.

AT

**SURVEY NO. 204, 205, 216 TO 220, 259, 260, 261, 264, 265, 266,
VILLAGE: JOLVA & VADADLA, DAHEJ ROAD, TALUKA: VAGRA,
DISTRICT: BHARUCH, GUJARAT – 392 130, INDIA.**

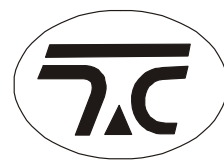
TO ASSESS FAIR MARKET VALUE

DATE OF INSPECTION

23.01.2018

DATE OF REPORT

31.01.2018

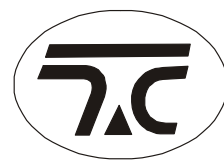


BASIS & ASSUMPTIONS FOR VALUATION OF PLANT & MACHINERY AND OTHER ASSETS

- 1. This Valuation Assignment is given by the Owner – To Assess Fair Market Value.**
2. For this Assignment of Valuation Assets has been classified into Groups as per their Functional abilities and Capacities like Plant & Machinery, Laboratory Equipments, Electrical Installations & Furniture & Fixtures and then these Groups are valued as a Block of Assets.
3. The Available details such as cost of Erection and Commissioning are furnished by the company for this Assignment.
4. The Life of the Machinery is assumed appropriately depending upon the Operation/s it performs /product manufactured & number of shifts operated & maintenance.
The Total Life of the Basic Machinery / Process Plants / Utilities we assume the Life based upon the type of Industry.
5. Obsolescence (Tech. / Functional / Economic) & utility of the Machine Equipment are taken into the Consideration as part of Depreciation.

The Depreciation calculated for Accounting is not valid /considered for Revaluation of Plant & Machinery.
For those Machine & Equipments which are maintained very well by the company, we consider relatively low rates of Depreciation for these Machines.
6. The age of the Machine and Depreciation is directly co-related with the date of Valuation.
The Age of Machine is defined as "A period of time from the date of installation till the date of retirement of its service."

The Age of Machine depends upon the Working Condition, Frequency of Breakdown, Spares, Climate, Govt. Policy, Technological Obsolescence etc.
7. In case of Capital Work in Progress, the Documents /C. A.'s certificate furnished is referred to & valued AT COST.
8. For arriving the Replacement cost of Plant, Machinery/Equipments we either follow the method of Indexation referring to RBI Cost Inflation Index as of 01.04.1981 & the index on date of Valuation as notified by RBI or gather the information over telephone from manufacturer / dealers / experts from similar industry.
9. We assume that the bank having invoices in original given by the Borrower.
10. In case of any Human & Technical error of judgment, a fresh Report will be submitted at a later Date, as & when the mistake is identified.



11. VALUATION is the Art of Process of Estimating Value, depending on the circumstances of the case & purpose for which Valuation is needed, at a given time, Place & under Specified Market conditions and Our Report is an opinion expressed keeping in mind the purpose. Buying & Selling Assets is a Totally Different Activity & is out of scope of the Valuation Assignment.

FAIR MARKET VALUE is the Price that the Capital Asset would ordinarily fetch on sale in the open market on the relevant date.

Market Value is thus the warranted Price expressed in terms of money which a property is estimated to bring, at any given Time, and Place, where the Buyers and Sellers act without compulsion & with full knowledge of all the uses to which the asset is adopted and for which it is capable of being used, As Defined by the International Valuation Standards Committee London.

12. VALUATION is a function of Time, 'VALUE' varies with the purpose viz. Value of the same Property will be different, when purpose is different viz.

There are Different yardsticks / Approaches to Valuation viz.

1. If Valuation is for Income Tax / Wealth Tax Purpose, the approach is Indexation referring to RBI Cost Inflation Index as of 01.04.1981 & the index on date of valuation as notified by RBI.
2. If Valuation is for Insurance Purpose, GIC Subsidiaries who work on IRDA Guidelines, the Replacement Cost is considered while issuing the Policy.
3. If Valuation is for Merger / Acquisition, then as per understanding for SWAP Ratio Decided by the Purchasing Co. & Selling Co., the Valuation is arrived at.
4. If Valuation is for VISA Purpose Value, will be Market Value Approach is adopted.
5. If Valuation is for Balance Sheet Purpose, Fair Market Value Approach is adopted.



Report No. : TACPL / DIR / 17 - 18 / 311 – B

FOR : TO ASSESS FAIR MARKET VALUE

VALUATION REPORT: PLANT & MACHINERY AND OTHER ASSETS

1. Date of Inspection : 23.01.2018
2. Name & Address of the Valuer : **Vilas J. Bardapurkar**
C/o Techn-O-Aid Consultants Pvt. Ltd.
128, Runwal Commercial Complex, L.B.S. Marg,
Mulund (W), Mumbai – 400 080.
3. Name of the Owner : **M/S. Welspun Corp Ltd.**
4. Address of the Plant : **Survey No. 204, 205, 216 To 220, 259, 260, 261, 264, 265, 266, Village: Jolva & Vadadla, Dahej Road, Taluka: Vagra, District: Bharuch, Gujarat – 392 130, India.**
5. List of Documents handed over to the Valuer by the Owner : Various Documents, Balance Sheet – Fixed Assets Schedule and Physical Verification of Plant & Machineries
6. Details Of Enquiries Made For Arriving Fair Market Value. : a. Local enquires from Suppliers of Plant & Machinery
b. Plant & Machinery Manuals, Bulletins / Supplement
7. Fair Market Value of the Plant & Machinery & Other Assets as on Date : **₹ 281,60,56,000 = 00**
8. Factors for Determining Its Market Value : Operation /s it performs / Product Manufactured & Number of shifts operated & Maintenance.
9. Conservative Market Value of the Plant & Machinery & Other Assets : 90 % Of F.M.V. i.e. **₹ 253,44,50,400 = 00**
10. Distress Value of the Plant & Machinery & Other Assets : 80 % Of F.M.V. i.e. **₹ 225,28,44,800 = 00**

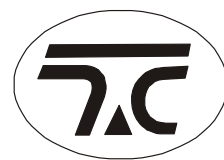
AS/PM

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.



VALUATION

1. The Plant is in excellent condition & for Valuation we are adopting “**OPTIMIZED REPLACEMENT VALUE BASIS**”. The detailed Lists of Plant & Machinery are enclosed.
2. The Total Life of Plant & Machinery installed at the Factory is considered at 25 years, As per Company's Act 2013.

Valuation Methodology

Taking into consideration the various Details / Specifications / Construction & present condition of **Plant & Machinery and Other Assets** as described in the Annexure for the Factory located on **Survey No. 204, 205, 216 To 220, 259, 260, 261, 264, 265, 266, Village: Jolva & Vadadla, Dahej Road, Taluka: Vagra, District: Bharuch, Gujarat – 392 130, India**, which is a Developed Industrial Locality of **Gujarat**. The Fair Market Value as on Date of Valuation has been arrived on the “**OPTIMIZED REPLACEMENT VALUE BASIS**”.

To arrive at the Fair Market Value for the Assets owned by **M/s. Welspun Corp Limited;**

- Considered the investment cost (Purchase Price) of the assets as per the asset registers, annual additions and deletions in the assets,
- Worked out Present Day Replacement Value applying relevant cost inflation indices and current market prices of Modern Equivalent Assets,
- Adjusted the Replacement Value to get Fair Market Value with due consideration to economic life of the assets, expected future life, technological and commercial/ economical obsolescence, etc.
- To arrive to the Fair Market Value (FMV), due weightage was given to the life span, comparison of useful life of assets and depreciation rates as per fair life of the assets.
- For the Other Assets Viz. Vehicles, Furniture & Fixtures, Office Equipments & Computers, we have considered the Net Value as on 31.12.2017 as the Fair Market Value.



Summary

Sr. No.	Particulars	Gross Block In ₹	Net Block In ₹	Replacement Value In ₹	Fair Market Value In ₹
A	Plant & Machineries	3,378,596,681	587,628,613	8,184,728,420	2,778,124,214
	Total	3,378,596,681	587,628,613	8,184,728,420	2,778,124,214
B	Other Assets				
1.	Electrical	51,855,092	2,592,755	139,591,210	22,579,250
2.	Vehicles	10,805,032	3,194,054	3,194,054	3,194,054
3.	Furniture & Fixtures	8,924,798	2,095,167	2,095,167	2,095,167
4.	Office Equipments	23,599,339	8,557,985	8,557,985	8,557,985
5.	Computers	16,336,042	1,468,230	1,468,230	1,468,230
6.	Software	11,689,787	36,966	36,966	36,966
	Total	123,210,090	17,945,156	154,943,611	37,931,651
	Grand Total of Assets	3,501,806,771	605,573,768	8,339,672,031	2,816,055,865
	Rounded Off To	3,501,807,000	605,574,000	8,339,672,000	2,816,056,000
	In Crore	350.18	60.56	833.97	281.61

(₹ Two Hundred and Eighty One Crore Sixty One Lakh Only.)

We hereby declare that,

- The information furnished above is true & correct to the best of our knowledge & belief.
- We have no direct or indirect interest in the Asset Valued & we have used the basic Data / Documents provided to us at the Time of our personal Visit to the Site **on 23.01.2018**
- The value of the Plant & Machinery : **₹ 281.61 Crore**
- Our Report does not cover Check of the Ownership / Title clearance / Legal aspects & there is no Legal / Contractual obligation on our Part.
- It may be noted that, the Valuation of the Asset arrived by us is purely our opinion based on Basis & Assumptions as Listed in Page No.37 & 38 of this Report.
- My Registration with State Chief Commissioner of Income Tax is valid as on Date.

Date : 31.01.2018

Place: MUMBAI



Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

Approved Valuer



PHOTOGRAPHS
FOR PROPERTY OWNED BY
M/S. WELSPUN CORP LTD.
PIPE DIVISION - DAHEJ

AT

SURVEY NO. 204, 205, 216 to 220, 259, 260, 261, 264, 265, 266,
VILLAGE: JOLVA & VADADLA, DAHEJ ROAD, TALUKA: VAGRA,
DISTRICT: BHARUCH, GUJARAT – 392 130, INDIA.

TECHN-O-AID CONSULTANTS PVT. LTD.



**APPROVED TECHNICAL CONSULTANTS
ARCHITECTS , CHARTERED ENGINEERS & VALUERS**

128, 1ST FLR . RUNWAL COMMERCIAL COMPLEX , NEAR SHREE SANTOSHI MATA MANDIR. L.B.S. MARG,
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**VALUATION OF ASSETS
OWNED BY
M/S. WELSPUN CORP LTD.
PIPE DIVISION - ANJAR**

**AT
WELSPUN CITY, SURVEY NOS. 663/P1, 663/P2, 664/P1, 664/P2, 665/P1, 678, 681, 684,
685, 686, 687, 691, 695, 696, 697, 781, 890, 984, VILLAGE – VARSAMEDI,
TALUKA – ANJAR, DIST. – KUTCH, GUJARAT – 370110.**

TO ASSESS FAIR MARKET VALUE

DATE OF INSPECTION

24.01.2018

DATE OF REPORT

31.01.2018



SUMMARY
VALUATION OF IMMOVABLE PROPERTY
OWNED BY
M/S. WELSPUN CORP LTD.

Sr. No.	Particulars	Gross Block In ₹	Net Block In ₹	Replacement Value In ₹	Fair Market Value In ₹
I	Land	16,61,08,249	16,61,08,249	194,85,38,073	194,85,38,073
II	Building	123,99,85,277	81,95,54,498	245,83,34,510	177,84,88,043
III	Plant & Machineries	588,94,02,313	168,82,63,774	1172,70,22,600	664,30,13,380
IV	Electrical	26,99,516	2,66,452	60,43,230	23,87,250
V	Vehicles	1,16,25,767	27,82,626	27,82,626	27,82,626
VI	Furniture & Fixtures	4,65,12,581	1,19,27,371	1,19,27,371	1,19,27,371
VII	Office & Other Equip.	5,37,13,125	99,32,720	99,32,720	99,32,720
VIII	Computers	2,55,11,558	27,02,019	27,02,019	27,02,019
IX	Software	39,66,116	19,05,048	19,05,048	19,05,048
Grand Total of Assets		743,95,24,503	270,34,42,756	1616,91,88,197	1040,16,76,530
Rounded Off To		743,95,25,000	270,34,43,000	1616,91,88,000	1040,16,77,000
In Crore		743.95	270.34	1,616.92	1,040.17

(₹ One Thousand And Forty Crore Seventeen Lakh Only.)

Date : 31.01.2018

Place: MUMBAI

Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

Approved Valuer

TECHN-O-AID CONSULTANTS PVT. LTD.



**APPROVED TECHNICAL CONSULTANTS
ARCHITECTS , CHARTERED ENGINEERS & VALUERS**

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E-mail : tacpl@bplmobile.blackberry.com • technoaidconsultants@gmail.com • tacpl@yahoo.com

VALUATION OF ASSETS : LAND & BUILDING OWNED BY M/S. WELSPUN CORP LTD.

AT

**WELSPUN CITY, SURVEY NOS. 663/P1, 663/P2, 664/P1, 664/P2, 665/P1, 678, 681, 684,
685, 686, 687, 691, 695, 696, 697, 781, 890, 984, VILLAGE – VARSAMEDI,
TALUKA – ANJAR, DIST. – KUTCH, GUJARAT – 370110.**

TO ASSESS FAIR MARKET VALUE

DATE OF INSPECTION

24.01.2018

DATE OF REPORT

31.01.2018



BASIS & ASSUMPTIONS FOR VALUATION OF FIXED ASSETS

- 1) **This Valuation Assignment is given by the Owner – To Assess Fair Market Value**
- 2) While undertaking the Assignment of Valuation, we refer to Xerox copies of anyone or more Documents of Ownership i.e. Agreement / Share Certificate / Bill / Index II / Property Card / Plan furnished to us before or during visit and as our policy we do not retain these documents with us and return the same to Bank / Client. As Regards to the Authenticity / Genuineness / Verification of the Documents, the onus lies with the Bank. Our Report is valid subject to the same Property is legally cleared by Banks panel Advocate and Bank is having a Clear & Marketable Title to the Property without any encumbrance.

We / Our Representative Personally Visit the site for inspection after co – ordination with the owner / his consultants / representative & in majority of the cases the owner arranges for the visit to the site.

Subsequently after the visit we Prepare Valuation Report for the Property had shown to us.

It is mandatory for societies older than 15 years have to conduct a structural audit of the building every 5 yrs & after 30 yrs, every 3 yrs. This applies to existing structures as well as upcoming buildings also.

Bank is requested to obtain the said structural audit certificate from competent authority given to the Society.

- 3) VALUATION is the Art of Process of Estimating Value, depending on the circumstances of the case and purpose for which Valuation is needed, at a given time, Place & under Specified Market conditions and Our Report is an opinion expressed keeping in mind the purpose. Buying and Selling Assets is a Totally Different Activity & is out of scope of the Valuation Assignment.

FAIR MARKET VALUE is the Price that the Capital Asset would ordinarily fetch on sale in the open market on the relevant date. Market value is thus the warranted Price expressed in terms of money which a property is estimated to bring, at any given Time, and Place, where the Buyers and Sellers act without compulsion & with full knowledge of all the uses to which the asset is adopted and for which it is capable of being used, As Defined by the International Valuation Standards Committee London.

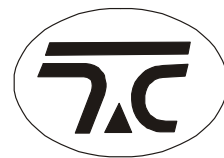
- 4) VALUATION is a function of Time; 'VALUE' varies with the purpose viz. Value of the same Property will be different, when purpose is different viz.

There are Different yardsticks / Approaches to Valuation viz.

1. If Valuation is for Income Tax / Wealth Tax Purpose, the approach is Cost of Construction Less Deprecation Applicable considering the Age of the Building.
 2. If Valuation is for Insurance Purpose, GIC Subsidiaries who work on IRDA Guidelines, the Replacement Cost of Construction / Sq. Ft. for Building Duly (Not Land) is Considered and Market Value is not considered while issuing the Policy.
 3. If Valuation is for Merger / Acquisition, then as per understanding for SWAP Ratio Decided by the Purchasing Co. & Selling Co., the Valuation is arrived at.
 4. If Valuation is for VISA Purpose Value, will be Market Value Approach is adopted.
 5. If Valuation is for Balance Sheet Purpose, Fair Market Value Approach is adopted.
 6. If Valuation is for Availing Bank Facilities, Conservative Approach is adopted.
- 5) Whatever Documents / Data was not available, we have arrived at the values on Basis of our experience and knowledge in the field. In case of any Human & / Technical error of judgment, a fresh Report will be submitted at a later Date, as & when the mistake is identified.



- 6) Regarding Area of the Property there are different terminologies in vogue in the Real Estate Market. e.g. Carpet Area, Built Up Area (BUA), Super Built Up Area (SBUA), Saleable Area etc. For the same property the per Sq. Ft. rate is different depending upon for what type of area the rate is specified.
- a) Carpet Area : - This is wall to wall area which is Actually Measurable.
 - b) Built Up Area : - This is 20% more than Carpet area as defined by Stamp Duty Ready Reckoner Published by the Government on 1st January Every Year.
 - c) Super Built Up Area : - This is Calculated Area which is Loaded by the Builder on the Carpet Area and the general practice followed is to load by 50 % or more for Commercial Properties & by 33 – 45% or more for Large Residential Projects having many high Rise Towers, having various amenities viz. Landscape Garden, Children's Play Area, Swimming Pools, High Speed Lifts, Health Club, Car Parkings, Separate area for Functions etc. This is a Calculated Area, using the loading factor determining for providing the any or all above Amenities given to the Owners / Purchasers in the Complex and various from Project to Project and Builder to Builder.
 - d) Saleable Area : - This is again a Calculated Area. The Builder depending on the Project & Location apply a Still Higher loading % particularly for Commercial properties in Mall Builder/Administration Cum Sales Office / Owner inform that due to Extra High Class Amenities Provided viz. Lifts / Escalators / Full Air Conditioned Premises / Generators Back up / Fire Fighting and Security Services, the % is decided which ranges between 50-200% & even Govt. agencies like MHADA, CIDCO & DDA are also following the trend. The Rates for Properties in Mall also vary a lot for Property on Gr. Floor, at the Entrance whether in front or on sides are Highest and may be Lower on Upper floors. The Super Built Up & Saleable Area's are Notional Area's which do not exists & are calculated Area's.
- 7) Legislations :
- 1. The State Government on 24th April 2008 passed a Bill, to Amend Maharashtra Ownership Flat Act, 1963 that the Builders should sell properties on Actual Carpet Area & Mention in the Agreement for Sale / Sale Deed. At the same time, Government has allowed Builders to charge separately for the various Amenities provided by them.
 - 2. As far as Super Built up Area or Saleable Area, there is no Law to Govern the Sale Transaction & Builders are enjoying this lack of Legislation as per their wish.
 - 3. In some cases, we have come across situations, where the property owners have undertaken to enclose the Balconies provided - Legally or illegally, in such cases, the Carpet Area observed is more than mentioned in ownership Document. However, we take the area as mentioned in the Agreement Or other Document of Ownership Document.
 - 4. Change in Use of the property from Residential to Commercial is ILLEGAL under the MRTP (Monopolies & Restrictive Trade Practices) Act & under Section 52, (for changing the use of Premises of Residential Bldg to Commercial to run Offices), the Matter is non-cognizable, that can attract a Punishment of 3 Years in Jail.
- 8) Ownership Documents
- a. The Agreement for Sale is Registered on the Basis of the Area mentioned in this Document after paying Stamp Duty and Registration Charges, However this area may not be a True Area, at times, to reduce the Stamp Duty, the Area mentioned in the Agreement is decided by seller & Purchaser on lower side.
 - b. It is to be understood that the Amount which is mentioned in the Agreement is again decided by seller and Buyer on terms mutually Agreed by them. This Amount is COST PRICE of the property to the Purchaser & NOT A REAL VALUE because it is the payment made by purchaser by way of Cheque / D.D. to the seller. All times, there is Cash Element also, which is not reflected in the Agreement.



9) Different values of the Property

- a. Fair Market Value : The Market value obtained in this report is defined as follows: Market Value is the Estimated Amount for which an Asset should exchange on the date of valuation between a willing buyer and willing seller in an Arm's length transaction after proper marketing wherein the parties had each acted Knowledgeably and without compulsion. (As Defined by the International Valuation Standards Committee, London.) Thus, the characteristics of the Market Values are :
- It is depend on 'Purpose of Valuation'.
 - It is time-specific as on the given date & it is free will Sale.
 - It is an estimated amount & not a predetermined or an actual sale price.
 - Buyer & Seller are actuated by business principles. They are unrelated & are acting independently.
 - Asset would be exposed to the market in the most appropriate manner to effect its disposal at the best price possible.
- b. Realisable Value : The Value Realisable by the Bank is generally less than the Market value because of various facts such as mode of payment (Strictly by Cheque), limitations of effective marketing, costs involved in the process of the sale etc. The percentage variation between RV & MV depends on various factors such as urban or rural property, user & location of the property etc. in our opinion, Considering characteristics of the subject Property under Valuation we have considered reduction factor of 10% of Market Value.
- c. Distress Sale Value : It means the amount which may reasonably be expected to be obtained from the sale of a property in which one or more characteristics of the definition of market value are not satisfied. The Seller may be a unwilling seller and the buyer may be motivated by the knowledge of the disadvantage the seller suffers from Due to this we are discounting the market value by 20%.

In view of this, when we are giving opinion to the bank regarding Value of the Security, for us the Intrinsic Value of the Property is relevant. Our emphasis is on "Value" of the Security & not on "Built Up Area" or "Super Built Up Area" etc. Hence the Per Sq. Ft. Rate is judiciously adopted keeping in mind the characteristics such as the amenities provided, the loading factor adopted etc.

As Panel Valuer of the Bank, we do keep in Mind, the Bank's Interest Only. The Report is purely our opinion on date of Inspection, as Professionals having several years of Experience in the field for many Banks.

We are in no way concerned or have any Authority in the financial facilities which are applied by the Borrowers to the Bank, subsequent sanction & Disbursal by the Bank.

In case in future if the Account becomes N.P.A. or Bank Notices that the Borrower with Fraudulent Intentions has either By Concealing the information or forging or tampering the papers, cheated the Bank and the case is handed over to Investigating Authority ,It is to be very clearly understood & noted by the bank that we in no way work hand in glove with the Borrower any time & not responsible for any Loss / Damage /Claim incurred by the Bank & we indemnify our self from any of these things.

Our Reports are never wrong or inflated and we refer to the Real Estate Periodicals / News Papers Supplements or gather the information from Websites of Real Estate Agencies / Sources and Verbal Information gathered from Estate Agents/ Builders sale Offices in the Locality at the time of arriving at the Valuation figure.

Our Report is issued for a Specific Bank which is mentioned in our Report. Use of Our Report for any other Bank or for any other purpose is Strictly Prohibited. In Case the Bank has any Queries, they should be address formally in writing to us by way of Formal Letter and we shall reply to the same by Formal Letter by answering the queries / clarifications sought by bank.



Report No. : TACPL / DIR / 17- 18 / 312 – A

FOR : TO ASSESS FAIR MARKET VALUE

VALUATION REPORT : LAND & BUILDING

1. Date of Inspection : 24.01.2018
Person/s accompanying/Available : Mr. Harish Gupta : Senior VP - Finance & Accounts
At the site at the time of visit/
inspection/valuation
2. Name & Address of the Valuer : **Mr. Vilas J. Bardapurkar**
C/o Techn-O-Aid Consultants Pvt. Ltd.
128, Runwal Commercial Complex, L.B.S. Marg,
Mulund (W), Mumbai – 400 080.
3. List of Documents handed over to : Sale Agreement for Land.
the Valuer by the Owner
4. Details of enquiries made for : a. Local enquires from Estate agents
arriving Fair Market Value. b. Real Estate, Bulletins / Supplements
5. Sub – Registrar Value / Guideline : ----
Value / Rate
6. Fair Market Value of the Property : **₹ 372,70,26,000 = 00**
7. Factors for determining its market : Locality, quality of construction, age, amenities etc.
value
8. Conservative Market Value of the : 90 % Of F.M.V. i.e. **₹ 335,43,23,400 = 00**
Property
9. Distress Value of the Property : 80 % Of F.M.V. i.e. **₹ 298,16,20,800 = 00**
10. Any Critical Aspects Associated : N.A.
With Property

AS/AS

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.



11. **PROPERTY DETAILS** :
- * **Name(s) & address(es) of the Owner (s):** : **M/s. Welspun Corp Ltd.**
Welspun City, Survey Nos. 663/P1, 663/P2, 664/P1, 664/P2, 665/P1, 678, 681, 684, 685, 686, 687, 691, 695, 696, 697, 781, 890, 984, Village – Varsamedi, Taluka – Anjar, Dist. – Kutch, Gujarat – 370110.
- * If the Property is under Joint Ownership / co- ownership share of each owner / are the shares in undivided : Company Ownership
- * Brief description of the Property (Whether Open Land, House Property, Land area, Built – up Area, No. of Floors etc. : As per Given below;

LAND :

Sr. No.	Asset Code	Cap Date	Description	Area In Acres	Area In Sq. Mtr.
1	10011000000	24-06-04	Survey No 663/2	13.02	52,688.35
2	10011000001	24-06-04	Survey No 663/1	14.32	57,949.09
3	10011000002	24-06-04	Survey No 691	5.19	21,002.50
4	10011000003	14-05-04	Survey No 664 P	8.22	33,264.07
5	10011000004	14-05-04	Survey No 664 P	8.23	33,304.54
6	10011000005	28-04-04	Survey No 665 P-1	-	-
7	10011000006	25-05-04	Survey No 678 & 697	7.35	29,743.42
8	10011000007	29-01-05	Survey No 684 & 686	16.32	66,042.54
9	10011000008	29-01-05	Survey No 665 P-1	27.28	1,10,394.63
10	10011000009	29-01-05	Survey No 685	10.36	41,924.06
11	10011000010	31-01-05	Survey No 681	14.12	57,139.74
12	10011000011	29-01-05	Survey No 665/1 - Govt. Land	6.25	25,292.03
13	10011000012	29-01-05	Survey No 692 - Govt. Land	2.20	8,902.79
14	10011000013	31-01-05	Survey No 696	8.31	33,628.28
15	10011000014	31-01-05	Survey No 679	4.26	17,239.04



Sr. No.	Asset Code	Cap Date	Description	Area In Acres	Area In Sq. Mtr.
16	10011000015	31-01-05	Survey No 682	5.28	21,366.70
17	10011000016	25-02-05	Survey No 680 - Govt. Land	0.10	404.67
18	10011000017	18-11-06	Survey No 682 Paiki - Govt. Land	5.25	21,245.30
19	10011000018	28-05-07	Survey No 659	-	-
20	10011000019	28-05-07	Survey No 781/P1, 781/P2 & 661/P2	22.47	90,929.89
21	10011000020	28-05-07	Survey No 657 P/1	4.05	16,389.23
22	10011000021	14-07-07	Survey No 657 P/2	4.03	16,308.30
23	10011000022	26-04-07	Survey No 657 P/3	4.03	16,308.30
24	10011000023	24-08-07	Survey No 569	26.07	1,05,498.09
25	10011000024	14-07-07	Survey No 687	10.08	40,790.98
26	10011000025	28-05-07	Survey No 692 P2	4.00	16,186.90
27	10011000026	09-09-08	Survey No 694	7.28	29,460.15
28	10011000027	22-01-09	Survey No 695	14.01	56,694.60
29	10011000028	29-09-08	Survey No 595	14.29	57,827.69
30	10011000029	04-03-09	Survey No 679/9, 890/P 984/9 - Govt. Land	5.00	20,233.62
31	10011000030	21-03-09	Survey No 988	3.24	13,111.39
32	10011000031	31-12-10	Survey No 572/1 & 574/2	16.41	66,406.74
33	10011000032	31-12-10	Survey No 593	15.00	60,700.86
34	10011000033	31-12-10	Survey No 988	-	-
35	10011000034	01-03-11	Survey No 748	12.36	50,017.51
36	10011000035	25-03-11	Survey No 567 & 570	33.31	134,796.38
37	10011000036	01-11-11	Survey No 630	4.31	17,441.38
	Total – Land Area			356.00	14,40,633.74



BUILDING & STRUCTURES:

AREA STATEMENT :

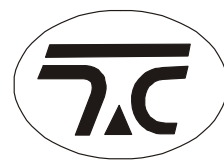
Sr. No.	Particulars	Area In Sq. Mtrs.	Area In Sq. Ft.
1	Spiral Plant I	8910.00	95871.60
2	Spiral Plant III	8910.00	95871.60
3	ERW / HFW Plant	20036.00	215587.36
4	Main Store	1152.00	12395.52
5	L-Saw & Spiral II Plant	44880.00	482908.80
6	3 LPE Coating Plant	19720.00	212187.20
7	Heavy Engineering Workshop	15052.00	161959.52
8	Canteen Building	1500.00	16140.00
9	Admin Building	2250.00	24210.00
10	Gate House	444.00	4777.44
11	Service Canteen	300.00	3228.00
12	Yard for Spiral Plant	2176.00	23413.76
13	Yard for Coating Plant	39440.00	424374.40
14	Oxygen Storage	84.50	909.22
15	LPG Storage	200.00	2152.00
16	Car Parking I	300.00	3228.00
17	Car Parking II	300.00	3228.00
18	Car Parking III	360.00	3873.60



Sr. No.	Asset Code	Cap Date	Description
Building - Factory			
1	10020000010	31-03-05	Building - 3lpe Coating Plant
2	10020000011	31-03-05	Building-Spiral Plant
3	10020000012	31-03-05	Building- Erw 6 To 16 Inch Plant
4	10020000013	10-09-05	Syntex Make Storage Tank 500ltr -L-Saw
5	10020000014	29-09-05	Erw 6" Building Capitalised (Common)
6	10020000015	31-03-06	Hydrorester Cabin At Spiral Plant Xfr
7	10020000016	01-01-06	Light Workshop Building Capitalised 0
8	10020000017	01-01-06	Spiral-2 Building Capitalised 01.01.2
9	10020000018	01-01-06	Stores Building Capitalised 01.01.2006
10	10020000019	29-09-05	Gantry Erw 6" Capitalised 01.01.2006
11	10020000020	31-10-08	Spiral-3 Building
12	10020000021	04-09-08	Pbm Plant Building Nr Hy Workshop Area 2640 Sqmt
13	10020000022	04-09-06	Cabin For Power Source Of Od/Id Weldi
14	10020000023	31-01-07	Spiral-1 Upgradation Building -Expans
15	10020000024	31-03-07	Spiral-2 Balance Bldg Capitalised L-S
16	10020000025	15-12-09	Coating: Epoxy Storage Room
17	10020000026	24-11-09	Spiral-1: Coil Saddle
18	10020000027	17-11-09	Spiral-2: Coil Saddle
19	10020000028	10-04-09	Yard: P2y-Walk Way& Hand Rail-All Outdoor Eot
20	10020000029	20-10-12	Pbm Building Extention -For Bend Coating
49	10020000030	01-04-09	Workshop Building Xfr From 800002000018 To8000
50	10020000031	25-03-13	Heavy Workshop -Extentsion Of Building
51	10020000032	19-08-13	Ws : Rolling Shutter For Heavy Workshop
52	10020000065	23-06-14	Sp-4:Main Plant Building
Building - Others (Anjar)			
1	10024000031	31-Mar-05	Building- Water Tanks
2	10024000032	10-Sep-05	Syntex Make Storage Tank 500ltr -L-Saw
3	10024000033	29-May-10	Service Canteen Near Spiral-1
4	10024000034	19-Dec-05	S.S.Tank
5	10024000035	20-Jan-06	Ac Container For It Deptt
6	10024000036	3-Mar-06	Building For Store
7	10024000037	25-May-05	Doible Skin Porta Cabin 12x32 Xfr 800



Sr. No.	Asset Code	Cap Date	Description
8	10024000038	25-May-05	Doible Skin Porta Cabin 12x32 Xfr 800
9	10024000039	24-Feb-07	Worker Colony- Tank
10	10024000040	30-Sep-06	Adminstration Building
11	10024000041	28-Feb-07	Factory Lighting System At Yard
12	10024000042	15-Jun-06	Canteen Building
13	10024000043	30-Sep-06	Compund Wall
14	10024000044	30-Sep-06	Dispatch Office
15	10024000045	1-Feb-07	Pe Storage Near Heavy Workshop
16	10024000046	19-Aug-06	Road Develpoment
17	10024000047	28-Sep-06	Time Office Building
18	10024000048	28-Sep-06	Security Office
19	10024000049	1-Apr-06	Sewerage Line
20	10024000050	10-Sep-06	Stormwater Drainage System
21	10024000051	31-Dec-06	Worker Colony At Versamedi
22	10024000052	31-Dec-06	Worker Colony At Versamedi
23	10024000053	31-Dec-06	Coil Stacking Yard
24	10024000054	7-Mar-08	Borwell Water Storage Tank- 10 Kl (601001)
25	10024000055	31-Jul-07	Strom Water-Inside & Around The Plant
26	10024000056	10-Jan-08	Lorry Parking-Outside The Gate Near Canada Yard
27	10024000057	16-Jan-08	Internal Road
28	10024000058	16-Aug-07	Material Road-Near Lorry Parking
29	10024000059	3-Jun-08	Borewell Water Pump Set & Dist Piping
30	10024000060	31-Oct-08	Road At Near Spiral-3
31	10024000061	23-Feb-10	Car Parking Shet At East Side No-02 600 Sqmtr
32	10024000062	29-Jul-10	Unity: Sintex European Toilet Block
33	10024000063	1-Dec-11	Car Parking Shed Near Spiral-1 30*12 360 Sqmtr
34	10024000064	1-Apr-12	Sintex Ccws Cly. Vert.Tank Sw 10000 Ltr
35	10024000065	1-Apr-12	Sintex Ccws Cly. Vert.Tank Sw 10000 Ltr
36	10024000066	4-Dec-12	500 Ltr Water Tank For Ro Plant - 1
37	10024000067	4-Dec-12	500 Ltr Water Tank For Ro Plant - 2
38	10024000068	1-Dec-12	Hazardous Waste Storage
39	10024000069	27-Sep-12	Pond 103 Crore Ltrs -Water Resorvoiur
40	10024000070	5-Apr-12	Worker Colony-Road -Phase -01



Sr. No.	Asset Code	Cap Date	Description
41	10024000071	25-Mar-13	Worker Colony-Road -Phase -02
42	10024000072	22-Nov-12	Worker Colony-Sewage Treatment Plant
43	10024000073	12-Dec-13	Anjar Center: Work Force Entry At Wcl
44	10024000074	18-Jun-13	Worker Colony New Houses
45	10024000167	10-Sep-14	Mundra: Porta Cabin At Mundra Port
46	10024000168	17-Jul-14	Sp-4: Tank, Water, 500l, Hdpe
47	10024000169	23-Jun-14	SP-4: Flux Room
48	10024000170	23-Jun-14	Sp-4: Toilet
49	10024000171	23-Jun-14	Sp-4: Container Area
50	10024000172	21-Aug-14	Wcl Boundary Wall Anjar
51	10024000173	27-Dec-14	Wcl Boundary Wall-Chain Link Fencing
52	10024000174	27-Dec-14	Worker Colony - Boundary Wall
53	10024000175	1-Dec-14	New Borwel 630 Ft Depth At Pipe Plant
54	10024000176	26-Nov-15	Dog House For Security Dog
55	10024000179	2-Mar-17	Workshop : Flooring Prepared For Id Boring Machin
56	10024000180	1-Dec-17	Material Gate 2 - Container Office
57	990100000000	18-Aug-05	Water Tank 1000 Ltr Sintex-For L-Saw
58	990100000001	18-Aug-05	Water Tank 1000 Ltr Sintex-For L-Saw
59	990100000002	18-Aug-05	Water Tank 1000 Ltr Sintex-For L-Saw
60	990100000003	1-Sep-05	Tank
61	990100000004	1-Sep-05	Tank
62	990100000005	29-Jul-10	Unity: Water Tank

- * Dimensions of the Site : As Per Plan
- North :
- South :
- East :
- West :
- * Location of the Property : As per above
(Plot / Door No. Survey No. etc.)
- * Postal Address : Same as above



* Boundaries of the Property	:	As per Agreement
North	:	
South	:	
East	:	
West	:	
* Any Specific identification marks (Like Electric pole No. Dug well etc)	:	N.A.
* Whether covered under Corporation / Panchayat / Municipality.	:	Varsamedi Gram Panchayat
* Whether covered under any land ceiling of State / Central Government	:	N.A.
* Is the Land Freehold / leasehold	:	Freehold
* Are there any restrictive covenants in regard to use of Land ? If so attach a copy of the covenant.	:	No.
* Type of the property - Whether	:	
Agriculture	:	
Industrial	:	Yes. – Industrial Unit
Commercial	:	
Institutional	:	
Government	:	
Non-Government	:	
Others (Specify)	:	
* In Case of Agricultural Land	:	N.A.
Any conversion to House site is obtained	:	
Whether the land is dry or wet	:	
Availability of irrigation facilities	:	
Type of crops grown	:	
Annual yield or income	:	
* Year of Purchase	:	As per Agreement
* Value of Purchase price	:	As per Agreement
* Whether the Property is occupied by owner or tenant. If occupied by tenant since how long he is staying and the amount of rent being paid.	:	Owner Occupied.



* Classification of the Site	:	
Population Group	:	Rural
High / Middle / Poor Class	:	N.A.
Residential / Non residential	:	Non Residential
Development of surrounding area	:	Developed
Possibility of any threat to the property (Floods, calamities etc.)	:	No.
* Proximity of civic amenities (like School, hospital, bus stop, market etc)	:	Available in Vicinity
* Level of the Land (Plain, rock etc.)	:	Plain
* Terrain of the Land	:	Leveled
* Shape of the Land (Square, Rectangular etc)	:	Rectangular
* Type of use to which it can be put (for construction of house, factory etc)	:	Industrial Factory
* Any usage restrictions on the property	:	Industrial Purpose
* Whether the plot is under town planning approved layout	:	Yes
* Whether the plot is intermittent or corner	:	Intermittent
* Whether any road facility is available	:	Yes.
* Type of Road available (B.T / Cement Road etc)	:	B.T. Road
* Front Width of the Road	:	40 Ft.
* Source of water & water potentiality	:	Borewell
* Type of Sewerage System	:	Underground
* Availability of power supply	:	Paschim Gujarat VIJ Co. Ltd.
* Advantage of the site	:	Develop Industrial Locality
* Give instances of sale of immovable property in the locality on a separate sheet, indicating the name & address of the property, Registration no. Sale price and area of Land sold.	:	Not Available



12. RENT DETAILS

- * Is the Building owner occupied / tenant / both ? : Owner Occupied
- * If partly owner occupied, specify portion & extent of area under occupation : N.A.
- * Name of the Tenant / Lessees / Licensees etc : N.A.
- * Portion in their occupation : N.A.
- * Has the tenant to bear the whole or part of the cost of repairs & maintenance. Give particulars : N.A.
- * If lift is installed, who is to bear the cost of maintenance and operations. Owner or tenant ? : N.A.
- * Has any standard rent has been fixed for the premises under any law relating to the control of rent? : N.A.
- * Present / expected income / rent from the Property : N.A.

13. VALUATION OF THE PROPERTY :

Part I : (Valuation of Land) : As Per Valuation Annexure

- 1 Dimensions of the Plot :
- 2 Total area of the plot :
- 3 Prevailing market rate :
- 4 Guideline rate obtained from the Registrar office :
- 5 Assessed / adopted rate of Valuation :
- 6 Estimated Value of the land. :
- 7 The conservation value of the land. :

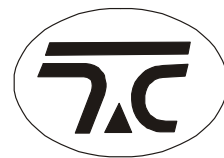


Part II : (Valuation of Factory Property)

a. Technical Details of the Factory Building

- * Type of the Building : Industrial Factory
(Residential / Commercial / Industrial)
- * Year of Construction : As Per Valuation Annexure
- * Future life of the Property : As Per Valuation Annexure
- * No. of floors and height. of each floor : As Per Details
including Basement
- * Plinth area of each floor : ---
- * Type of Construction (Load bearing / : R.C.C, Heavy M.S. & Load Bearing
RCC / Steel Framed)
- * Condition of the Building :
 - External : GOOD
 - Internal : GOOD
- * Whether the building / property is : Yes.
constructed strictly according to the
sanctioned plan, Details of variations
noticed if any and effect of the same on
the valuation.

- b. Specification of construction : As Per Valuation Annexure**



VALUATION ANNEXURE

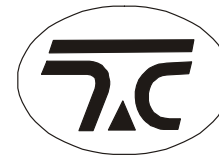
I. LAND

This is a Freehold Land at **Welspun City, Survey Nos. 663/P1, 663/P2, 664/P1, 664/P2, 665/P1, 678, 681,684, 685, 686, 687, 691, 695, 696, 697, 781, 890, 984, Village – Varsamedi, Taluka – Anjar, Dist. – Kutch, Gujarat – 370110.**

Being Connected with National Highway, Transportation facility will be available easily & at reasonable rates. All Infrastructures such as Water Supply, Roads, Communication, Network etc. are easily available at the location. As many manufacturing units are working in this area since many years, skilled, semi skilled & unskilled Labour is available at very cheaper rates. Market of finished goods viz. Domestic as well as Exports are well connected by roads, so that the finished goods can be transported at low transport cost and at ease.

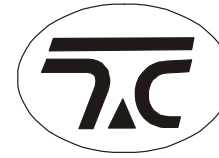
This Locality has Factories of many Reputed Companies. During Last two years the Reality Market has Shown upward trend & prices of Properties are **Sky Rocketing Northwards**. There is heavy demand for Industrial Properties in this locality.

For the property under valuation, which is located at **Village -Varsamedi, Taluka – Anjar, Dist. – Kutch, Gujarat – 370110**, the Valuation works out as below;



VALUATION

Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Area In Sq. Mtr.	Rate per Unit In ₹	Replacement Value In ₹	Fair Market Value In ₹
1	Survey No 663/2	656344	656344	52688	1375	72446476	72446476
2	Survey No 663/1	369093	369093	57949	1375	79679996	79679996
3	Survey No 691	1528651	1528651	21002	1375	28878434	28878434
4	Survey No 664 P	430968	430968	33264	1375	45738098	45738098
5	Survey No 664 P	432419	432419	33305	1375	45793740	45793740
6	Survey No 665 P-1	834342	834342	0	1375	0	0
7	Survey No 678 & 697	874966	874966	29743	1375	40897204	40897204
8	Survey No 684 & 686	1062738	1062738	66043	1375	90808487	90808487
9	Survey No 665 P-1	555470	555470	110395	1375	151792617	151792617
10	Survey No 685	4121330	4121330	41924	1375	57645583	57645583
11	Survey No 681	478109	478109	57140	1375	78567146	78567146
12	Survey No 665/1 - Govt. Land	186060	186060	25292	950	24027424	24027424
13	Survey No 692 - Govt. Land	434348	434348	8903	950	8457653	8457653
14	Survey No 696	369153	369153	33628	1375	46238880	46238880
15	Survey No 679	145075	145075	17239	1375	23703686	23703686
16	Survey No 682	16407	16407	21367	1375	29379216	29379216
17	Survey No 680 - Govt. Land	595087	595087	405	950	384439	384439
18	Survey No 682 Paiki - Govt. Land	900675	900675	21245	950	20183036	20183036
19	Survey No 659	1142598	1142598	0	1375	0	0



Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Area In Sq. Mtr.	Rate per Unit In ₹	Replacement Value In ₹	Fair Market Value In ₹
20	Survey No 781/P1, 781/P2 & 661/P2	1070804	1070804	90930	1375	125028596	125028596
21	Survey No 657 P/1	1070805	1070805	16389	1375	22535194	22535194
22	Survey No 657 P/2	1218487	1218487	16308	1375	22423909	22423909
23	Survey No 657 P/3	220583	220583	16308	1375	22423909	22423909
24	Survey No 569	636140	636140	105498	1375	145059880	145059880
25	Survey No 687	8614505	8614505	40791	1375	56087595	56087595
26	Survey No 692 P2	3411054	3411054	16187	1375	22256982	22256982
27	Survey No 694	2447784	2447784	29460	1375	40507707	40507707
28	Survey No 695	14593970	14593970	56695	1375	77955079	77955079
29	Survey No 595	1620425	1620425	57828	1375	79513068	79513068
30	Survey No 679/9, 890/P 984/9 - Govt. Land	21499084	21499084	20234	950	19221939	19221939
31	Survey No 988	18700210	18700210	13111	1375	18028155	18028155
32	Survey No 572/1 & 574/2	11700	11700	66407	1375	91309269	91309269
33	Survey No 593	17958216	17958216	60701	1375	83463683	83463683
34	Survey No 988	35824858	35824858	0	1375	0	0
35	Survey No 748	1743295	1743295	50018	1375	68774074	68774074
36	Survey No 567 & 570	11668220	11668220	134796	1375	185345018	185345018
37	Survey No 630	8664277	8664277	17441	1375	23981898	23981898
	Total - Land	166108249	166108249	1440634		1948538073	1948538073



II. BUILDING & STRUCTURES

Sr. No.	Cap Date	Description	Type Of Structure	Resi. Life In Yrs.
Building - Factory				
1	31-03-05	Building - 3lpe Coating Plant	Heavy M.S.	27
2	31-03-05	Building-Spiral Plant	Heavy M.S.	27
3	31-03-05	Building- ERW 6 To 16 Inch Plant	Heavy M.S.	27
4	10-09-05	Syntex Make Storage Tank 500ltr -L-Saw	Heavy M.S.	27
5	29-09-05	ERW 6" Building Capitalized (Common)	Heavy M.S.	27
6	31-03-06	Hydrotester Cabin At Spiral Plant	Heavy M.S.	28
7	01-01-06	Light Workshop Building Capitalized	Heavy M.S.	28
8	01-01-06	Spiral-2 Building Capitalized	Heavy M.S.	28
9	01-01-06	Stores Building Capitalized 01.01.2006	Heavy M.S.	28
10	29-09-05	Gantry ERW 6" Capitalized 01.01.2006	Heavy M.S.	27
11	31-10-08	Spiral-3 Building	Heavy M.S.	30
12	04-09-08	PBM Plant Building Nr Hy Workshop Area	Heavy M.S.	30
13	04-09-06	Cabin For Power Source Of Od/Id Welding	Heavy M.S.	28
14	31-01-07	Spiral-1 Upgradation Building -Expansion	Heavy M.S.	29
15	31-03-07	Spiral-2 Balance Bldg Capitalized	Heavy M.S.	29
16	15-12-09	Coating: Epoxy Storage Room	Heavy M.S.	31
17	24-11-09	Spiral-1: Coil Saddle	Heavy M.S.	31
18	17-11-09	Spiral-2: Coil Saddle	Heavy M.S.	31
19	10-04-09	Yard: P2y-Walk Way& Hand Rail-All Outdoor EOT	Heavy M.S.	31
20	20-10-12	PBM Building Extension -For Bend Coating	Heavy M.S.	34
21	01-04-09	Workshop Building	Heavy M.S.	31
22	25-03-13	Heavy Workshop -Extension Of Building	Heavy M.S.	35
23	19-08-13	Ws : Rolling Shutter For Heavy Workshop	Heavy M.S.	35
24	23-06-14	Sp-4:Main Plant Building	Heavy M.S.	36

These Ground Storied Heavy M.S. Framed Structure having R.C.C footings, Heavy M.S. Beams, Columns & GI Sheet Roofing over MS Trusses. The Present condition of the Structures is Good & Well Maintained by the owners.

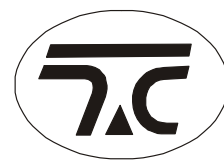
DESCRIPTION	DETAILS
Superstructure	Heavy M.S. Framed Structure
Roof	GI Sheet Roofing over M.S. Trusses
Doors	M.S. Rolling Shutters
Windows	----
RCC work	Good
Plastering	BB Walls / GI Sheet Cladding
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.



Sr. No.	Cap Date	Description	Type Of Structure	Resi. Life In Yrs.
Building - Others				
1	20-Jan-06	AC Container For IT Deptt	M.S.	18
2	25-May-05	Double Skin Porta Cabin 12x32 Xfr 800	M.S.	17
3	25-May-05	Double Skin Porta Cabin 12x32 Xfr 800	M.S.	17
4	1-Feb-07	PE Storage Near Heavy Workshop	M.S.	19
5	23-Feb-10	Car Parking Shed At East Side No-02 600 Sq. Mtr.	M.S.	22
6	1-Dec-11	Car Parking Shed Near Spiral-1 30*12 360 Sq. Mtr.	M.S.	23
7	1-Dec-12	Hazardous Waste Storage	M.S.	24

These Ground Storied M.S. Framed Structure having R.C.C footings, M.S. Beams, Columns & GI Sheet Roofing over MS Trusses. The Present condition of the Structures is Good & Well Maintained by the owners.

DESCRIPTION	DETAILS
Superstructure	M.S. Framed Structure
Roof	GI Sheet Roofing over M.S. Trusses
Doors	M.S. Rolling Shutters
Windows	----
RCC work	Good
Plastering	BB Walls / GI Sheet Cladding
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial

Sr. No.	Cap Date	Description	Type Of Structure	Resi. Life In Yrs.
Building - Others				
1	31-Mar-05	Building- Water Tanks	R.C.C.	47
2	29-May-10	Service Canteen Near Spiral-1	R.C.C.	52
3	3-Mar-06	Building For Store	R.C.C.	48
4	24-Feb-07	Worker Colony- Tank	R.C.C.	49
5	30-Sep-06	Adminstration Building	R.C.C.	48
6	15-Jun-06	Canteen Building	R.C.C.	48
7	30-Sep-06	Dispatch Office	R.C.C.	48
8	28-Sep-06	Time Office Building	R.C.C.	48
9	28-Sep-06	Security Office	R.C.C.	48
10	31-Dec-06	Worker Colony At Versamedi	R.C.C.	48
11	31-Dec-06	Worker Colony At Versamedi	R.C.C.	48



These Ground Storied R.C.C. Framed Structure having R.C.C Beams, Columns & Slabs. The Present condition of the Structures is Good & Well Maintained by the owners.

DESCRIPTION	DETAILS
Superstructure	R.C.C. Framed Structure
Roof	R.C.C. Slab
Doors	M.S. Rolling Shutters
Windows	M.S. Grills
RCC work	Good
Plastering	BB Walls
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial

Site Development :

Sr. No.	Description	Type Of Structure	Resi. Life In Yrs.
Building - Others			
1	Syntex Make Storage Tank 500ltr -L-Saw	PVC	17
2	S.S.Tank	S.S.	17
3	Factory Lighting System At Yard		19
4	Compund Wall	BB Wall	18
5	Road Develpoment		18
6	Sewerage Line		18
7	Stormwater Drainage System		18
8	Coil Stacking Yard	Open Yard	18
9	Borwell Water Storage Tank- 10 Kl (601001)		20
10	Strom Water-Inside & Around The Plant		19
11	Lorry Parking-Outside The Gate Near Canada Yard		20
12	Internal Road	Roads	20
13	Material Road-Near Lorry Parking	Roads	19
14	Borewell Water Pump Set & Dist Piping		20
15	Road At Near Spiral-3	Roads	20
16	Unity: Sintex European Toilet Block	PVC	22
17	Sintex Ccws Cly. Vert.Tank Sw 10000 Ltr	PVC	24
18	Sintex Ccws Cly. Vert.Tank Sw 10000 Ltr	PVC	24
19	500 Ltr Water Tank For Ro Plant - 1	PVC	24
20	500 Ltr Water Tank For Ro Plant - 2	PVC	24



VALUATION

- 1. The Building & Structures are in good condition & for Valuation we are adopting “OPTIMIZED REPLACEMENT VALUE BASIS”. The detailed Lists of Building & Structures are enclosed.**
- 2. The Total Life of Building & Structures at the Factory is considered at : for R.C.C Structures at 55-60 years, for Heavy M.S. Structures at 40-45 years & for M.S./ Load bearing Structures at 30-35 years respectively, As per Companies Act, 2013.**

Valuation Methodology

Taking into consideration the various Details / Specifications / Construction & present condition of **Building & Structures** as described in the Annexure for the Factory located at **Welspun City, Survey Nos. 663/P1, 663/P2, 664/P1, 664/P2, 665/P1, 678, 681,684, 685, 686, 687, 691, 695, 696, 697, 781, 890, 984, Village – Varsamedi, Taluka – Anjar, Dist. – Kutch, Gujarat – 370110**, which is a Developed Industrial Locality of **Gujarat**. The Fair Market Value as on Date of Valuation has been arrived on the **“OPTIMIZED REPLACEMENT VALUE BASIS”**.

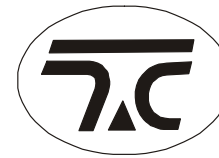
To arrive at the Fair Market Value for the Assets owned by **M/s. Welspun Corp Limited;**

- Considered the investment cost (Purchase Price) of the assets as per the asset registers, annual additions and deletions in the assets,
- Worked out Present Day Replacement Value applying relevant cost inflation indices and current market prices of Modern Equivalent Assets,
- Adjusted the Replacement Value to get Fair Market Value with due consideration to economic life of the assets, expected future life, technological and commercial/ economical obsolescence, etc.
- To arrive to the Fair Market Value (FMV), due weightage was given to the life span, comparison of useful life of assets and depreciation rates as per fair life of the assets.

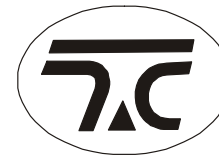


Taking into consideration the various Details / Specifications / Construction & present condition of the Buildings as described above for the Property located at **Village – Varsamedi, Taluka – Anjar Dist. – Kutch, Gujarat – 370110**. Hence, the Valuation works out as below;

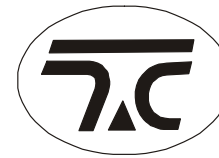
Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
	Building - Factory (Anjar)				
1	Building - 3lpe Coating Plant	90196533	52400115	209687670	141539180
2	Building-Spiral Plant	43372085	25197224	100830830	68060810
3	Building- Erw 6 To 16 Inch Plant	78264134	45467930	181947390	122814490
4	Syntex Make Storage Tank 500ltr -L-Saw	1925	0	4480	3020
5	Erw 6" Building Capitalised (Common)	91096956	54626152	211780960	142952150
6	Hydrotester Cabin At Spiral Plant Xfr	42354	26098	94430	66100
7	Light Workshop Building Capitalised 0	34076201	20723202	75973170	53181220
8	Spiral-2 Building Capitalised 01.01.2	139533031	84856031	311090040	217763030
9	Stores Building Capitalised 01.01.2006	9068114	5514710	20217430	14152200
10	Gantry ERW 6" Capitalised 01.01.2006	6791562	4120765	15788930	10657530
11	Spiral-3 Building	80481409	56470011	159787910	119840930
12	PBM Plant Building Nr Hy Workshop Area 2640 Sqmt	15378530	10710956	30532560	22899420
13	Cabin For Power Source Of Od/Id Weldi	147680	93095	329250	230480
14	Spiral-1 Upgradation Building -Expans	15906414	10241571	33539110	24315850



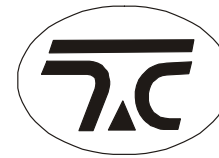
Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
15	Spiral-2 Balance Bldg Capitalised L-S	144478606	93795983	304637060	220861870
16	Coating: Epoxy Storage Room	411644	304132	756530	586310
17	Spiral-1: Coil Saddle	10917755	8045508	20065060	15550420
18	Spiral-2: Coil Saddle	7308441	5381094	13431730	10409590
19	Yard: P2y-Walk Way& Hand Rail-All Outdoor Eot	3748404	2684779	6888960	5338940
20	Pbm Building Extention -For Bend Coating	15812343	13174141	21504790	18279070
21	Workshop Building Xfr From 800002000018 To 8000	38030718	24508089	69894290	54168070
22	Heavy Workshop -Extentsion Of Building	59061406	50044489	73021370	63893700
23	Ws : Rolling Shutter For Heavy Workshop	1040463	895515	1286390	1125590
24	Sp-4:Main Plant Building	21493580	19093660	24359390	21923450
	Total - Building - Factory (Anjar)	906,660,289.06	588,375,253.52	1,887,449,730.00	1,350,613,420.00
	Building - Others (Anjar)				
1	Building- Water Tanks	289812	229788	673750	527770
2	Syntex Make Storage Tank 500ltr -L- Saw	1925	0	4480	2540
3	Service Canteen Near Spiral-1	3348577	2712512	5453970	4726770
4	S.S.Tank	11000	7965	25570	14490



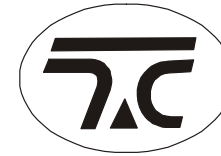
Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
5	Ac Container For It Deptt	425000	21250	947540	568520
6	Building For Store	21383	15570	47670	38140
7	Doible Skin Porta Cabin 12x32 Xfr 800	280800	14041	652800	369920
8	Doible Skin Porta Cabin 12x32 Xfr 800	223600	11180	519820	294560
9	Worker Colony- Tank	73200	54719	154340	126040
10	Adminstration Building	20558483	15205157	45835310	36668250
11	Factory Lighting System At Yard	1538515	76926	3244000	2054530
12	Canteen Building	12163995	8926069	27119730	21695780
13	Compound Wall	13210423	9770495	29452750	17671650
14	Dispatch Office	1099338	899855	2450980	1960780
15	Pe Storage Near Heavy Workshop	9136109	6818163	19263730	12200360
16	Road Development	19515502	975776	43509970	26105980
17	Time Office Building	1300455	1064362	2899380	2319500
18	Security Office	233139	190813	519790	415830
19	Sewerage Line	3904163	195209	8704360	5222620
20	Stormwater Drainage System	3269924	163496	7290320	4374190
21	Worker Colony At Versamedi	30780088	25320978	68624460	54899570
22	Worker Colony At Versamedi	3304793	2768592	7368060	5894450
23	Coil Stacking Yard	5616353	4181746	12521710	7513030



Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
24	Borwell Water Storage Tank- 10 Kl (601001)	33556	1678	66620	44410
25	Strom Water-Inside & Around The Plant	6443844	4871004	13587020	8605110
26	Lorry Parking-Outside The Gate Near Canada Yard	2044319	1563029	4058790	2705860
27	Internal Road	13962855	698144	27721870	18481250
28	Material Road-Near Lorry Parking	4988988	249450	10519420	6662300
29	Borewell Water Pump Set & Dist Piping	2040662	102033	4051530	2701020
30	Road At Near Spiral-3	1400080	70005	2779720	1853150
31	Car Parking Shet At East Side No-02 600 Sqmtr	1615921	1301045	2631920	1930070
32	Unity: Sintex European Toilet Block	28750	1438	46830	34340
33	Car Parking Shed Near Spiral-1 30*12 360 Sqmtr	541143	453608	799950	613300
34	Sintex Ccws Cly. Vert.Tank Sw 10000 Ltr	49800	2490	67730	54180
35	Sintex Ccws Cly. Vert.Tank Sw 10000 Ltr	49800	2490	67730	54180
36	500 Ltr Water Tank For Ro Plant - 1	2500	125	3400	2720
37	500 Ltr Water Tank For Ro Plant - 2	2500	125	3400	2720
38	Hazardous Waste Storage	1824441	1563107	2481240	1984990



Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
39	Pond 103 Crore Ltrs -Water Resorvoiur	75561393	64490074	102763490	82210790
40	Worker Colony-Road -Phase -01	6591735	329587	8964760	7171810
41	Worker Colony-Road -Phase -02	2527821	261170	3125310	2604430
42	Worker Colony-Sewage Treatment Plant	6696851	5734549	9107720	7286180
43	Anjar Center:Work Force Entry At Wcl	489867	428949	605650	504710
44	Worker Colony New Houses	39503119	36650098	48840220	40700180
45	Mundra:Porta Cabin At Mundra Port	254539	174509	288480	250020
46	Sp-4:Tank,Water,500l,Hdpe	1800	617	2040	1770
47	SP-4:Flux Room	1413229	1255431	1601660	1388110
48	Sp-4:Toilet	1216211	1080411	1378370	1194590
49	Sp-4:Container Area	1094519	972307	1240450	1075060
50	Wcl Boundary Wall Anjar	25821341	23070366	29264190	25362300
51	Wcl Boundary Wall-Chain Link Fancing	989531	895096	1121470	971940
52	Worker Colony - Boundary Wall	3218128	2911010	3647210	3160920
53	New Borwel 630 Ft Depth At Pipe Plant	785808	709043	890580	771840
54	Dog House For Security Dog	358604	310898	384020	345620
55	Workshop : Floring Prepared For Id Boring Machin	1189102	1157637	1189100	1206933
56	Material Gate 2 - Container Office	258060	243060	258060	249460
57	Water Tank 1000 Ltr Sintex-For L-Saw	3400	0	7900	4480



Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
58	Water Tank 1000 Ltr Sintex-For L-Saw	3400	0	7900	4480
59	Water Tank 1000 Ltr Sintex-For L-Saw	3400	0	7900	4480
60	Tank	3298	0	7670	4350
61	Tank	3298	0	7670	4350
62	Unity: Water Tank	800	1	1300	950
	Total - Building - Others (Anjar)	33,33,24,988	23,11,79,244	57,08,84,780	42,78,74,623
	Total - Building	123,99,85,277	81,95,54,498	245,83,34,510	177,84,88,043



SUMMARY

Sr. No.	Particulars	Gross Block In ₹	Net Block In ₹	Replacement Value In ₹	Fair Market Value In ₹
A	Land	16,61,08,249	16,61,08,249	194,85,38,073	194,85,38,073
B	Factory Building & Structures	123,99,85,277	81,95,54,498	245,83,34,510	177,84,88,043
Total		140,60,93,526	98,56,62,747	440,68,72,583	372,70,26,116
Rounded Off To		140,60,94,000	98,56,63,000	440,68,73,000	372,70,26,000
In Crore		140.61	98.57	440.69	372.70

(₹ Three Hundred and Seventy Two Crore Seventy Lakh Only.)

We Certify that

- The Property is being valued by me personally.
- The Rates for valuation of the property are as per Prevailing Market Rates in the Locality as on date of visit.
- We have no direct or indirect interest in the Asset Valued & we have used the basic Data / Documents provided to us at the Time of our personal Visit to the Site on **24.01.2018**
- The value of the property : **₹ 372.70 Crore**
- Our Report does not cover Check of the Ownership / Title clearance / Legal aspects & there is no Legal / Contractual obligation on our Part. We have assumed that the assets are free of encumbrances of loan, Or Govt. or other dues, Stamp Duty, Registration Charges, Transfer charges etc. if any, are not considered in the valuation.
- Emphasis of this Report is on the value of the Property & not on the Area Measurement or Title Verification of the property & is based on market rate.
- It may be noted that, the Valuation of the Asset arrived by us is purely our opinion based on Basis and Assumptions as Listed in Page No. 2, 3 of this Report.
- This Report contains 38 Pages & Photographs.

Date : 31.01.2018

Place: MUMBAI

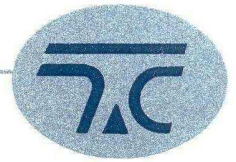


Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

Approved Valuer

TECHN-O-AID CONSULTANTS PVT. LTD.



**APPROVED TECHNICAL CONSULTANTS
ARCHITECTS , CHARTERED ENGINEERS & VALUERS**

128, 1ST FLR . RUNWAL COMMERCIAL COMPLEX , NEAR SHREE SANTOSHI MATA MANDIR. L.B.S. MARG,
MULUND (W), MUMBAI - 400 080. TEL.: 2590 2669 • TELEFAX : 2569 0712 • CELL : 98210 18187
E-mail : tacpl@bplmobile.blackberry.com • technoaidconsultants@gmail.com • tacpl@yahoo.com

**VALUATION OF PLANT & MACHINERY
AND OTHER ASSETS OWNED BY
M/S. WELSPUN CORP LTD.**

AT

**WELSPUN CITY, SURVEY NOS. 663/P1, 663/P2, 664/P1, 664/P2, 665/P1, 678, 681, 684,
685, 686, 687, 691, 695, 696, 697, 781, 890, 984, VILLAGE – VARSAMEDI,
TALUKA – ANJAR, DIST. – KUTCH, GUJARAT – 370110.**

TO ASSESS FAIR MARKET VALUE

DATE OF INSPECTION

24.01.2018

DATE OF REPORT

31.01.2018

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.



BASIS & ASSUMPTIONS FOR VALUATION OF PLANT & MACHINERY AND OTHER ASSETS

- 1. This Valuation Assignment is given by the Owner – To Assess Fair Market Value.**
2. For this Assignment of Valuation Assets has been classified into Groups as per their Functional abilities and Capacities like Plant & Machinery, Laboratory Equipments, Electrical Installations & Furniture & Fixtures and then these Groups are valued as a Block of Assets.
3. The Available details such as cost of Erection and Commissioning are furnished by the company for this Assignment.
4. The Life of the Machinery is assumed appropriately depending upon the Operation/s it performs /product manufactured & number of shifts operated & maintenance.
The Total Life of the Basic Machinery / Process Plants / Utilities we assume the Life based upon the type of Industry.
5. Obsolescence (Tech. / Functional / Economic) & utility of the Machine Equipment are taken into the Consideration as part of Depreciation.

The Depreciation calculated for Accounting is not valid /considered for Revaluation of Plant & Machinery.
For those Machine & Equipments which are maintained very well by the company, we consider relatively low rates of Depreciation for these Machines.
6. The age of the Machine and Depreciation is directly co-related with the date of Valuation.
The Age of Machine is defined as "A period of time from the date of installation till the date of retirement of its service."

The Age of Machine depends upon the Working Condition, Frequency of Breakdown, Spares, Climate, Govt. Policy, Technological Obsolescence etc.
7. In case of Capital Work in Progress, the Documents /C. A.'s certificate furnished is referred to & valued AT COST.
8. For arriving the Replacement cost of Plant, Machinery/Equipments we either follow the method of Indexation referring to RBI Cost Inflation Index as of 01.04.1981 & the index on date of Valuation as notified by RBI or gather the information over telephone from manufacturer / dealers / experts from similar industry.
9. We assume that the bank having invoices in original given by the Borrower.
10. In case of any Human & Technical error of judgment, a fresh Report will be submitted at a later Date, as & when the mistake is identified.



11. VALUATION is the Art of Process of Estimating Value, depending on the circumstances of the case & purpose for which Valuation is needed, at a given time, Place & under Specified Market conditions and Our Report is an opinion expressed keeping in mind the purpose. Buying & Selling Assets is a Totally Different Activity & is out of scope of the Valuation Assignment.

FAIR MARKET VALUE is the Price that the Capital Asset would ordinarily fetch on sale in the open market on the relevant date.

Market Value is thus the warranted Price expressed in terms of money which a property is estimated to bring, at any given Time, and Place, where the Buyers and Sellers act without compulsion & with full knowledge of all the uses to which the asset is adopted and for which it is capable of being used, As Defined by the International Valuation Standards Committee London.

12. VALUATION is a function of Time, 'VALUE' varies with the purpose viz. Value of the same Property will be different, when purpose is different viz.

There are Different yardsticks / Approaches to Valuation viz.

1. If Valuation is for Income Tax / Wealth Tax Purpose, the approach is Indexation referring to RBI Cost Inflation Index as of 01.04.1981 & the index on date of valuation as notified by RBI.
2. If Valuation is for Insurance Purpose, GIC Subsidiaries who work on IRDA Guidelines, the Replacement Cost is considered while issuing the Policy.
3. If Valuation is for Merger / Acquisition, then as per understanding for SWAP Ratio Decided by the Purchasing Co. & Selling Co., the Valuation is arrived at.
4. If Valuation is for VISA Purpose Value, will be Market Value Approach is adopted.
5. If Valuation is for Balance Sheet Purpose, Fair Market Value Approach is adopted.



Report No. : TACPL / DIR / 17 - 18 / 312 – B

FOR : TO ASSESS FAIR MARKET VALUE

VALUATION REPORT: PLANT & MACHINERY AND OTHER ASSETS

1. Date of Inspection : 24.01.2018
2. Name & Address of the Valuer : **Vilas J. Bardapurkar**
C/o Techn-O-Aid Consultants Pvt. Ltd.
128, Runwal Commercial Complex, L.B.S. Marg,
Mulund (W), Mumbai – 400 080.
3. Name of the Owner : **M/S. Welspun Corp Ltd.**
4. Address of the Plant : **Welspun City, Survey Nos. 663/P1, 663/P2,
664/P1, 664/P2, 665/P1, 678, 681,684, 685, 686,
687, 691, 695, 696, 697, 781, 890, 984,
Village – Varsamedi, Taluka – Anjar,
Dist. – Kutch, Gujarat – 370110.**
5. List of Documents handed over to the Valuer by the Owner : Various Documents, Balance Sheet – Fixed Assets Schedule and Physical Verification of Plant & Machineries
6. Details Of Enquiries Made For Arriving Fair Market Value. : a. Local enquires from Suppliers of Plant & Machinery
b. Plant & Machinery Manuals, Bulletins / Supplement
7. Fair Market Value of the Plant & Machinery & Other Assets as on Date : **₹ 667,46,50,000 = 00**
8. Factors for Determining Its Market Value : Operation/s it performs / Product Manufactured & Number of shifts operated & Maintenance.
9. Conservative Market Value of the Plant & Machinery & Other Assets : 90 % Of F.M.V. i.e. **₹ 600,71,85,000 = 00**
10. Distress Value of the Plant & Machinery & Other Assets : 80 % Of F.M.V. i.e. **₹ 533,97,20,000 = 00**

AS/PM

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.



VALUATION

1. The Plant is in excellent condition & for Valuation we are adopting **“OPTIMIZED REPLACEMENT VALUE BASIS”**. The detailed Lists of Plant & Machinery are enclosed.
2. The Total Life of Plant & Machinery installed at the Factory is considered at 25 years, As per Company's Act 2013.

Valuation Methodology

Taking into consideration the various Details / Specifications / Construction & present condition of **Plant & Machinery and Other Assets** as described in the Annexure for the Factory located on **Welspun City, Survey Nos. 663/P1, 663/P2, 664/P1, 664/P2, 665/P1, 678, 681,684, 685, 686, 687, 691, 695, 696, 697, 781, 890, 984, Village – Varsamedi, Taluka – Anjar, Dist. – Kutch, Gujarat – 370110,** which is a Developed Industrial Locality of **Gujarat**. The Fair Market Value as on Date of Valuation has been arrived on the **“OPTIMIZED REPLACEMENT VALUE BASIS”**.

To arrive at the Fair Market Value for the Assets owned by **M/s. Welspun Corp Limited;**

- Considered the investment cost (Purchase Price) of the assets as per the asset registers, annual additions and deletions in the assets,
- Worked out Present Day Replacement Value applying relevant cost inflation indices and current market prices of Modern Equivalent Assets,
- Adjusted the Replacement Value to get Fair Market Value with due consideration to economic life of the assets, expected future life, technological and commercial/ economical obsolescence, etc.
- To arrive to the Fair Market Value (FMV), due weightage was given to the life span, comparison of useful life of assets and depreciation rates as per fair life of the assets.
- For the Other Assets Viz. Vehicles, Furniture & Fixtures, Office Equipments & Computers, we have considered the Net Value as on 31.12.2017 as the Fair Market Value.



Summary

Sr. No.	Particulars	Gross Block In ₹	Net Block In ₹	Replacement Value In ₹	Fair Market Value In ₹
A	Plant & Machineries	588,94,02,313	168,82,63,774	1172,70,22,600	664,30,13,380
	Total	588,94,02,313	168,82,63,774	1172,70,22,600	664,30,13,380
B	Other Assets				
1.	Electrical	26,99,516	2,66,452	60,43,230	23,87,250
2.	Vehicles	1,16,25,767	27,82,626	27,82,626	27,82,626
3.	Furniture & Fixtures	4,65,12,581	1,19,27,371	1,19,27,371	1,19,27,371
4.	Office Equipments	5,37,13,125	99,32,720	99,32,720	99,32,720
5.	Computers	2,55,11,558	27,02,019	27,02,019	27,02,019
6.	Software	39,66,116	19,05,048	19,05,048	19,05,048
	Total	28,53,57,812	5,87,66,019	6,45,42,797	6,08,86,817
	Grand Total of Assets	603,34,30,977	171,77,80,009	1176,23,15,613	667,46,50,413
	Rounded Off To	603,34,31,000	171,77,80,000	1176,23,16,000	667,46,50,000
	In Crore	603.34	171.78	1,176.23	667.47

(₹ Six Hundred Sixty Seven Crore Forty Seven Lakh Only.)

We hereby declare that,

- The information furnished above is true & correct to the best of our knowledge & belief.
- We have no direct or indirect interest in the Asset Valued & we have used the basic Data / Documents provided to us at the Time of our personal Visit to the Site **on 24.01.2018**
- The value of the Plant & Machinery : **₹ 667.47 Crore**
- Our Report does not cover Check of the Ownership / Title clearance / Legal aspects & there is no Legal / Contractual obligation on our Part.
- It may be noted that, the Valuation of the Asset arrived by us is purely our opinion based on Basis & Assumptions as Listed in Page No.33 & 34 of this Report.
- My Registration with State Chief Commissioner of Income Tax is valid as on Date.

Date : 31.01.2018

Place: MUMBAI



Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

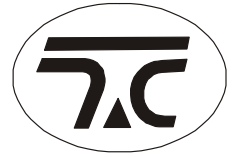
Approved Valuer

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.

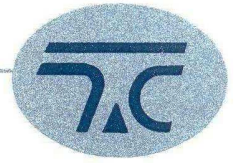


PHOTOGRAPHS
FOR PROPERTY OWNED BY
M/S. WELSPUN CORP LTD.
PIPE DIVISION - ANJAR

AT

**WELSPUN CITY, SURVEY NOS. 663/P1, 663/P2, 664/P1, 664/P2, 665/P1, 678, 681, 684,
685, 686, 687, 691, 695, 696, 697, 781, 890, 984, VILLAGE – VARSAMEDI,
TALUKA – ANJAR, DIST. – KUTCH, GUJARAT – 370110.**

TECHN-O-AID CONSULTANTS PVT. LTD.



**APPROVED TECHNICAL CONSULTANTS
ARCHITECTS , CHARTERED ENGINEERS & VALUERS**

128, 1ST FLR . RUNWAL COMMERCIAL COMPLEX , NEAR SHREE SANTOSHI MATA MANDIR. L.B.S.MARG,
MULUND (W), MUMBAI - 400 080. TEL.: 2590 2669 • TELEFAX : 2569 0712 • CELL : 98210 18187
E-mail : tacpl@bplmobile.blackberry.com • technoaidconsultants@gmail.com • tacpl@yahoo.com

VALUATION OF ASSETS

OWNED BY

M/S. WELSPUN CORP LTD.

PIPE DIVISION - MANDYA

AT

**PLOT NO.58, PART – I, KIADB INDUSTRIAL AREA, SY. NO. 151, 152 & 153,
GEJJALAGERE HOBLI KASABA, TALUKA MADDUR, DISTRICT MANDYA,
KARNATAKA – 571428, INDIA.**

TO ASSESS FAIR MARKET VALUE

DATE OF INSPECTION

27.01.2018

DATE OF REPORT

31.01.2018



SUMMARY

VALUATION OF IMMOVABLE PROPERTY

OWNED BY

M/S. WELSPUN CORP LTD.

Sr. No.	Particulars	Gross Block In ₹	Net Block In ₹	Replacement Value In ₹	Fair Market Value In ₹
I	Land	---	---	---	---
II	Building	151746931	105109109	222811980	183215300
III	Plant & Machineries	586762328	301605235	865825320	625047760
IV	Electrical	180291	125932	184260	168450
V	Vehicles	---	---	---	---
VI	Furniture & Fixtures	12166070	3401790	3401790	3401790
VII	Office & Other Equip.	8827021	1155450	1155450	1155450
VIII	Computers	2846647	181149	181149	181149
IX	Software	212596	910	910	910
Grand Total of Assets		76,27,41,886	41,15,79,574	109,35,60,858	81,31,70,808
Rounded Off To		76,27,42,000	41,15,80,000	109,35,61,000	81,31,71,000
In Crore		76.27	41.16	109.36	81.32

(₹ Eighty One Crore Thirty Two Lakh Only.)

Date : 31.01.2018

Place: MUMBAI

Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

Approved Valuer

TECHN-O-AID CONSULTANTS PVT. LTD.



**APPROVED TECHNICAL CONSULTANTS
ARCHITECTS , CHARTERED ENGINEERS & VALUERS**

128, 1ST FLR . RUNWAL COMMERCIAL COMPLEX, NEAR SHREE SANTOSHI MATA MANDIR. L.B.S.MARG,
MULUND (W), MUMBAI - 400 080. TEL.: 2590 2669 • TELEFAX : 2569 0712 • CELL : 98210 18187
E-mail : tacpl@bplmobile.blackberry.com • technoaidconsultants@gmail.com • tacpl@yahoo.com

VALUATION OF ASSETS : LAND & BUILDING

OWNED BY

M/S. WELSPUN CORP LTD.

AT

**PLOT NO.58, PART – I, KIADB INDUSTRIAL AREA, SY. NO. 151, 152 & 153,
GEJJALAGERE HOBLI KASABA, TALUKA MADDUR, DISTRICT MANDYA,
KARNATAKA – 571428, INDIA.**

TO ASSESS FAIR MARKET VALUE

DATE OF INSPECTION

27.01.2018

DATE OF REPORT

31.01.2018



BASIS & ASSUMPTIONS FOR VALUATION OF FIXED ASSETS

- 1) **This Valuation Assignment is given by the Owner – To Assess Fair Market Value**
- 2) While undertaking the Assignment of Valuation, we refer to Xerox copies of anyone or more Documents of Ownership i.e. Agreement / Share Certificate / Bill / Index II / Property Card / Plan furnished to us before or during visit and as our policy we do not retain these documents with us and return the same to Bank / Client. As Regards to the Authenticity / Genuineness / Verification of the Documents, the onus lies with the Bank. Our Report is valid subject to the same Property is legally cleared by Banks panel Advocate and Bank is having a Clear & Marketable Title to the Property without any encumbrance.

We / Our Representative Personally Visit the site for inspection after co – ordination with the owner / his consultants / representative & in majority of the cases the owner arranges for the visit to the site.

Subsequently after the visit we Prepare Valuation Report for the Property had shown to us.

It is mandatory for societies older than 15 years have to conduct a structural audit of the building every 5 yrs & after 30 yrs, every 3 yrs. This applies to existing structures as well as upcoming buildings also.

Bank is requested to obtain the said structural audit certificate from competent authority given to the Society.

- 3) VALUATION is the Art of Process of Estimating Value, depending on the circumstances of the case and purpose for which Valuation is needed, at a given time, Place & under Specified Market conditions and Our Report is an opinion expressed keeping in mind the purpose. Buying and Selling Assets is a Totally Different Activity & is out of scope of the Valuation Assignment.

FAIR MARKET VALUE is the Price that the Capital Asset would ordinarily fetch on sale in the open market on the relevant date. Market value is thus the warranted Price expressed in terms of money which a property is estimated to bring, at any given Time, and Place, where the Buyers and Sellers act without compulsion & with full knowledge of all the uses to which the asset is adopted and for which it is capable of being used, As Defined by the International Valuation Standards Committee London.

- 4) VALUATION is a function of Time; 'VALUE' varies with the purpose viz. Value of the same Property will be different, when purpose is different viz.

There are Different yardsticks / Approaches to Valuation viz.

1. If Valuation is for Income Tax / Wealth Tax Purpose, the approach is Cost of Construction Less Deprecation Applicable considering the Age of the Building.
 2. If Valuation is for Insurance Purpose, GIC Subsidiaries who work on IRDA Guidelines, the Replacement Cost of Construction / Sq. Ft. for Building Duly (Not Land) is Considered and Market Value is not considered while issuing the Policy.
 3. If Valuation is for Merger / Acquisition, then as per understanding for SWAP Ratio Decided by the Purchasing Co. & Selling Co., the Valuation is arrived at.
 4. If Valuation is for VISA Purpose Value, will be Market Value Approach is adopted.
 5. If Valuation is for Balance Sheet Purpose, Fair Market Value Approach is adopted.
 6. If Valuation is for Availing Bank Facilities, Conservative Approach is adopted.
- 5) Whatever Documents / Data was not available, we have arrived at the values on Basis of our experience and knowledge in the field. In case of any Human & / Technical error of judgment, a fresh Report will be submitted at a later Date, as & when the mistake is identified.



- 6) Regarding Area of the Property there are different terminologies in vogue in the Real Estate Market. e.g. Carpet Area, Built Up Area (BUA), Super Built Up Area (SBUA), Saleable Area etc. For the same property the per Sq. Ft. rate is different depending upon for what type of area the rate is specified.
- a) Carpet Area : - This is wall to wall area which is Actually Measurable.
 - b) Built Up Area : - This is 20% more than Carpet area as defined by Stamp Duty Ready Reckoner Published by the Government on 1st January Every Year.
 - c) Super Built Up Area : - This is Calculated Area which is Loaded by the Builder on the Carpet Area and the general practice followed is to load by 50 % or more for Commercial Properties & by 33 – 45% or more for Large Residential Projects having many high Rise Towers, having various amenities viz. Landscape Garden, Children's Play Area, Swimming Pools, High Speed Lifts, Health Club, Car Parkings, Separate area for Functions etc. This is a Calculated Area, using the loading factor determining for providing the any or all above Amenities given to the Owners / Purchasers in the Complex and various from Project to Project and Builder to Builder.
 - d) Saleable Area : - This is again a Calculated Area. The Builder depending on the Project & Location apply a Still Higher loading % particularly for Commercial properties in Mall Builder/Administration Cum Sales Office / Owner inform that due to Extra High Class Amenities Provided viz. Lifts / Escalators / Full Air Conditioned Premises / Generators Back up / Fire Fighting and Security Services, the % is decided which ranges between 50-200% & even Govt. agencies like MHADA, CIDCO & DDA are also following the trend. The Rates for Properties in Mall also vary a lot for Property on Gr. Floor, at the Entrance whether in front or on sides are Highest and may be Lower on Upper floors. The Super Built Up & Saleable Area's are Notional Area's which do not exists & are calculated Area's.
- 7) Legislations :
- 1. The State Government on 24th April 2008 passed a Bill, to Amend Maharashtra Ownership Flat Act, 1963 that the Builders should sell properties on Actual Carpet Area & Mention in the Agreement for Sale / Sale Deed. At the same time, Government has allowed Builders to charge separately for the various Amenities provided by them.
 - 2. As far as Super Built up Area or Saleable Area, there is no Law to Govern the Sale Transaction & Builders are enjoying this lack of Legislation as per their wish.
 - 3. In some cases, we have come across situations, where the property owners have undertaken to enclose the Balconies provided - Legally or illegally, in such cases, the Carpet Area observed is more than mentioned in ownership Document. However, we take the area as mentioned in the Agreement Or other Document of Ownership Document.
 - 4. Change in Use of the property from Residential to Commercial is ILLEGAL under the MRTP (Monopolies & Restrictive Trade Practices) Act & under Section 52, (for changing the use of Premises of Residential Bldg to Commercial to run Offices), the Matter is non-cognizable, that can attract a Punishment of 3 Years in Jail.
- 8) Ownership Documents
- a. The Agreement for Sale is Registered on the Basis of the Area mentioned in this Document after paying Stamp Duty and Registration Charges, However this area may not be a True Area, at times, to reduce the Stamp Duty, the Area mentioned in the Agreement is decided by seller & Purchaser on lower side.
 - b. It is to be understood that the Amount which is mentioned in the Agreement is again decided by seller and Buyer on terms mutually Agreed by them. This Amount is COST PRICE of the property to the Purchaser & NOT A REAL VALUE because it is the payment made by purchaser by way of Cheque / D.D. to the seller. All times, there is Cash Element also, which is not reflected in the Agreement.



9) Different values of the Property

- a. Fair Market Value : The Market value obtained in this report is defined as follows: Market Value is the Estimated Amount for which an Asset should exchange on the date of valuation between a willing buyer and willing seller in an Arm's length transaction after proper marketing wherein the parties had each acted Knowledgeably and without compulsion. (As Defined by the International Valuation Standards Committee, London.) Thus, the characteristics of the Market Values are :
- It is depend on 'Purpose of Valuation'.
 - It is time-specific as on the given date & it is free will Sale.
 - It is an estimated amount & not a predetermined or an actual sale price.
 - Buyer & Seller are actuated by business principles. They are unrelated & are acting independently.
 - Asset would be exposed to the market in the most appropriate manner to effect its disposal at the best price possible.
- b. Realisable Value : The Value Realisable by the Bank is generally less than the Market value because of various facts such as mode of payment (Strictly by Cheque), limitations of effective marketing, costs involved in the process of the sale etc. The percentage variation between RV & MV depends on various factors such as urban or rural property, user & location of the property etc. in our opinion, Considering characteristics of the subject Property under Valuation we have considered reduction factor of 10% of Market Value.
- c. Distress Sale Value : It means the amount which may reasonably be expected to be obtained from the sale of a property in which one or more characteristics of the definition of market value are not satisfied. The Seller may be a unwilling seller and the buyer may be motivated by the knowledge of the disadvantage the seller suffers from Due to this we are discounting the market value by 20%.

In view of this, when we are giving opinion to the bank regarding Value of the Security, for us the Intrinsic Value of the Property is relevant. Our emphasis is on "Value" of the Security & not on "Built Up Area" or "Super Built Up Area" etc. Hence the Per Sq. Ft. Rate is judiciously adopted keeping in mind the characteristics such as the amenities provided, the loading factor adopted etc.

As Panel Valuer of the Bank, we do keep in Mind, the Bank's Interest Only. The Report is purely our opinion on date of Inspection, as Professionals having several years of Experience in the field for many Banks.

We are in no way concerned or have any Authority in the financial facilities which are applied by the Borrowers to the Bank, subsequent sanction & Disbursal by the Bank.

In case in future if the Account becomes N.P.A. or Bank Notices that the Borrower with Fraudulent Intentions has either By Concealing the information or forging or tampering the papers, cheated the Bank and the case is handed over to Investigating Authority ,It is to be very clearly understood & noted by the bank that we in no way work hand in glove with the Borrower any time & not responsible for any Loss / Damage /Claim incurred by the Bank & we indemnify our self from any of these things.

Our Reports are never wrong or inflated and we refer to the Real Estate Periodicals / News Papers Supplements or gather the information from Websites of Real Estate Agencies / Sources and Verbal Information gathered from Estate Agents/ Builders sale Offices in the Locality at the time of arriving at the Valuation figure.

Our Report is issued for a Specific Bank which is mentioned in our Report. Use of Our Report for any other Bank or for any other purpose is Strictly Prohibited. In Case the Bank has any Queries, they should be address formally in writing to us by way of Formal Letter and we shall reply to the same by Formal Letter by answering the queries / clarifications sought by bank.



Report No. : TACPL / DIR / 17 - 18 / 313 – A

FOR : TO ASSESS FAIR MARKET VALUE

VALUATION REPORT : LAND & BUILDING

1. Date of Inspection : 27.01.2018
- Person/s accompanying/Available At the site at the time of visit/ inspection/valuation : Mr. Vijayendra V. Prabhu
Deputy General Manager- Banking and Treasury
2. Name & Address of the Valuer : **Mr. Vilas J. Bardapurkar**
C/o Techn-O-Aid Consultants Pvt. Ltd.
128, Runwal Commercial Complex, L.B.S. Marg,
Mulund (W), Mumbai – 400 080.
3. List of Documents handed over to the Valuer by the Owner : Various Lease Deed for Land, Building Plans,
Balance Sheet – Fixed Assets Schedule and
Physical Verification of Building & Structures
4. Details of enquiries made for arriving Fair Market Value. : a. Local enquires from Estate agents
b. Real Estate, Bulletins / Supplements
5. Sub – Registrar Value / Guideline Value / Rate : ----
6. Fair Market Value of the Property : **₹ 18,32,15,000 = 00**
7. Factors for determining its market value : Locality, quality of construction, age, amenities
etc.
8. Conservative Market Value of the Property : 90 % Of F.M.V. i.e. **₹ 16,48,93,500 = 00**
9. Distress Value of the Property : 80 % Of F.M.V. i.e. **₹ 14,65,72,000 = 00**
10. Any Critical Aspects Associated With Property : N.A.

AS/AS

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.



11. **PROPERTY DETAILS** :
- * **Name(s) & address(es) of the Owner (s):** : **M/s. Welspun Corp Ltd.**
Plot No.58, Part – I, Kiadb Industrial Area,
Sy. No. 151, 152 & 153, Gejjalagere Hobli
Kasaba, Taluka Maddur, District Mandya,
Karnataka – 571428, India.
- * If the Property is under Joint Ownership / co- ownership share of each owner / are the shares in undivided : **Company Ownership**
- * Brief description of the Property (Whether Open Land, House Property, Land area, Built – up Area, No. of Floors etc. : **As per Given below;**

BUILDING & STRUCTURES:

AREA STATEMENT :

Sr. No.	Particulars	Area In Sq. Mtrs.	Area In Sq. Ft.
Building - Factory			
1	Main Plant Building	12437.50	133827.50
2	Ht Panel Room At Mandya Plant	60.00	645.60
3	Main Plant Building-High Bay Area -Mill Bay 2104 M2	2031.25	21856.25
4	Main Plant Building-Finishing Bay Area-3938 M2	3796.88	40854.43
5	Main Factory Building Expansion -	6609.38	71116.93
6	Q/C Office-At Mandya Plant-Ii Phase	82.43	886.95
7	Flux Recovery Room At Mandya	95.00	1022.20
Building - Others			
8	Toilet Block	25.00	269.00
9	Main Gate	12.00	129.12
10	Security Cabin	10.00	107.60
11	Road At Mandya -Ii-Phase	3982.00	42846.32
12	Canteen & Stores At Mandya -Ii-Phase	400.00	4304.00
13	Fencing At Mandya -Ii-Phase	1173.45	12626.32
14	Car Parking At Mandya -Ii-Phase	240.00	2582.40
15	Yard Development At Mandya -Ii-Phase	9660.00	103941.60
16	Emergency Exit System At Mandya Plant	4.40	47.34

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.



Sr. No.	Asset Code	Cap Date	Description
	Building - Factory		
1	10020000000	18-Sep-10	Ht Panel Room At Mandya Plant
2	10020000001	18-Sep-10	Main Plant Building-High Bay Area-Mill Bay
3	10020000002	18-Sep-10	Main Plant Building-Finishing Bay Area
4	10020000003	14-Oct-11	Dark Room-X Ray B'lore Capex
5	10020000004	21-Sep-12	Main Factory Building Expansion
6	10020000005	21-Sep-12	Aluminium Partition At Mandya-II Phase
7	10020000006	21-Sep-12	Coil Bay At Mandya -II Phase
8	10020000007	21-Sep-12	Q/C Office-At Mandya Plant-II Phase
9	10020000008	15-Feb-13	Flux Recovery Room At Mandya
10	10020000009	18-Feb-13	Compressor Room At Mandya
	Building - Others		
1	10024000000	18-Sep-10	Borewell At Mandya
2	10024000001	18-Sep-10	Chain Link-Fencing
3	10024000002	18-Sep-10	Toilet Block
4	10024000003	18-Sep-10	Main Gate
5	10024000004	18-Sep-10	Security Cabin
6	10024000005	23-Oct-12	Road At Mandya -Ii-Phase
7	10024000006	21-Sep-12	Drain For Rain Water At Mandya -II-Phase
8	10024000007	15-Oct-12	Canteen & Stores At Mandya -Ii-Phase
9	10024000008	21-Sep-12	Fencing At Mandya -II-Phase
10	10024000009	15-Oct-12	Car Parking At Mandya -II-Phase
11	10024000010	6-Sep-12	Yard Development At Mandya -II-Phase
12	10024000011	28-Feb-13	Sintex Tank For RO - 300ltr (1)
13	10024000012	28-Feb-13	Sintex Tank For RO - 300ltr (2)
14	10024000013	28-Feb-13	Sintex Tank For RO - 300ltr (3)
15	10024000014	28-Feb-13	Sintex Tank For RO - 2000ltr
16	10024000015	28-Feb-13	Sintex Tank For RO - 1000ltr (1)
17	10024000016	28-Feb-13	Sintex Tank For RO - 1000ltr (2)
18	10024000017	18-Feb-13	Emergency Exit System At Mandya Plant



* Dimensions of the Site	:	As Per Plan
North	:	
South	:	
East	:	
West	:	
* Location of the Property (Plot / Door No. Survey No. etc.)	:	Plot No.58, Part – I, Kiadb Industrial Area, Sy. No. 151, 152 & 153, Gejjalagere Hobli Kasaba, Taluka Maddur, District Mandya, Karnataka.
* Postal Address	:	Same as above
* Boundaries of the Property		
North	:	Kiadb Road No.3 & Plot No.57
South	:	Plot No.59, Plot No.58 Part II & State Highway
East	:	Private Land
West	:	Kiadb Road No.2 & Plot No.58 Part II
* Any Specific identification marks (Like Electric pole No. Dug well etc)	:	N.A.
* Whether covered under Corporation / Panchayat / Municipality.	:	Gram Panchayat
* Whether covered under any land ceiling of State / Central Government	:	N.A.
* Is the Land Freehold / leasehold	:	Leasehold
* Are there any restrictive covenants in regard to use of Land ? If so attach a copy of the covenant.	:	No.
* Type of the property - Whether	:	
Agriculture	:	
Industrial	:	Yes. – Industrial Unit
Commercial	:	
Institutional	:	
Government	:	
Non-Government	:	
Others (Specify)	:	
* In Case of Agricultural Land	:	N.A.
Any conversion to House site is obtained	:	
Whether the land is dry or wet	:	
Availability of irrigation facilities	:	
Type of crops grown	:	
Annual yield or income	:	



* Year of Purchase	:	As per Agreement
* Value of Purchase price	:	As per Agreement
* Whether the Property is occupied by owner or tenant. If occupied by tenant since how long he is staying and the amount of rent being paid.	:	Owner Occupied.
* Classification of the Site	:	
Population Group	:	Rural
High / Middle / Poor Class	:	N.A.
Residential / Non residential	:	Non Residential
Development of surrounding area	:	Developed
Possibility of any threat to the property (Floods, calamities etc.)	:	No.
* Proximity of civic amenities (like School, hospital, bus stop, market etc)	:	Available in Vicinity
* Level of the Land (Plain, rock etc.)	:	Plain
* Terrain of the Land	:	Leveled
* Shape of the Land (Square, Rectangular etc)	:	Trapezoidal
* Type of use to which it can be put (for construction of house, factory etc)	:	Industrial Factory
* Any usage restrictions on the property	:	Industrial Purpose
* Whether the plot is under town planning approved layout	:	Yes
* Whether the plot is intermittent or corner	:	Intermittent
* Whether any road facility is available	:	Yes.
* Type of Road available (B.T / Cement Road etc)	:	B.T. Road
* Front Width of the Road	:	40 Ft.
* Source of water & water potentiality	:	Borewell
* Type of Sewerage System	:	Underground
* Availability of power supply	:	Chaamundeshwari Electric Supply Corp Ltd (KEB)
* Advantage of the site	:	Develop Industrial Locality



- * Give instances of sale of immovable property in the locality on a separate sheet, indicating the name & address of the property, Registration no. Sale price and area of Land sold. : Not Available

12. RENT DETAILS

- * Is the Building owner occupied / tenant / both ? : Owner Occupied
- * If partly owner occupied, specify portion & extent of area under occupation : N.A.
- * Name of the Tenant / Lessees / Licensees etc : N.A.
- * Portion in their occupation : N.A.
- * Has the tenant to bear the whole or part of the cost of repairs & maintenance. Give particulars : N.A.
- * If lift is installed, who is to bear the cost of maintenance and operations. Owner or tenant ? : N.A.
- * Has any standard rent has been fixed for the premises under any law relating to the control of rent? : N.A.
- * Present / expected income / rent from the Property : N.A.

13. VALUATION OF THE PROPERTY :

Part I : (Valuation of Land) : As Per Valuation Annexure

- 1 Dimensions of the Plot :
- 2 Total area of the plot :
- 3 Prevailing market rate :
- 4 Guideline rate obtained from the Registrar office :
- 5 Assessed / adopted rate of Valuation :
- 6 Estimated Value of the land. :
- 7 The conservation value of the land. :



Part II : (Valuation of Factory Property)

a. Technical Details of the Factory Building

- * Type of the Building : Industrial Factory
(Residential / Commercial / Industrial)
- * Year of Construction : As Per Valuation Annexure
- * Future life of the Property : As Per Valuation Annexure
- * No. of floors and height. of each floor : As Per Details
including Basement
- * Plinth area of each floor : ---
- * Type of Construction (Load bearing / : R.C.C, Heavy M.S. & Load Bearing
RCC / Steel Framed)
- * Condition of the Building :
 - External : GOOD
 - Internal : GOOD
- * Whether the building / property is : Yes.
constructed strictly according to the
sanctioned plan, Details of variations
noticed if any and effect of the same on
the valuation.

- b. Specification of construction : As Per Valuation Annexure**



VALUATION ANNEXURE

I. LAND

The Factory is Located on **Plot No.58, Part – I, Kiadb Industrial Area, Sy. No. 151, 152 & 153, Gejjalagere Hobli Kasaba, Taluka Maddur, District Mandya, Karnataka – 571428, India.**

Being Connected with National Highway, Transportation facility will be available easily & at reasonable rates. All Infrastructures such as Water Supply, Roads, Communication, Network etc. are easily available at the location. As many manufacturing units are working in this area since many years, skilled, semi skilled & unskilled Labour is available at very cheaper rates. Market of finished goods viz. Domestic as well as Exports are well connected by roads, so that the finished goods can be transported at low transport cost and at ease.

II. BUILDING & STRUCTURES

A. Factory Building

Sr. No.	Cap Date	Description	Type Of Structure	Resi. Life In Yrs.
Building - Factory				
1	18-Sep-10	Main Plant Building-High Bay Area-Mill Bay	Heavy M.S.	32
2	18-Sep-10	Main Plant Building-Finishing Bay Area	Heavy M.S.	32
3	14-Oct-11	Dark Room-X Ray B'lore Capex	Heavy M.S.	33
4	21-Sep-12	Main Factory Building Expansion	Heavy M.S.	34
5	21-Sep-12	Coil Bay At Mandya -II Phase	Heavy M.S.	34

These Ground Storied Heavy M.S. Framed Structure having R.C.C footings, Heavy M.S. Beams, Columns & GI Sheet Roofing over MS Trusses. The Present condition of the Structures is Good & Well Maintained by the owners.



DESCRIPTION	DETAILS
Superstructure	Heavy M.S. Framed Structure
Roof	GI Sheet Roofing over M.S. Trusses
Doors	M.S. Rolling Shutters
Windows	----
RCC work	Good
Plastering	BB Walls / GI Sheet Cladding
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial

Sr. No.	Cap Date	Description	Type Of Structure	Resi. Life In Yrs.
Building - Factory				
1	18-Sep-10	Ht Panel Room At Mandya Plant	Load Bearing	22
2	21-Sep-12	Q/C Office-At Mandya Plant-II Phase	M.S.	24
3	15-Feb-13	Flux Recovery Room At Mandya	M.S.	25
4	18-Feb-13	Compressor Room At Mandya	M.S.	25

These Ground Storied M.S. Framed Structure having R.C.C footings, M.S. Beams, Columns & GI Sheet Roofing over MS Trusses. The Present condition of the Structures is Good & Well Maintained by the owners.

DESCRIPTION	DETAILS
Superstructure	M.S. Framed Structure
Roof	GI Sheet Roofing over M.S. Trusses
Doors	M.S. Rolling Shutters
Windows	----
RCC work	Good
Plastering	BB Walls / GI Sheet Cladding
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial



B. Other Building

Sr. No.	Cap Date	Description	Type Of Structure	Resi. Life In Yrs.
Building - Others				
1	21-Sep-12	Fencing At Mandya -II-Phase	M. S. Structure	24
2	15-Oct-12	Car Parking At Mandya -II-Phase	M. S. Structure	24

These Ground Storied M.S. Framed Structure having R.C.C footings, M.S. Beams, Columns & GI Sheet Roofing over MS Trusses. The Present condition of the Structures is Good & Well Maintained by the owners.

DESCRIPTION	DETAILS
Superstructure	M.S. Framed Structure
Roof	GI Sheet Roofing over M.S. Trusses
Doors	M.S. Rolling Shutters
Windows	----
RCC work	Good
Plastering	BB Walls / GI Sheet Cladding
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial

Sr. No.	Cap Date	Description	Type Of Structure	Resi. Life In Yrs.
Building - Others				
1	21-Sep-12	Toilet Block	R.C.C.	52
2	18-Sep-10	Main Gate	R.C.C.	52
3	18-Sep-10	Security Cabin	R.C.C.	52
4	15-Oct-12	Canteen & Stores At Mandya -II-Phase	R.C.C.	54

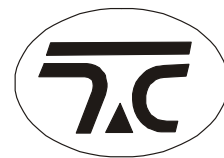
These Ground Storied R.C.C. Framed Structure having R.C.C Beams, Columns & Slabs. The Present condition of the Structures is Good & Well Maintained by the owners.



DESCRIPTION	DETAILS
Superstructure	R.C.C. Framed Structure
Roof	R.C.C. Slab
Doors	M.S. Rolling Shutters
Windows	M.S. Grills
RCC work	Good
Plastering	BB Walls
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial

Site Development :

Sr. No.	Description	Type Of Structure	Resi. Life In Yrs.
Building - Factory			
1	Aluminium Partition At Mandya-II Phase	Al.	24
Building - Others			
1	Borewell At Mandya	--	27
2	Chain Link-Fencing	M.S.	22
3	Road At Mandya -Ii-Phase	Roads	29
4	Drain For Rain Water At Mandya -Ii-Phase	Drains	29
5	Fencing At Mandya -Ii-Phase	M.S.	29
6	Car Parking At Mandya -Ii-Phase	M.S.	29
7	Yard Development At Mandya -Ii-Phase	Open Yard	24
8	Sintex Tank For Ro - 300ltr (1)	PVC	20
9	Sintex Tank For Ro - 300ltr (2)	PVC	20
10	Sintex Tank For Ro - 300ltr (3)	PVC	20
11	Sintex Tank For Ro - 2000ltr	PVC	20
12	Sintex Tank For Ro - 1000ltr (1)	PVC	20
13	Sintex Tank For Ro - 1000ltr (2)	PVC	20
14	Emergency Exit System At Mandya Plant		20



VALUATION

1. The Building & Structures are in good condition & for Valuation we are adopting **“OPTIMIZED REPLACEMENT VALUE BASIS”**. The detailed Lists of Building & Structures are enclosed.
2. The Total Life of Building & Structures at the Factory is considered at : for R.C.C Structures at 55-60 years, for Heavy M.S. Structures at 40-45 years & for M.S./ Load bearing Structures at 30-35 years respectively As per Companies Act, 2013.

Valuation Methodology

Taking into consideration the various Details / Specifications / Construction & present condition of **Building & Structures** as described in the Annexure for the Factory located on **Plot No.58, Part – I, Kiadb Industrial Area, Sy. No. 151, 152 & 153, Gejjalagere Hobli Kasaba, Taluka Maddur, District Mandya, Karnataka – 571428, India**, which is a Developed Industrial Locality of **Karnataka**. The Fair Market Value as on Date of Valuation has been arrived on the **“OPTIMIZED REPLACEMENT VALUE BASIS”**.

To arrive at the Fair Market Value for the Assets owned by **M/s. Welspun Corp Limited;**

- Considered the investment cost (Purchase Price) of the assets as per the asset registers, annual additions and deletions in the assets,
- Worked out Present Day Replacement Value applying relevant cost inflation indices and current market prices of Modern Equivalent Assets,
- Adjusted the Replacement Value to get Fair Market Value with due consideration to economic life of the assets, expected future life, technological and commercial/ economical obsolescence, etc.
- To arrive to the Fair Market Value (FMV), due weightage was given to the life span, comparison of useful life of assets and depreciation rates as per fair life of the assets.



Taking into consideration the various Details / Specifications / Construction & present condition of the Buildings as described above for the Property located at **Village: Jolva & Vadadla, Dahej Road, Taluka: Vagra, District: Bharuch, Gujarat – 392 130**, Hence, the Valuation works out as below;

Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
	Building - Factory				
1	Ht Panel Room At Mandya Plant	240973	184092	392480	287820
2	Main Plant Building-High Bay Area-Mill Bay	19277517	14726907	31398110	25118490
3	Main Plant Building-Finishing Bay Area	36074510	27559277	58756090	47004870
4	Dark Room-X Ray B'lore Capex	296407	236949	438170	361490
5	Main Factory Building Expansion	57940352	48120674	78798880	66979050
6	Aluminium Partition At Mandya-II Phase	510379	423880	694120	555300
7	Coil Bay At Mandya -II Phase	1852026	1538146	2518760	2140950
8	Q/C Office-At Mandya Plant-II Phase	1355347	1125644	1843270	1474620
9	Flux Recovery Room At Mandya	397083	335089	490940	409120
10	Compressor Room At Mandya	251078	211947	310420	258680
	Total - Building - Factory	11,81,95,672	9,44,62,607	17,56,41,240	14,45,90,390



Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
	Building - Others				
1	Borewell At Mandya	129832	6492	211460	155070
2	Chain Link-Fencing	2563500	128175	4175280	3061870
3	Toilet Block	2739452	2285524	4461860	3866950
4	Main Gate	271259	221298	441810	382900
5	Security Cabin	160594	131015	261570	226690
6	Road At Mandya -Ii-Phase	17995767	899788	24474240	19579390
7	Drain For Rain Water At Mandya -II-Phase	183684	9184	249810	199850
8	Canteen & Stores At Mandya -Ii-Phase	6064040	5181043	8247090	7422380
9	Fencing At Mandya -II-Phase	1401386	70069	1905880	1524700
10	Car Parking At Mandya -II-Phase	1298694	1109588	1766220	1412980
11	Yard Development At Mandya -II-Phase	459600	391772	625060	500050
12	Sintex Tank For RO - 300ltr (1)	3701	1	4580	3820
13	Sintex Tank For RO - 300ltr (2)	3701	1	4580	3820
14	Sintex Tank For RO - 300ltr (3)	3701	185	4580	3820
15	Sintex Tank For RO - 2000ltr	12402	620	15330	12780
16	Sintex Tank For RO - 1000ltr (1)	7401	370	9150	7630
17	Sintex Tank For RO - 1000ltr (2)	7401	370	9150	7630
18	Emergency Exit System At Mandya Plant	245145	211006	303090	252580
	Total - Building - Others	3,35,51,259	1,06,46,502	4,71,70,740	3,86,24,910
	Total - Building	15,17,46,931	10,51,09,109	22,28,11,980	18,32,15,300



SUMMARY

Sr. No.	Particulars	Gross Block In ₹	Net Block In ₹	Replacement Value In ₹	Fair Market Value In ₹
A	Land	---	---	---	---
B	Factory Building & Structures	15,17,46,931	10,51,09,109	22,28,11,980	18,32,15,300
Total		15,17,46,931	10,51,09,109	22,28,11,980	18,32,15,300
Rounded Off To		15,17,47,000	10,51,09,000	22,28,12,000	18,32,15,000
In Crore		15.17	10.51	22.28	18.32

(₹ Eighteen Crore Thirty Two Lakh Only.)

We Certify that

- The Property is being valued by me personally.
- The Rates for valuation of the property are as per Prevailing Market Rates in the Locality as on date of visit.
- We have no direct or indirect interest in the Asset Valued & we have used the basic Data / Documents provided to us at the Time of our personal Visit to the Site on **27.01.2018**
- The value of the property : **₹ 18.32 Crore**
- Our Report does not cover Check of the Ownership / Title clearance / Legal aspects & there is no Legal / Contractual obligation on our Part. We have assumed that the assets are free of encumbrances of loan, Or Govt. or other dues, Stamp Duty, Registration Charges, Transfer charges etc. if any, are not considered in the valuation.
- Emphasis of this Report is on the value of the Property & not on the Area Measurement or Title Verification of the property & is based on market rate.
- It may be noted that, the Valuation of the Asset arrived by us is purely our opinion based on Basis and Assumptions as Listed in Page No. 2, 3 of this Report.
- This Report contains 42 Pages & Photographs.

Date : 31.01.2018

Place: MUMBAI



Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

Approved Valuer

TECHN-O-AID CONSULTANTS PVT. LTD.



**APPROVED TECHNICAL CONSULTANTS
ARCHITECTS , CHARTERED ENGINEERS & VALUERS**

128, 1ST FLR. RUNWAL COMMERCIAL COMPLEX, NEAR SHREE SANTOSHI MATA MANDIR. L.B.S. MARG,
MULUND (W), MUMBAI - 400 080. TEL.: 2590 2669 • TELEFAX : 2569 0712 • CELL : 98210 18187
E-mail : tacpl@bplmobile.blackberry.com • technoaidconsultants@gmail.com • tacpl@yahoo.com

VALUATION OF PLANT & MACHINERY AND OTHER ASSETS OWNED BY M/S. WELSPUN CORP LTD.

AT

**PLOT NO.58, PART – I, KIADB INDUSTRIAL AREA, SY. NO. 151, 152 & 153,
GEJJALAGERE HOBLI KASABA, TALUKA MADDUR, DISTRICT MANDYA,
KARNATAKA – 571428, INDIA.**

TO ASSESS FAIR MARKET VALUE

DATE OF INSPECTION

27.01.2018

DATE OF REPORT

31.01.2018

VALUATION REPORT PREPARED BY

PROPERTY OWNED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

M/S. WELSPUN CORP LTD.



BASIS & ASSUMPTIONS FOR VALUATION OF PLANT & MACHINERY AND OTHER ASSETS

- 1. This Valuation Assignment is given by the Owner – To Assess Fair Market Value.**
2. For this Assignment of Valuation Assets has been classified into Groups as per their Functional abilities and Capacities like Plant & Machinery, Laboratory Equipments, Electrical Installations & Furniture & Fixtures and then these Groups are valued as a Block of Assets.
3. The Available details such as cost of Erection and Commissioning are furnished by the company for this Assignment.
4. The Life of the Machinery is assumed appropriately depending upon the Operation/s it performs /product manufactured & number of shifts operated & maintenance.
The Total Life of the Basic Machinery / Process Plants / Utilities we assume the Life based upon the type of Industry.
5. Obsolescence (Tech. / Functional / Economic) & utility of the Machine Equipment are taken into the Consideration as part of Depreciation.

The Depreciation calculated for Accounting is not valid /considered for Revaluation of Plant & Machinery.
For those Machine & Equipments which are maintained very well by the company, we consider relatively low rates of Depreciation for these Machines.
6. The age of the Machine and Depreciation is directly co-related with the date of Valuation.
The Age of Machine is defined as "A period of time from the date of installation till the date of retirement of its service."

The Age of Machine depends upon the Working Condition, Frequency of Breakdown, Spares, Climate, Govt. Policy, Technological Obsolescence etc.
7. In case of Capital Work in Progress, the Documents /C. A.'s certificate furnished is referred to & valued AT COST.
8. For arriving the Replacement cost of Plant, Machinery/Equipments we either follow the method of Indexation referring to RBI Cost Inflation Index as of 01.04.1981 & the index on date of Valuation as notified by RBI or gather the information over telephone from manufacturer / dealers / experts from similar industry.
9. We assume that the bank having invoices in original given by the Borrower.
10. In case of any Human & Technical error of judgment, a fresh Report will be submitted at a later Date, as & when the mistake is identified.



11. VALUATION is the Art of Process of Estimating Value, depending on the circumstances of the case & purpose for which Valuation is needed, at a given time, Place & under Specified Market conditions and Our Report is an opinion expressed keeping in mind the purpose. Buying & Selling Assets is a Totally Different Activity & is out of scope of the Valuation Assignment.

FAIR MARKET VALUE is the Price that the Capital Asset would ordinarily fetch on sale in the open market on the relevant date.

Market Value is thus the warranted Price expressed in terms of money which a property is estimated to bring, at any given Time, and Place, where the Buyers and Sellers act without compulsion & with full knowledge of all the uses to which the asset is adopted and for which it is capable of being used, As Defined by the International Valuation Standards Committee London.

12. VALUATION is a function of Time, 'VALUE' varies with the purpose viz. Value of the same Property will be different, when purpose is different viz.

There are Different yardsticks / Approaches to Valuation viz.

1. If Valuation is for Income Tax / Wealth Tax Purpose, the approach is Indexation referring to RBI Cost Inflation Index as of 01.04.1981 & the index on date of valuation as notified by RBI.
2. If Valuation is for Insurance Purpose, GIC Subsidiaries who work on IRDA Guidelines, the Replacement Cost is considered while issuing the Policy.
3. If Valuation is for Merger / Acquisition, then as per understanding for SWAP Ratio Decided by the Purchasing Co. & Selling Co., the Valuation is arrived at.
4. If Valuation is for VISA Purpose Value, will be Market Value Approach is adopted.
5. If Valuation is for Balance Sheet Purpose, Fair Market Value Approach is adopted.



Report No. : TACPL / DIR / 17 -18 / 313 – B

FOR : TO ASSESS FAIR MARKET VALUE

VALUATION REPORT: PLANT & MACHINERY AND OTHER ASSETS

1. Date of Inspection : 27.01.2018
2. Name & Address of the Valuer : **Vilas J. Bardapurkar**
C/o Techn-O-Aid Consultants Pvt. Ltd.
128, Runwal Commercial Complex, L.B.S. Marg,
Mulund (W), Mumbai – 400 080.
3. Name of the Owner : **M/S. Welspun Corp Ltd.**
4. Address of the Plant : **Plot No.58, Part – I, Kiadb Industrial Area,
Sy. No. 151, 152 & 153, Gejjalagere Hobli
Kasaba, Taluka Maddur, District Mandya,
Karnataka – 571428, India.**
5. List of Documents handed over to the Valuer by the Owner : Various Documents, Balance Sheet – Fixed Assets
Schedule and Physical Verification of Plant &
Machineries
6. Details Of Enquiries Made For Arriving Fair Market Value. : a. Local enquires from Suppliers of Plant &
Machinery
b. Plant & Machinery Manuals, Bulletins /
Supplement
7. Fair Market Value of the Plant & Machinery & Other Assets as on Date : **₹ 62,99,56,000 = 00**
8. Factors for Determining Its Market Value : Operation /s it performs / Product Manufactured &
Number of shifts operated & Maintenance.
9. Conservative Market Value of the Plant & Machinery & Other Assets : 90 % Of F.M.V. i.e. **₹ 56,69,60,400 = 00**
10. Distress Value of the Plant & Machinery & Other Assets : 80 % Of F.M.V. i.e. **₹ 50,39,64,800 = 00**

AS/PM

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.



VALUATION

1. The Plant is in excellent condition & for Valuation we are adopting **“OPTIMIZED REPLACEMENT VALUE BASIS”**. The detailed Lists of Plant & Machinery are enclosed.
2. The Total Life of Plant & Machinery installed at the Factory is considered at 25 years, As per Company's Act 2013.

Valuation Methodology

Taking into consideration the various Details / Specifications / Construction & present condition of **Plant & Machinery and Other Assets** as described in the Annexure for the Factory located on **Plot No.58, Part – I, Kiadb Industrial Area, Sy. No. 151, 152 & 153, Gejjalagere Hobli Kasaba, Taluka Maddur, District Mandya, Karnataka – 571428, India**, which is a Developed Industrial Locality of **Karnataka**. The Fair Market Value as on Date of Valuation has been arrived on the **“OPTIMIZED REPLACEMENT VALUE BASIS”**.

To arrive at the Fair Market Value for the Assets owned by **M/s. Welspun Corp Limited;**

- Considered the investment cost (Purchase Price) of the assets as per the asset registers, annual additions and deletions in the assets,
- Worked out Present Day Replacement Value applying relevant cost inflation indices and current market prices of Modern Equivalent Assets,
- Adjusted the Replacement Value to get Fair Market Value with due consideration to economic life of the assets, expected future life, technological and commercial/ economical obsolescence, etc.
- To arrive to the Fair Market Value (FMV), due weightage was given to the life span, comparison of useful life of assets and depreciation rates as per fair life of the assets.
- For the Other Assets Viz. Vehicles, Furniture & Fixtures, Office Equipments & Computers, we have considered the Net Value as on 31.12.2017 as the Fair Market Value.



Summary

Sr. No.	Particulars	Gross Block In ₹	Net Block In ₹	Replacement Value In ₹	Fair Market Value In ₹
A	Plant & Machineries	58,67,62,328	30,16,05,235	86,58,25,320	62,50,47,760
	Total	58,67,62,328	30,16,05,235	86,58,25,320	62,50,47,760
B	Other Assets				
1.	Electrical	1,80,291	1,25,932	1,84,260	1,68,450
2.	Vehicles	---	---	---	---
3.	Furniture & Fixtures	1,21,66,070	34,01,790	34,01,790	34,01,790
4.	Office Equipments	88,27,021	11,55,450	11,55,450	11,55,450
5.	Computers	28,46,647	1,81,149	1,81,149	1,81,149
6.	Software	2,12,596	910	910	910
	Total	4,82,84,961	96,04,528	96,62,856	96,47,046
	Grand Total of Assets	61,09,94,954	30,64,70,465	87,07,48,878	62,99,55,508
	Rounded Off To	61,09,95,000	30,64,70,000	87,07,49,000	62,99,56,000
	In Crore	61.10	30.65	87.07	63.00

(₹ Sixty Three Crore Only.)

We hereby declare that,

- The information furnished above is true & correct to the best of our knowledge & belief.
- We have no direct or indirect interest in the Asset Valued & we have used the basic Data / Documents provided to us at the Time of our personal Visit to the Site **on 27.01.2018**
- The value of the Plant & Machinery : **₹ 63.00 Crore**
- Our Report does not cover Check of the Ownership / Title clearance / Legal aspects & there is no Legal / Contractual obligation on our Part.
- It may be noted that, the Valuation of the Asset arrived by us is purely our opinion based on Basis & Assumptions as Listed in Page No.37 & 38 of this Report.
- My Registration with State Chief Commissioner of Income Tax is valid as on Date.

Date : 31.01.2018

Place: MUMBAI



Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

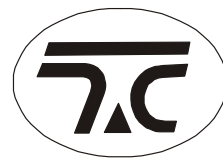
Approved Valuer

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.



PHOTOGRAPHS
FOR PROPERTY OWNED BY
M/S. WELSPUN CORP LTD.
PIPE DIVISION - MANDYA

AT

**PLOT NO.58, PART – I, KIADB INDUSTRIAL AREA, SY. NO. 151, 152 & 153,
GEJJALAGERE HOBLI KASABA, TALUKA MADDUR, DISTRICT MANDYA,
KARNATAKA – 571428, INDIA.**

TECHN-O-AID CONSULTANTS PVT. LTD.



**APPROVED TECHNICAL CONSULTANTS
ARCHITECTS , CHARTERED ENGINEERS & VALUERS**

128, 1ST FLR. RUNWAL COMMERCIAL COMPLEX, NEAR SHREE SANTOSHI MATA MANDIR. L.B.S. MARG,
MULUND (W), MUMBAI - 400 080. TEL.: 2590 2669 • TELEFAX : 2569 0712 • CELL : 98210 18187
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VALUATION OF ASSETS

OWNED BY

M/S. WELSPUN CORP LTD.

L-SAW PIPE PLANT - ANJAR

AT

**WELSPUN CITY, SURVEY NOS. 682/1, 984, VILLAGE – VARSAMEDI,
TALUKA – ANJAR, DIST. – KUTCH, GUJARAT – 370110, INDIA.**

TO ASSESS FAIR MARKET VALUE

DATE OF INSPECTION

24.01.2018

DATE OF REPORT

31.01.2018



SUMMARY

VALUATION OF IMMOVABLE PROPERTY

OWNED BY

M/S. WELSPUN CORP LTD.

Sr. No.	Particulars	Gross Block In ₹	Net Block In ₹	Replacement Value In ₹	Fair Market Value In ₹
I	Land	81,50,190	81,50,190	3,53,34,750	3,53,34,750
II	Building	106,96,22,209	84,15,72,913	148,20,89,860	123,90,31,320
III	Plant & Machineries	445,24,62,949	268,26,48,157	612,19,43,590	460,37,11,860
IV	Electrical	---	---	---	---
V	Vehicles	10,44,259	5,71,976	5,71,976	5,71,976
VI	Furniture & Fixtures	2,55,26,621	1,03,50,136	1,03,50,136	1,03,50,136
VII	Office & Other Equip.	2,43,57,113	61,24,564	61,24,564	61,24,564
VIII	Computers	1,27,73,411	19,05,383	19,05,383	19,05,383
IX	Software	58,99,897	19,91,245	19,91,245	19,91,245
Grand Total of Assets		559,98,36,650	355,33,14,565	766,03,11,505	589,90,21,235
Rounded Off To		559,98,37,000	355,33,15,000	766,03,12,000	589,90,21,000
In Crore		559.98	355.33	766.03	589.90

(₹ Five Hundred and Eighty Nine Crore Ninety Lakh Only.)

Date : 31.01.2018

Place: MUMBAI

Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

Approved Valuer

TECHN-O-AID CONSULTANTS PVT. LTD.



**APPROVED TECHNICAL CONSULTANTS
ARCHITECTS , CHARTERED ENGINEERS & VALUERS**

128, 1ST FLR. RUNWAL COMMERCIAL COMPLEX, NEAR SHREE SANTOSHI MATA MANDIR. L.B.S. MARG,
MULUND (W), MUMBAI - 400 080. TEL.: 2590 2669 • TELEFAX : 2569 0712 • CELL : 98210 18187
E-mail : tacpl@bplmobile.blackberry.com • technoaidconsultants@gmail.com • tacpl@yahoo.com

VALUATION OF ASSETS : LAND & BUILDING

OWNED BY

M/S. WELSPUN CORP LTD.

AT

**WELSPUN CITY, SURVEY NOS. 682/1, 984, VILLAGE – VARSAMEDI,
TALUKA – ANJAR, DIST. – KUTCH, GUJARAT – 370110, INDIA.**

TO ASSESS FAIR MARKET VALUE

DATE OF INSPECTION

24.01.2018

DATE OF REPORT

31.01.2018



BASIS & ASSUMPTIONS FOR VALUATION OF FIXED ASSETS

- 1) **This Valuation Assignment is given by the Owner – To Assess Fair Market Value**
- 2) While undertaking the Assignment of Valuation, we refer to Xerox copies of anyone or more Documents of Ownership i.e. Agreement / Share Certificate / Bill / Index II / Property Card / Plan furnished to us before or during visit and as our policy we do not retain these documents with us and return the same to Bank / Client. As Regards to the Authenticity / Genuineness / Verification of the Documents, the onus lies with the Bank. Our Report is valid subject to the same Property is legally cleared by Banks panel Advocate and Bank is having a Clear & Marketable Title to the Property without any encumbrance.

We / Our Representative Personally Visit the site for inspection after co – ordination with the owner / his consultants / representative & in majority of the cases the owner arranges for the visit to the site.

Subsequently after the visit we Prepare Valuation Report for the Property had shown to us.

It is mandatory for societies older than 15 years have to conduct a structural audit of the building every 5 yrs & after 30 yrs, every 3 yrs. This applies to existing structures as well as upcoming buildings also.

Bank is requested to obtain the said structural audit certificate from competent authority given to the Society.

- 3) VALUATION is the Art of Process of Estimating Value, depending on the circumstances of the case and purpose for which Valuation is needed, at a given time, Place & under Specified Market conditions and Our Report is an opinion expressed keeping in mind the purpose. Buying and Selling Assets is a Totally Different Activity & is out of scope of the Valuation Assignment.

FAIR MARKET VALUE is the Price that the Capital Asset would ordinarily fetch on sale in the open market on the relevant date. Market value is thus the warranted Price expressed in terms of money which a property is estimated to bring, at any given Time, and Place, where the Buyers and Sellers act without compulsion & with full knowledge of all the uses to which the asset is adopted and for which it is capable of being used, As Defined by the International Valuation Standards Committee London.

- 4) VALUATION is a function of Time; 'VALUE' varies with the purpose viz. Value of the same Property will be different, when purpose is different viz.

There are Different yardsticks / Approaches to Valuation viz.

1. If Valuation is for Income Tax / Wealth Tax Purpose, the approach is Cost of Construction Less Deprecation Applicable considering the Age of the Building.
 2. If Valuation is for Insurance Purpose, GIC Subsidiaries who work on IRDA Guidelines, the Replacement Cost of Construction / Sq. Ft. for Building Duly (Not Land) is Considered and Market Value is not considered while issuing the Policy.
 3. If Valuation is for Merger / Acquisition, then as per understanding for SWAP Ratio Decided by the Purchasing Co. & Selling Co., the Valuation is arrived at.
 4. If Valuation is for VISA Purpose Value, will be Market Value Approach is adopted.
 5. If Valuation is for Balance Sheet Purpose, Fair Market Value Approach is adopted.
 6. If Valuation is for Availing Bank Facilities, Conservative Approach is adopted.
- 5) Whatever Documents / Data was not available, we have arrived at the values on Basis of our experience and knowledge in the field. In case of any Human & / Technical error of judgment, a fresh Report will be submitted at a later Date, as & when the mistake is identified.



- 6) Regarding Area of the Property there are different terminologies in vogue in the Real Estate Market. e.g. Carpet Area, Built Up Area (BUA), Super Built Up Area (SBUA), Saleable Area etc. For the same property the per Sq. Ft. rate is different depending upon for what type of area the rate is specified.
- a) Carpet Area : - This is wall to wall area which is Actually Measurable.
 - b) Built Up Area : - This is 20% more than Carpet area as defined by Stamp Duty Ready Reckoner Published by the Government on 1st January Every Year.
 - c) Super Built Up Area : - This is Calculated Area which is Loaded by the Builder on the Carpet Area and the general practice followed is to load by 50 % or more for Commercial Properties & by 33 – 45% or more for Large Residential Projects having many high Rise Towers, having various amenities viz. Landscape Garden, Children's Play Area, Swimming Pools, High Speed Lifts, Health Club, Car Parkings, Separate area for Functions etc. This is a Calculated Area, using the loading factor determining for providing the any or all above Amenities given to the Owners / Purchasers in the Complex and various from Project to Project and Builder to Builder.
 - d) Saleable Area : - This is again a Calculated Area. The Builder depending on the Project & Location apply a Still Higher loading % particularly for Commercial properties in Mall Builder/Administration Cum Sales Office / Owner inform that due to Extra High Class Amenities Provided viz. Lifts / Escalators / Full Air Conditioned Premises / Generators Back up / Fire Fighting and Security Services, the % is decided which ranges between 50-200% & even Govt. agencies like MHADA, CIDCO & DDA are also following the trend. The Rates for Properties in Mall also vary a lot for Property on Gr. Floor, at the Entrance whether in front or on sides are Highest and may be Lower on Upper floors. The Super Built Up & Saleable Area's are Notional Area's which do not exists & are calculated Area's.
- 7) Legislations :
- 1. The State Government on 24th April 2008 passed a Bill, to Amend Maharashtra Ownership Flat Act, 1963 that the Builders should sell properties on Actual Carpet Area & Mention in the Agreement for Sale / Sale Deed. At the same time, Government has allowed Builders to charge separately for the various Amenities provided by them.
 - 2. As far as Super Built up Area or Saleable Area, there is no Law to Govern the Sale Transaction & Builders are enjoying this lack of Legislation as per their wish.
 - 3. In some cases, we have come across situations, where the property owners have undertaken to enclose the Balconies provided - Legally or illegally, in such cases, the Carpet Area observed is more than mentioned in ownership Document. However, we take the area as mentioned in the Agreement Or other Document of Ownership Document.
 - 4. Change in Use of the property from Residential to Commercial is ILLEGAL under the MRTP (Monopolies & Restrictive Trade Practices) Act & under Section 52, (for changing the use of Premises of Residential Bldg to Commercial to run Offices), the Matter is non-cognizable, that can attract a Punishment of 3 Years in Jail.
- 8) Ownership Documents
- a. The Agreement for Sale is Registered on the Basis of the Area mentioned in this Document after paying Stamp Duty and Registration Charges, However this area may not be a True Area, at times, to reduce the Stamp Duty, the Area mentioned in the Agreement is decided by seller & Purchaser on lower side.
 - b. It is to be understood that the Amount which is mentioned in the Agreement is again decided by seller and Buyer on terms mutually Agreed by them. This Amount is COST PRICE of the property to the Purchaser & NOT A REAL VALUE because it is the payment made by purchaser by way of Cheque / D.D. to the seller. All times, there is Cash Element also, which is not reflected in the Agreement.



9) Different values of the Property

- a. Fair Market Value : The Market value obtained in this report is defined as follows: Market Value is the Estimated Amount for which an Asset should exchange on the date of valuation between a willing buyer and willing seller in an Arm's length transaction after proper marketing wherein the parties had each acted Knowledgeably and without compulsion. (As Defined by the International Valuation Standards Committee, London.) Thus, the characteristics of the Market Values are :
- It is depend on 'Purpose of Valuation'.
 - It is time-specific as on the given date & it is free will Sale.
 - It is an estimated amount & not a predetermined or an actual sale price.
 - Buyer & Seller are actuated by business principles. They are unrelated & are acting independently.
 - Asset would be exposed to the market in the most appropriate manner to effect its disposal at the best price possible.
- b. Realisable Value : The Value Realisable by the Bank is generally less than the Market value because of various facts such as mode of payment (Strictly by Cheque), limitations of effective marketing, costs involved in the process of the sale etc. The percentage variation between RV & MV depends on various factors such as urban or rural property, user & location of the property etc. in our opinion, Considering characteristics of the subject Property under Valuation we have considered reduction factor of 10% of Market Value.
- c. Distress Sale Value : It means the amount which may reasonably be expected to be obtained from the sale of a property in which one or more characteristics of the definition of market value are not satisfied. The Seller may be a unwilling seller and the buyer may be motivated by the knowledge of the disadvantage the seller suffers from Due to this we are discounting the market value by 20%.

In view of this, when we are giving opinion to the bank regarding Value of the Security, for us the Intrinsic Value of the Property is relevant. Our emphasis is on "Value" of the Security & not on "Built Up Area" or "Super Built Up Area" etc. Hence the Per Sq. Ft. Rate is judiciously adopted keeping in mind the characteristics such as the amenities provided, the loading factor adopted etc.

As Panel Valuer of the Bank, we do keep in Mind, the Bank's Interest Only. The Report is purely our opinion on date of Inspection, as Professionals having several years of Experience in the field for many Banks.

We are in no way concerned or have any Authority in the financial facilities which are applied by the Borrowers to the Bank, subsequent sanction & Disbursal by the Bank.

In case in future if the Account becomes N.P.A. or Bank Notices that the Borrower with Fraudulent Intentions has either By Concealing the information or forging or tampering the papers, cheated the Bank and the case is handed over to Investigating Authority ,It is to be very clearly understood & noted by the bank that we in no way work hand in glove with the Borrower any time & not responsible for any Loss / Damage /Claim incurred by the Bank & we indemnify our self from any of these things.

Our Reports are never wrong or inflated and we refer to the Real Estate Periodicals / News Papers Supplements or gather the information from Websites of Real Estate Agencies / Sources and Verbal Information gathered from Estate Agents/ Builders sale Offices in the Locality at the time of arriving at the Valuation figure.

Our Report is issued for a Specific Bank which is mentioned in our Report. Use of Our Report for any other Bank or for any other purpose is Strictly Prohibited. In Case the Bank has any Queries, they should be address formally in writing to us by way of Formal Letter and we shall reply to the same by Formal Letter by answering the queries / clarifications sought by bank.



Report No. : TACPL / DIR / 17 - 18 / 314 – A

FOR : TO ASSESS FAIR MARKET VALUE

VALUATION REPORT : LAND & BUILDING

1. Date of Inspection : 24.01.2018
- Person/s accompanying/Available At the site at the time of visit/ inspection/valuation : Mr. Harish Gupta : Senior VP - Finance & Accounts
2. Name & Address of the Valuer : **Mr. Vilas J. Bardapurkar**
C/o Techn-O-Aid Consultants Pvt. Ltd.
128, Runwal Commercial Complex, L.B.S. Marg,
Mulund (W), Mumbai – 400 080.
3. List of Documents handed over to the Valuer by the Owner : Sale Agreement for Land.
4. Details of enquiries made for arriving Fair Market Value. :
 - a. Local enquires from Estate agents
 - b. Real Estate, Bulletins / Supplements
5. Sub – Registrar Value / Guideline Value / Rate : ----
6. Fair Market Value of the Property : **₹ 127,43,66,000 = 00**
7. Factors for determining its market value : Locality, quality of construction, age, amenities etc.
8. Conservative Market Value of the Property : 90 % Of F.M.V. i.e. **₹ 114,69,29,400 = 00**
9. Distress Value of the Property : 80 % Of F.M.V. i.e. **₹ 101,94,92,800 = 00**
10. Any Critical Aspects Associated With Property : N.A.

AS /PM

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.



11. **PROPERTY DETAILS** :
- * **Name(s) & address(es) of the Owner (s):** : **M/s. Welspun Corp Ltd.**
Welspun City, Survey Nos. 682/1, 984,
Village – Varsamedi, Taluka – Anjar,
Dist. – Kutch, Gujarat – 370110, India.
- * If the Property is under Joint Ownership / co- ownership share of each owner / are the shares in undivided : Company Ownership
- * Brief description of the Property (Whether Open Land, House Property, Land area, Built – up Area, No. of Floors etc. : As per Given below;

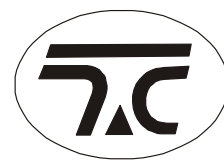
LAND :

Sr. No.	Asset Code	Cap Date	Description	Area In Acres.	Area In Sq. Mtr.
1	10011000051	14-Nov-14	Land Survey No 589	6.35	25,698.00

BUILDING & STRUCTURES:

AREA STATEMENT

Sr. No.	Particulars	Area In Sq. Mtrs.	Area In Sq. Ft.
1	L-Saw Plant	38862.00	418155.12
2	QC Lab	442.60	4762.38
3	Compressor Room	103.44	1113.01
4	Dust Recovery Unit	5.24	56.38
5	Pipe Storage Yard	14003.60	150678.74
6	Main Store & Tool Room	1057.25	11376.01
7	Worker & Staff Canteen	605.02	6510.02
8	Wire Flux Storage Area	615.00	6617.40
9	Sub Station	860.99	9264.25
10	Cooling Tower	420.25	4521.89



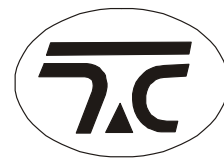
Sr. No.	Asset Code	Cap Date	Description
Building - Factory			
1	10020000033	01-Dec-11	Main Factory Building At L Saw-41233 Sqmtr
2	10020000034	25-Sep-13	Coat: Plant Building
3	10020000035	25-Sep-13	Coat: Qa-Qc Lab Building
4	10020000036	25-Sep-13	Coat: Electrical Substation
5	10020000037	25-Sep-13	Coat: Dust Collector Building
6	10020000061	01-Apr-14	L-Saw:296 Turbo Ventilator
7	10020000062	23-Sep-14	L-Sawcoat:100 Turbo Ventilator
8	10020000063	10-Dec-14	L-Saw:36 Turbo Ventilator
9	10020000064	20-Aug-14	Coat: Hazardous Waste Storage
Building – Others			
1	10024000075	01-Dec-11	Canteen at L Saw
2	10024000076	01-Dec-11	Car Parking at L Saw
3	10024000077	10-Dec-11	Road At L Saw
4	10024000078	01-Dec-11	Compound Wall at L Saw
5	10024000079	01-Dec-11	Path Way At L Saw
6	10024000080	10-Dec-11	Strom Water at L Saw
7	10024000081	11-Oct-11	Yard Development at L Saw
8	10024000082	01-Dec-11	Sewage Line at L Saw
9	10024000083	01-Dec-11	Tool Room At L Saw
10	10024000084	01-Dec-11	Stores Room at L Saw
11	10024000085	01-Dec-11	Security Office at L Saw
12	10024000086	01-Dec-11	Material Gate 18 Mtr at L Saw
13	10024000087	01-Dec-11	Material Gate 12 Mtr at L Saw
14	10024000088	25-Dec-12	Road No -03 At L Saw Plant
15	10024000089	30-Sep-12	Lorry Parking At L Saw -9686 Sq mtr
16	10024000090	05-Dec-12	Coat: Portable Sanitation Unit
17	10024000091	25-Sep-13	Coat : Yard Development
18	10024000092	25-Sep-13	Coat: Car & Scooter Parking
19	10024000093	25-Sep-13	Coat: Epoxy Storage Building
20	10024000094	25-Sep-13	Coat: Paint Storage Building
21	10024000095	25-Sep-13	Coat: 12mtr Wide Road
22	10024000096	25-Sep-13	Coat: Office/ Admin Building
23	10024000097	25-Sep-13	Coat: Sewage Collection Sump
24	10024000098	25-Sep-13	Coat: Drain
25	10024000099	24-Dec-13	Lsaw : Work force Entry Gate
26	10024000100	24-Mar-14	Lsaw: Rcc Road : Robotic Marking Machine Approach
27	10024000177	1-Mar-16	Boundary Wall Construction L Saw North Side
28	10024000178	28-Sep-16	L Saw Retainer Wall For Cannel



* Dimensions of the Site	:	As Per Plan
North	:	
South	:	
East	:	
West	:	
* Location of the Property (Plot / Door No. Survey No. etc.)	:	As per above
* Postal Address	:	Same as above
* Boundaries of the Property	:	As per Agreement
North	:	
South	:	
East	:	
West	:	
* Any Specific identification marks (Like Electric pole No. Dug well etc)	:	N.A.
* Whether covered under Corporation / Panchayat / Municipality.	:	Varsamedhi Gram Panchayat
* Whether covered under any land ceiling of State / Central Government	:	N.A.
* Is the Land Freehold / leasehold	:	Freehold
* Are there any restrictive covenants in regard to use of Land ? If so attach a copy of the covenant.	:	No.
* Type of the property - Whether	:	
Agriculture	:	
Industrial	:	Yes. – Industrial Unit
Commercial	:	
Institutional	:	
Government	:	
Non-Government	:	
Others (Specify)	:	
* In Case of Agricultural Land	:	N.A.
Any conversion to House site is obtained	:	
Whether the land is dry or wet	:	
Availability of irrigation facilities	:	
Type of crops grown	:	
Annual yield or income	:	



* Year of Purchase	:	As per Agreement
* Value of Purchase price	:	As per Agreement
* Whether the Property is occupied by owner or tenant. If occupied by tenant since how long he is staying and the amount of rent being paid.	:	Owner Occupied.
* Classification of the Site	:	
Population Group	:	Rural
High / Middle / Poor Class	:	N.A.
Residential / Non residential	:	Non Residential
Development of surrounding area	:	Developed
Possibility of any threat to the property (Floods, calamities etc.)	:	No.
* Proximity of civic amenities (like School, hospital, bus stop, market etc)	:	Available in Vicinity
* Level of the Land (Plain, rock etc.)	:	Plain
* Terrain of the Land	:	Leveled
* Shape of the Land (Square, Rectangular etc)	:	Trapezoidal
* Type of use to which it can be put (for construction of house, factory etc)	:	Industrial Factory
* Any usage restrictions on the property	:	Industrial Purpose
* Whether the plot is under town planning approved layout	:	Yes
* Whether the plot is intermittent or corner	:	Intermittent
* Whether any road facility is available	:	Yes.
* Type of Road available (B.T / Cement Road etc)	:	B.T. Road
* Front Width of the Road	:	40 Ft.
* Source of water & water potentiality	:	Borewell
* Type of Sewerage System	:	Underground
* Availability of power supply	:	Paschim Gujarat VIJ Co. Ltd.
* Advantage of the site	:	Develop Industrial Locality



- * Give instances of sale of immovable property in the locality on a separate sheet, indicating the name & address of the property, Registration no. Sale price and area of Land sold. : Not Available

12. RENT DETAILS

- * Is the Building owner occupied / tenant / both ? : Owner Occupied
- * If partly owner occupied, specify portion & extent of area under occupation : N.A.
- * Name of the Tenant / Lessees / Licensees etc : N.A.
- * Portion in their occupation : N.A.
- * Has the tenant to bear the whole or part of the cost of repairs & maintenance. Give particulars : N.A.
- * If lift is installed, who is to bear the cost of maintenance and operations. Owner or tenant ? : N.A.
- * Has any standard rent has been fixed for the premises under any law relating to the control of rent? : N.A.
- * Present / expected income / rent from the Property : N.A.

13. VALUATION OF THE PROPERTY :

Part I : (Valuation of Land) : As Per Valuation Annexure

- 1 Dimensions of the Plot :
- 2 Total area of the plot :
- 3 Prevailing market rate :
- 4 Guideline rate obtained from the Registrar office :
- 5 Assessed / adopted rate of Valuation :
- 6 Estimated Value of the land. :
- 7 The conservation value of the land. :



Part II : (Valuation of Factory Property)

a. Technical Details of the Factory Building

- * Type of the Building : Industrial Factory
(Residential / Commercial / Industrial)
- * Year of Construction : As Per Valuation Annexure
- * Future life of the Property : As Per Valuation Annexure
- * No. of floors and height. of each floor : As Per Details
including Basement
- * Plinth area of each floor : ---
- * Type of Construction (Load bearing / : R.C.C, Heavy M.S. & Load Bearing
RCC / Steel Framed)
- * Condition of the Building :
 - External : GOOD
 - Internal : GOOD
- * Whether the building / property is : Yes.
constructed strictly according to the
sanctioned plan, Details of variations
noticed if any and effect of the same on
the valuation.

- b. Specification of construction : As Per Valuation Annexure**



VALUATION ANNEXURE

I. LAND

This is a Freehold Land at **Welspun City, Survey Nos. 682/1, 984, Village – Varsamedi, Taluka – Anjar Dist. – Kutch, Gujarat – 370110, India.**

Being Connected with National Highway, Transportation facility will be available easily & at reasonable rates. All Infrastructures such as Water Supply, Roads, Communication, Network etc. are easily available at the location. As many manufacturing units are working in this area since many years, skilled, semi skilled & unskilled Labour is available at very cheaper rates. Market of finished goods viz. Domestic as well as Exports are well connected by roads, so that the finished goods can be transported at low transport cost and at ease.

This Locality has Factories of many Reputed Companies. During Last two years the Reality Market has Shown upward trend & prices of Properties are **Sky Rocketing Northwards**. There is heavy demand for Industrial Properties in this locality.

For the property under valuation, which is located at **Village -Varsamedi, Taluka – Anjar, Dist. – Kutch, Gujarat – 370110**, the Valuation works out as below;



VALUATION

Sr. No.	Description	Gross Block	Net Block	Area	Rate Per	Replacement	Fair Market
		As on 31.12.17	As on 31.12.17	In Sq. Mtr.	Unit In ₹	Value In ₹	Value In ₹
1	Land Survey No 589	81,50,190	81,50,190	25,698.00	1,375.00	3,53,34,750.00	3,53,34,750.00
	Total - Land	81,50,190	81,50,190	25,698.00	1,375.00	3,53,34,750.00	3,53,34,750.00



II. BUILDING & STRUCTURES

A. Factory Building

Sr. No.	Cap Date	Description	Type Of Structure	Resi. Life In Yrs.
Building - Factory				
1	01-12-11	Main Factory Building At L Saw	Heavy M.S. Structure	33
2	25-09-13	Coat: Plant Building	Heavy M.S. Structure	35
3	25-09-13	Coat: QA-QC Lab Building	Heavy M.S. Structure	35
4	25-09-13	Coat: Electrical Substation	Heavy M.S. Structure	35
5	25-09-13	Coat: Dust Collector Building	Heavy M.S. Structure	35
6	01-04-14	L-Saw:296 Turbo Ventilator	Heavy M.S. Structure	36
7	23-09-14	L-Sawcoat:100 Turbo Ventilator	Heavy M.S. Structure	36
8	10-12-14	L-Saw:36 Turbo Ventilator	Heavy M.S. Structure	36
9	20-08-14	Coat : Hazardous Waste Storage	Heavy M.S. Structure	36

This is Ground Storied Heavy M.S. Framed Structure having R.C.C footings, Heavy M.S. Beams, Columns & GI Sheet Roofing over MS Trusses. The Present condition of the Structures is Good & Well Maintained by the owners.

DESCRIPTION	DETAILS
Superstructure	Heavy M.S. Framed Structure
Roof	GI Sheet Roofing over M.S. Trusses
Doors	M.S. Rolling Shutters
Windows	----
RCC work	Good
Plastering	BB Walls / GI Sheet Cladding
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial

B. Other Building

Sr. No.	Cap Date	Description	Type Of Structure	Resi. Life In Yrs.
Building - Factory				
1	25-09-13	Coat: Epoxy Storage Building	Heavy M.S. Structure	35
2	25-09-13	Coat: Paint Storage Building	Heavy M.S. Structure	35
3	25-09-13	Coat: Office/ Admin Building	Heavy M.S. Structure	35



This is Ground Storied Heavy M.S. Framed Structure having R.C.C footings, Heavy M.S. Beams, Columns & GI Sheet Roofing over MS Trusses. The Present condition of the Structures is Good & Well Maintained by the owners.

DESCRIPTION	DETAILS
Superstructure	Heavy M.S. Framed Structure
Roof	GI Sheet Roofing over M.S. Trusses
Doors	M.S. Rolling Shutters
Windows	----
RCC work	Good
Plastering	BB Walls / GI Sheet Cladding
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial

Sr. No.	Cap Date	Description	Type Of Structure	Resi. Life In Yrs.
Building - Others				
1	01-12-11	Car Parking at L Saw	M.S. Structure	23
2	01-12-11	Tool Room At L Saw	M.S. Structure	23
3	01-12-11	Stores Room at L Saw	M.S. Structure	23
4	05-12-12	Coat: Portable Sanitation Unit	M.S. Structure	24
5	25-09-13	Coat: Car & Scooter Parking	M.S. Structure	25

These Ground Storied M.S. Framed Structure having R.C.C footings, M.S. Beams, Columns & GI Sheet Roofing over MS Trusses. The Present condition of the Structures is Good & Well Maintained by the owners.

DESCRIPTION	DETAILS
Superstructure	M.S. Framed Structure
Roof	GI Sheet Roofing over M.S. Trusses
Doors	M.S. Rolling Shutters
Windows	----
RCC work	Good
Plastering	BB Walls / GI Sheet Cladding
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial



Sr. No.	Cap Date	Description	Type Of Structure	Resi. Life In Yrs.
Building - Others				
1	1-Dec-11	Canteen at L Saw	R.C.C.	53
2	1-Dec-11	Security Office at L Saw	R.C.C.	53

These Ground Storied R.C.C. Framed Structure having R.C.C Beams, Columns & Slabs. The Present condition of the Structures is Good & Well Maintained by the owners.

DESCRIPTION	DETAILS
Superstructure	R.C.C. Framed Structure
Roof	R.C.C. Slab
Doors	M.S. Rolling Shutters
Windows	M.S. Grills
RCC work	Good
Plastering	BB Walls
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial

Site Development :

Sr. No.	Description	Type Of Structure	Resi. Life In Yrs.
Building - Others			
1	Road At L Saw	Roads	23
2	Compound Wall At L Saw	Bb Wall	23
3	Path Way At L Saw	Roads	23
4	Strom Water At L Saw	Drains	23
5	Yard Development At L Saw	Open Yard	23
6	Sewage Line At L Saw	Drains	23
7	Road No -03 At L Saw Plant	Roads	24
8	Lorry Parking At L Saw	Open Parking	24
9	Coat : Yard Development	Open Yard	25
10	Coat: 12mtr Wide Road	Roads	25
11	Coat: Sewage Collection Sump	R.C.C.	55
12	Coat: Drain	Drains	25
13	L Saw : Workforce Entry Gate	M.S.	25
14	L Saw : R C C Road : Robotic Marking Machine Approach	R.C.C.	26
15	Boundary Wall Construction L Saw North Side	B B Wall	28
16	L Saw Retainer Wall For Cannel	B B Wall	28



VALUATION

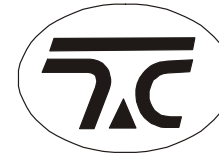
1. The Building & Structures are in good condition & for Valuation we are adopting **“OPTIMIZED REPLACEMENT VALUE BASIS”**. The detailed Lists of Building & Structures are enclosed.
2. The Total Life of Building & Structures at the Factory is considered at : for R.C.C Structures at 55-60 years, for Heavy M.S. Structures at 40-45 years & for M.S./ Load bearing Structures at 30-35 years respectively As per Companies Act, 2013.

Valuation Methodology

Taking into consideration the various Details / Specifications / Construction & present condition of **Building & Structures** as described in the Annexure for the Factory located on **Welspun City, Survey Nos. 682/1, 984, Village – Varsamedi, Taluka – Anjar, Dist. – Kutch, Gujarat – 370110**, which is a Developed Industrial Locality of **Gujarat**. The Fair Market Value as on Date of Valuation has been arrived on the **“OPTIMIZED REPLACEMENT VALUE BASIS”**.

To arrive at the Fair Market Value for the Assets owned by **M/s. Welspun Corp Limited;**

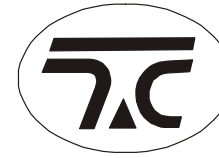
- Considered the investment cost (Purchase Price) of the assets as per the asset registers, annual additions and deletions in the assets,
- Worked out Present Day Replacement Value applying relevant cost inflation indices and current market prices of Modern Equivalent Assets,
- Adjusted the Replacement Value to get Fair Market Value with due consideration to economic life of the assets, expected future life, technological and commercial/ economical obsolescence, etc.
- To arrive to the Fair Market Value (FMV), due weightage was given to the life span, comparison of useful life of assets and depreciation rates as per fair life of the assets.



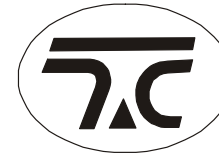
VALUATION :

Taking into consideration the various Details / Specifications / Construction & present condition of the Buildings as described above for the Property located at **Welspun City, Survey Nos. 682/1, 984, Village – Varsamedi, Taluka – Anjar, Dist. – Kutch, Gujarat – 370110**. Hence, the Valuation works out as below;

Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
	Building - Factory				
1	Main Factory Building At L Saw	573115156	460643030	847213710	698951310
2	Coat: Plant Building	300351558	259519339	371343740	324925770
3	Coat: QA-QC Lab Building	12219390	10244745	15107610	13219160
4	Coat: Electrical Substation	13301823	11493466	16445890	14390150
5	Coat: Dust Collector Building	1843731	1593079	2279520	1994580
6	L-Saw:296 Turbo Ventilator	3437734	3029130	3896100	3506490
7	L-Sawcoat:100 Turbo Ventilator	10116871	9067996	11465790	10319210
8	L-Saw:36 Turbo Ventilator	431561	389739	489100	440190
9	Coat : Hazardous Waste Storage	4192217	3745220	4751180	4276060
	Total - Building - Factory	91,90,10,040	75,97,25,744	127,29,92,640	107,20,22,920



Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
	Building - Others				
1	Canteen At L Saw	4513555	3783441	6672210	5893790
2	Car Parking At L Saw	4340260	3638178	6416040	4918960
3	Road At L Saw	41141501	2057075	60817870	46627030
4	Compound Wall At L Saw	8707451	7298932	12871880	9868440
5	Path Way At L Saw	1945882	97294	2876520	2205330
6	Strom Water At L Saw	11014940	9238191	16282950	12483600
7	Yard Development At L Saw	9066431	7576364	13402550	10275290
8	Sewage Line At L Saw	3842532	192127	5680260	4354870
9	Tool Room At L Saw	3958977	3318572	5852400	4486840
10	Stores Room At L Saw	3664877	3072045	5417640	4153520
11	Security Office At L Saw	1145013	1033497	1692630	1495160
12	Material Gate 18 Mtr At L Saw	963263	869448	1423950	1091700
13	Material Gate 12 Mtr At L Saw	691676	624312	1022480	783900
14	Road No -03 At L Saw Plant	3591871	179594	4884940	3907950
15	Lorry Parking At L Saw	2124078	1813178	2888750	2311000
16	Coat: Portable Sanitation Unit	259901	12995	353470	282780



Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
17	Coat : Yard Development	13219230	11523710	16343780	13619820
18	Coat: Car & Scooter Parking	3338086	2909938	4127090	3439240
19	Coat: Epoxy Storage Building	6864128	5983724	8486560	7425740
20	Coat: Paint Storage Building	3576838	3118067	4422270	3869490
21	Coat: 12mtr Wide Road	3052470	621418	3773960	3144970
22	Coat: Office/ Admin Building	7669700	6685972	9482540	8297220
23	Coat: Sewage Collection Sump	1193534	242978	1475640	1352670
24	Coat: Drain	3960572	806288	4896710	4080590
25	L Saw : Workforce Entry Gate	743816	651765	919630	766360
26	L Saw: RCC Road : Robotic Marking Machine Approach	3964307	2546744	4492880	3893830
27	Boundary Wall Construction L Saw North Side	1303609	1227729	1343110	1253570
28	L Saw Retainer Wall For Cannel	753672	723594	776510	724740
	Total - Building - Others	15,06,12,169	8,18,47,169	20,90,97,220	16,70,08,400
	Total - Building	106,96,22,209	84,15,72,913	148,20,89,860	123,90,31,320



SUMMARY

Sr. No.	Particulars	Gross Block In ₹	Net Block In ₹	Replacement Value In ₹	Fair Market Value In ₹
A	Land	81,50,190	81,50,190	3,53,34,750	3,53,34,750
B	Factory Building & Structures	106,96,22,209	84,15,72,913	148,20,89,860	123,90,31,320
Total		107,77,72,399	84,97,23,103	151,74,24,610	127,43,66,070
Rounded Off To		107,77,72,000	84,97,23,000	151,74,25,000	127,43,66,000
In Crore		107.78	84.97	151.74	127.44

(₹ One Hundred Twenty Seven Crore Forty Four Lakh Only.)

We Certify that

- The Property is being valued by me personally.
- The Rates for valuation of the property are as per Prevailing Market Rates in the Locality as on date of visit.
- We have no direct or indirect interest in the Asset Valued & we have used the basic Data / Documents provided to us at the Time of our personal Visit to the Site on **24.01.2018**
- The value of the property : **₹ 127.44 Crore**
- Our Report does not cover Check of the Ownership / Title clearance / Legal aspects & there is no Legal / Contractual obligation on our Part. We have assumed that the assets are free of encumbrances of loan, Or Govt. or other dues, Stamp Duty, Registration Charges, Transfer charges etc. if any, are not considered in the valuation.
- Emphasis of this Report is on the value of the Property & not on the Area Measurement or Title Verification of the property & is based on market rate.
- It may be noted that, the Valuation of the Asset arrived by us is purely our opinion based on Basis and Assumptions as Listed in Page No. 2, 3 of this Report.
- This Report contains 42 Pages & Photographs.

Date : 31.01.2018

Place: MUMBAI



Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

Approved Valuer

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.

TECHN-O-AID CONSULTANTS PVT. LTD.



**APPROVED TECHNICAL CONSULTANTS
ARCHITECTS , CHARTERED ENGINEERS & VALUERS**

128, 1ST FLR . RUNWAL COMMERCIAL COMPLEX , NEAR SHREE SANTOSHI MATA MANDIR. L.B.S. MARG,
MULUND (W), MUMBAI - 400 080. TEL.: 2590 2669 • TELEFAX : 2569 0712 • CELL : 98210 18187
E-mail : tacpl@bplmobile.blackberry.com • technoaidconsultants@gmail.com • tacpl@yahoo.com

VALUATION OF PLANT & MACHINERY AND OTHER ASSETS OWNED BY M/S. WELSPUN CORP LTD.

**AT
WELSPUN CITY, SURVEY NOS. 682/1, 984, VILLAGE – VARSAMEDI,
TALUKA – ANJAR, DIST. – KUTCH, GUJARAT – 370110.**

TO ASSESS FAIR MARKET VALUE

DATE OF INSPECTION

24.01.2018

DATE OF REPORT

31.01.2018



BASIS & ASSUMPTIONS FOR VALUATION OF PLANT & MACHINERY AND OTHER ASSETS

- 1. This Valuation Assignment is given by the Owner – To Assess Fair Market Value.**
2. For this Assignment of Valuation Assets has been classified into Groups as per their Functional abilities and Capacities like Plant & Machinery, Laboratory Equipments, Electrical Installations & Furniture & Fixtures and then these Groups are valued as a Block of Assets.
3. The Available details such as cost of Erection and Commissioning are furnished by the company for this Assignment.
4. The Life of the Machinery is assumed appropriately depending upon the Operation/s it performs /product manufactured & number of shifts operated & maintenance.
The Total Life of the Basic Machinery / Process Plants / Utilities we assume the Life based upon the type of Industry.
5. Obsolescence (Tech. / Functional / Economic) & utility of the Machine Equipment are taken into the Consideration as part of Depreciation.

The Depreciation calculated for Accounting is not valid /considered for Revaluation of Plant & Machinery.
For those Machine & Equipments which are maintained very well by the company, we consider relatively low rates of Depreciation for these Machines.
6. The age of the Machine and Depreciation is directly co-related with the date of Valuation.
The Age of Machine is defined as "A period of time from the date of installation till the date of retirement of its service."

The Age of Machine depends upon the Working Condition, Frequency of Breakdown, Spares, Climate, Govt. Policy, Technological Obsolescence etc.
7. In case of Capital Work in Progress, the Documents /C. A.'s certificate furnished is referred to & valued AT COST.
8. For arriving the Replacement cost of Plant, Machinery/Equipments we either follow the method of Indexation referring to RBI Cost Inflation Index as of 01.04.1981 & the index on date of Valuation as notified by RBI or gather the information over telephone from manufacturer / dealers / experts from similar industry.
9. We assume that the bank having invoices in original given by the Borrower.
10. In case of any Human & Technical error of judgment, a fresh Report will be submitted at a later Date, as & when the mistake is identified.



11. VALUATION is the Art of Process of Estimating Value, depending on the circumstances of the case & purpose for which Valuation is needed, at a given time, Place & under Specified Market conditions and Our Report is an opinion expressed keeping in mind the purpose. Buying & Selling Assets is a Totally Different Activity & is out of scope of the Valuation Assignment.

FAIR MARKET VALUE is the Price that the Capital Asset would ordinarily fetch on sale in the open market on the relevant date.

Market Value is thus the warranted Price expressed in terms of money which a property is estimated to bring, at any given Time, and Place, where the Buyers and Sellers act without compulsion & with full knowledge of all the uses to which the asset is adopted and for which it is capable of being used, As Defined by the International Valuation Standards Committee London.

12. VALUATION is a function of Time, 'VALUE' varies with the purpose viz. Value of the same Property will be different, when purpose is different viz.

There are Different yardsticks / Approaches to Valuation viz.

1. If Valuation is for Income Tax / Wealth Tax Purpose, the approach is Indexation referring to RBI Cost Inflation Index as of 01.04.1981 & the index on date of valuation as notified by RBI.
2. If Valuation is for Insurance Purpose, GIC Subsidiaries who work on IRDA Guidelines, the Replacement Cost is considered while issuing the Policy.
3. If Valuation is for Merger / Acquisition, then as per understanding for SWAP Ratio Decided by the Purchasing Co. & Selling Co., the Valuation is arrived at.
4. If Valuation is for VISA Purpose Value, will be Market Value Approach is adopted.
5. If Valuation is for Balance Sheet Purpose, Fair Market Value Approach is adopted.



Report No. : TACPL / DIR / 17 - 18 / 314 – B

FOR : TO ASSESS FAIR MARKET VALUE

VALUATION REPORT: PLANT & MACHINERY AND OTHER ASSETS

1. Date of Inspection : 24.01.2018
2. Name & Address of the Valuer : **Vilas J. Bardapurkar**
C/o Techn-O-Aid Consultants Pvt. Ltd.
128, Runwal Commercial Complex, L.B.S. Marg,
Mulund (W), Mumbai – 400 080.
3. Name of the Owner : **M/S. Welspun Corp Ltd.**
4. Address of the Plant : **Welspun City, Survey Nos. 682/1, 984,**
Village – Varsamedi, Taluka – Anjar,
Dist. – Kutch, Gujarat – 370110
5. List of Documents handed over to the Valuer by the Owner : Various Documents, Balance Sheet – Fixed Assets Schedule and Physical Verification of Plant & Machineries
6. Details Of Enquiries Made For Arriving Fair Market Value. : a. Local enquires from Suppliers of Plant & Machinery
b. Plant & Machinery Manuals, Bulletins / Supplement
7. Fair Market Value of the Plant & Machinery & Other Assets as on Date : **₹ 462,46,55,000 = 00**
8. Factors for Determining Its Market Value : Operation /s it performs / Product Manufactured & Number of shifts operated & Maintenance.
9. Conservative Market Value of the Plant & Machinery & Other Assets : 90 % Of F.M.V. i.e. **₹ 416,21,89,500 = 00**
10. Distress Value of the Plant & Machinery & Other Assets : 80 % Of F.M.V. i.e. **₹ 369,97,24,000 = 00**

AS/PM

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.



VALUATION

1. The Plant is in excellent condition & for Valuation we are adopting **“OPTIMIZED REPLACEMENT VALUE BASIS”**. The detailed Lists of Plant & Machinery are enclosed.
2. The Total Life of Plant & Machinery installed at the Factory is considered at 25 years, As per Company's Act 2013.

Valuation Methodology

Taking into consideration the various Details / Specifications / Construction & present condition of **Plant & Machinery and Other Assets** as described in the Annexure for the Factory located on **Welspun City, Survey Nos. 682/1, 984, Village – Varsamedi, Taluka – Anjar, Dist. – Kutch, Gujarat – 370110**, which is a Developed Industrial Locality of **Gujarat**. The Fair Market Value as on Date of Valuation has been arrived on the **“OPTIMIZED REPLACEMENT VALUE BASIS”**.

To arrive at the Fair Market Value for the Assets owned by **M/s. Welspun Corp Limited;**

- Considered the investment cost (Purchase Price) of the assets as per the asset registers, annual additions and deletions in the assets,
- Worked out Present Day Replacement Value applying relevant cost inflation indices and current market prices of Modern Equivalent Assets,
- Adjusted the Replacement Value to get Fair Market Value with due consideration to economic life of the assets, expected future life, technological and commercial/ economical obsolescence, etc.
- To arrive to the Fair Market Value (FMV), due weightage was given to the life span, comparison of useful life of assets and depreciation rates as per fair life of the assets.
- For the Other Assets Viz. Vehicles, Furniture & Fixtures, Office Equipments & Computers, we have considered the Net Value as on 31.12.2017 as the Fair Market Value.



Summary

Sr. No.	Particulars	Gross Block In ₹	Net Block In ₹	Replacement Value In ₹	Fair Market Value In ₹
A	Plant & Machineries	445,24,62,949	268,26,48,157	612,19,43,590	460,37,11,860
	Total	445,24,62,949	268,26,48,157	612,19,43,590	460,37,11,860
B	Other Assets				
1.	Electrical	---	---	---	---
2.	Vehicles	10,44,259	5,71,976	5,71,976	5,71,976
3.	Furniture & Fixtures	2,55,26,621	1,03,50,136	1,03,50,136	1,03,50,136
4.	Office Equipments	2,43,57,113	61,24,564	61,24,564	61,24,564
5.	Computers	1,27,73,411	19,05,383	19,05,383	19,05,383
6.	Software	58,99,897	19,91,245	19,91,245	19,91,245
	Total	13,92,02,602	4,18,86,610	4,18,86,610	4,18,86,610
	Grand Total of Assets	452,20,64,251	270,35,91,462	614,28,86,895	462,46,55,165
	Rounded Off To	452,20,64,000	270,35,91,000	614,28,87,000	462,46,55,000
	In Crore	452.21	270.36	614.29	462.47

(₹ Four Hundred and Sixty Two Crore Forty Seven Lakh Only.)

We hereby declare that,

- The information furnished above is true & correct to the best of our knowledge & belief.
- We have no direct or indirect interest in the Asset Valued & we have used the basic Data / Documents provided to us at the Time of our personal Visit to the Site **on 24.01.2018**
- The value of the Plant & Machinery : **₹ 461.59 Crore**
- Our Report does not cover Check of the Ownership / Title clearance / Legal aspects & there is no Legal / Contractual obligation on our Part.
- It may be noted that, the Valuation of the Asset arrived by us is purely our opinion based on Basis & Assumptions as Listed in Page No.37 & 38 of this Report.
- My Registration with State Chief Commissioner of Income Tax is valid as on Date.

Date : 31.01.2018

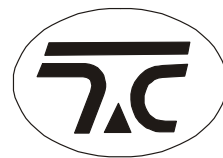
Place: MUMBAI



Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

Approved Valuer



PHOTOGRAPHS
FOR PROPERTY OWNED BY
M/S. WELSPUN CORP LTD.
L-SAW PIPE PLANT - ANJAR

AT
WELSPUN CITY, SURVEY NOS. 682/1, 984, VILLAGE – VARSAMEDI,
TALUKA – ANJAR, DIST. – KUTCH, GUJARAT – 370110, INDIA.

TECHN-O-AID CONSULTANTS PVT. LTD.



**APPROVED TECHNICAL CONSULTANTS
ARCHITECTS , CHARTERED ENGINEERS & VALUERS**

128, 1ST FLR. RUNWAL COMMERCIAL COMPLEX, NEAR SHREE SANTOSHI MATA MANDIR. L.B.S. MARG,
MULUND (W), MUMBAI - 400 080. TEL.: 2590 2669 • TELEFAX : 2569 0712 • CELL : 98210 18187
E-mail : tacpl@bplmobile.blackberry.com • technoaidconsultants@gmail.com • tacpl@yahoo.com

VALUATION OF ASSETS

OWNED BY

M/S. WELSPUN CORP LTD.

PLATE & COIL DIVISION – ANJAR

AT

**WELSPUN CITY, SURVEY NOS.594, 657/P1, 657/P2, 657/P3, 658, 659, 661/P1,
661/P2, 662/P, 890, 984, VILLAGE – VARSAMEDI, TALUKA – ANJAR,
DIST. – KUTCH, GUJARAT – 370110, INDIA.**

TO ASSESS FAIR MARKET VALUE

DATE OF INSPECTION

24.01.2018

DATE OF REPORT

31.01.2018



SUMMARY

VALUATION OF IMMOVABLE PROPERTY

OWNED BY

M/S. WELSPUN CORP LTD.

Sr. No.	Particulars	Gross Block In ₹	Net Block In ₹	Replacement Value In ₹	Fair Market Value In ₹
I	Land	13,18,56,741	13,18,56,741	144,27,99,929	144,27,99,929
II	Building	258,76,86,734	188,14,66,925	465,00,90,080	353,34,93,960
III	Plant & Machineries	2064,01,68,831	1135,39,84,169	3765,57,87,250	2352,92,82,500
IV	Electrical	---	---	---	---
V	Vehicles	57,08,008	4,60,258	4,60,258	4,60,258
VI	Furniture & Fixtures	2,51,77,021	72,04,014	72,04,014	72,04,014
VII	Office & Other Equip.	2,66,93,352	59,15,157	59,15,157	59,15,157
VIII	Computers	1,41,64,006	4,83,646	4,83,646	4,83,646
IX	Software	45,98,26,369	25,29,366	25,29,366	25,29,366
Grand Total of Assets		2389,12,81,060	1338,39,00,277	4376,52,69,701	2852,21,68,831
Rounded Off To		2389,12,81,000	1338,39,00,000	4376,52,70,000	2852,21,69,000
In Crore		2,389.13	1,338.39	4,376.53	2,852.22

(₹ Two Thousand Eight Hundred And Forty One Crore Forty One Lakh Only.)

Date : 31.01.2018

Place: MUMBAI

Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

Approved Valuer

TECHN-O-AID CONSULTANTS PVT. LTD.



**APPROVED TECHNICAL CONSULTANTS
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VALUATION OF ASSETS : LAND & BUILDING

OWNED BY

M/S. WELSPUN CORP LTD.

AT

**WELSPUN CITY, SURVEY NOS.594, 657/P1, 657/P2, 657/P3, 658, 659, 661/P1,
661/P2, 662/P, 890, 984, VILLAGE – VARSAMEDI, TALUKA – ANJAR,
DIST. – KUTCH, GUJARAT – 370110, INDIA.**

TO ASSESS FAIR MARKET VALUE

DATE OF INSPECTION

24.01.2018

DATE OF REPORT

31.01.2018



BASIS & ASSUMPTIONS FOR VALUATION OF FIXED ASSETS

- 1) **This Valuation Assignment is given by the Owner – To Assess Fair Market Value**
- 2) While undertaking the Assignment of Valuation, we refer to Xerox copies of anyone or more Documents of Ownership i.e. Agreement / Share Certificate / Bill / Index II / Property Card / Plan furnished to us before or during visit and as our policy we do not retain these documents with us and return the same to Bank / Client. As Regards to the Authenticity / Genuineness / Verification of the Documents, the onus lies with the Bank. Our Report is valid subject to the same Property is legally cleared by Banks panel Advocate and Bank is having a Clear & Marketable Title to the Property without any encumbrance.

We / Our Representative Personally Visit the site for inspection after co – ordination with the owner / his consultants / representative & in majority of the cases the owner arranges for the visit to the site.

Subsequently after the visit we Prepare Valuation Report for the Property had shown to us.

It is mandatory for societies older than 15 years have to conduct a structural audit of the building every 5 yrs & after 30 yrs, every 3 yrs. This applies to existing structures as well as upcoming buildings also.

Bank is requested to obtain the said structural audit certificate from competent authority given to the Society.

- 3) VALUATION is the Art of Process of Estimating Value, depending on the circumstances of the case and purpose for which Valuation is needed, at a given time, Place & under Specified Market conditions and Our Report is an opinion expressed keeping in mind the purpose. Buying and Selling Assets is a Totally Different Activity & is out of scope of the Valuation Assignment.

FAIR MARKET VALUE is the Price that the Capital Asset would ordinarily fetch on sale in the open market on the relevant date. Market value is thus the warranted Price expressed in terms of money which a property is estimated to bring, at any given Time, and Place, where the Buyers and Sellers act without compulsion & with full knowledge of all the uses to which the asset is adopted and for which it is capable of being used, As Defined by the International Valuation Standards Committee London.

- 4) VALUATION is a function of Time; 'VALUE' varies with the purpose viz. Value of the same Property will be different, when purpose is different viz.

There are Different yardsticks / Approaches to Valuation viz.

1. If Valuation is for Income Tax / Wealth Tax Purpose, the approach is Cost of Construction Less Deprecation Applicable considering the Age of the Building.
 2. If Valuation is for Insurance Purpose, GIC Subsidiaries who work on IRDA Guidelines, the Replacement Cost of Construction / Sq. Ft. for Building Duly (Not Land) is Considered and Market Value is not considered while issuing the Policy.
 3. If Valuation is for Merger / Acquisition, then as per understanding for SWAP Ratio Decided by the Purchasing Co. & Selling Co., the Valuation is arrived at.
 4. If Valuation is for VISA Purpose Value, will be Market Value Approach is adopted.
 5. If Valuation is for Balance Sheet Purpose, Fair Market Value Approach is adopted.
 6. If Valuation is for Availing Bank Facilities, Conservative Approach is adopted.
- 5) Whatever Documents / Data was not available, we have arrived at the values on Basis of our experience and knowledge in the field. In case of any Human & / Technical error of judgment, a fresh Report will be submitted at a later Date, as & when the mistake is identified.



- 6) Regarding Area of the Property there are different terminologies in vogue in the Real Estate Market. e.g. Carpet Area, Built Up Area (BUA), Super Built Up Area (SBUA), Saleable Area etc. For the same property the per Sq. Ft. rate is different depending upon for what type of area the rate is specified.
- a) Carpet Area : - This is wall to wall area which is Actually Measurable.
 - b) Built Up Area : - This is 20% more than Carpet area as defined by Stamp Duty Ready Reckoner Published by the Government on 1st January Every Year.
 - c) Super Built Up Area : - This is Calculated Area which is Loaded by the Builder on the Carpet Area and the general practice followed is to load by 50 % or more for Commercial Properties & by 33 – 45% or more for Large Residential Projects having many high Rise Towers, having various amenities viz. Landscape Garden, Children's Play Area, Swimming Pools, High Speed Lifts, Health Club, Car Parkings, Separate area for Functions etc. This is a Calculated Area, using the loading factor determining for providing the any or all above Amenities given to the Owners / Purchasers in the Complex and various from Project to Project and Builder to Builder.
 - d) Saleable Area : - This is again a Calculated Area. The Builder depending on the Project & Location apply a Still Higher loading % particularly for Commercial properties in Mall Builder/Administration Cum Sales Office / Owner inform that due to Extra High Class Amenities Provided viz. Lifts / Escalators / Full Air Conditioned Premises / Generators Back up / Fire Fighting and Security Services, the % is decided which ranges between 50-200% & even Govt. agencies like MHADA, CIDCO & DDA are also following the trend. The Rates for Properties in Mall also vary a lot for Property on Gr. Floor, at the Entrance whether in front or on sides are Highest and may be Lower on Upper floors. The Super Built Up & Saleable Area's are Notional Area's which do not exists & are calculated Area's.
- 7) Legislations :
- 1. The State Government on 24th April 2008 passed a Bill, to Amend Maharashtra Ownership Flat Act, 1963 that the Builders should sell properties on Actual Carpet Area & Mention in the Agreement for Sale / Sale Deed. At the same time, Government has allowed Builders to charge separately for the various Amenities provided by them.
 - 2. As far as Super Built up Area or Saleable Area, there is no Law to Govern the Sale Transaction & Builders are enjoying this lack of Legislation as per their wish.
 - 3. In some cases, we have come across situations, where the property owners have undertaken to enclose the Balconies provided - Legally or illegally, in such cases, the Carpet Area observed is more than mentioned in ownership Document. However, we take the area as mentioned in the Agreement Or other Document of Ownership Document.
 - 4. Change in Use of the property from Residential to Commercial is ILLEGAL under the MRTP (Monopolies & Restrictive Trade Practices) Act & under Section 52, (for changing the use of Premises of Residential Bldg to Commercial to run Offices), the Matter is non-cognizable, that can attract a Punishment of 3 Years in Jail.
- 8) Ownership Documents
- a. The Agreement for Sale is Registered on the Basis of the Area mentioned in this Document after paying Stamp Duty and Registration Charges, However this area may not be a True Area, at times, to reduce the Stamp Duty, the Area mentioned in the Agreement is decided by seller & Purchaser on lower side.
 - b. It is to be understood that the Amount which is mentioned in the Agreement is again decided by seller and Buyer on terms mutually Agreed by them. This Amount is COST PRICE of the property to the Purchaser & NOT A REAL VALUE because it is the payment made by purchaser by way of Cheque / D.D. to the seller. All times, there is Cash Element also, which is not reflected in the Agreement.



9) Different values of the Property

- a. Fair Market Value : The Market value obtained in this report is defined as follows: Market Value is the Estimated Amount for which an Asset should exchange on the date of valuation between a willing buyer and willing seller in an Arm's length transaction after proper marketing wherein the parties had each acted Knowledgeably and without compulsion. (As Defined by the International Valuation Standards Committee, London.) Thus, the characteristics of the Market Values are :
- It is depend on 'Purpose of Valuation'.
 - It is time-specific as on the given date & it is free will Sale.
 - It is an estimated amount & not a predetermined or an actual sale price.
 - Buyer & Seller are actuated by business principles. They are unrelated & are acting independently.
 - Asset would be exposed to the market in the most appropriate manner to effect its disposal at the best price possible.
- b. Realisable Value : The Value Realisable by the Bank is generally less than the Market value because of various facts such as mode of payment (Strictly by Cheque), limitations of effective marketing, costs involved in the process of the sale etc. The percentage variation between RV & MV depends on various factors such as urban or rural property, user & location of the property etc. in our opinion, Considering characteristics of the subject Property under Valuation we have considered reduction factor of 10% of Market Value.
- c. Distress Sale Value : It means the amount which may reasonably be expected to be obtained from the sale of a property in which one or more characteristics of the definition of market value are not satisfied. The Seller may be a unwilling seller and the buyer may be motivated by the knowledge of the disadvantage the seller suffers from Due to this we are discounting the market value by 20%.

In view of this, when we are giving opinion to the bank regarding Value of the Security, for us the Intrinsic Value of the Property is relevant. Our emphasis is on "Value" of the Security & not on "Built Up Area" or "Super Built Up Area" etc. Hence the Per Sq. Ft. Rate is judiciously adopted keeping in mind the characteristics such as the amenities provided, the loading factor adopted etc.

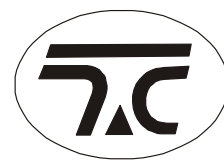
As Panel Valuer of the Bank, we do keep in Mind, the Bank's Interest Only. The Report is purely our opinion on date of Inspection, as Professionals having several years of Experience in the field for many Banks.

We are in no way concerned or have any Authority in the financial facilities which are applied by the Borrowers to the Bank, subsequent sanction & Disbursal by the Bank.

In case in future if the Account becomes N.P.A. or Bank Notices that the Borrower with Fraudulent Intentions has either By Concealing the information or forging or tampering the papers, cheated the Bank and the case is handed over to Investigating Authority ,It is to be very clearly understood & noted by the bank that we in no way work hand in glove with the Borrower any time & not responsible for any Loss / Damage /Claim incurred by the Bank & we indemnify our self from any of these things.

Our Reports are never wrong or inflated and we refer to the Real Estate Periodicals / News Papers Supplements or gather the information from Websites of Real Estate Agencies / Sources and Verbal Information gathered from Estate Agents/ Builders sale Offices in the Locality at the time of arriving at the Valuation figure.

Our Report is issued for a Specific Bank which is mentioned in our Report. Use of Our Report for any other Bank or for any other purpose is Strictly Prohibited. In Case the Bank has any Queries, they should be address formally in writing to us by way of Formal Letter and we shall reply to the same by Formal Letter by answering the queries / clarifications sought by bank.



Report No. : TACPL / DIR / 17 - 18 / 315 – A

FOR : TO ASSESS FAIR MARKET VALUE

VALUATION REPORT : LAND & BUILDING

1. Date of Inspection : 24.01.2018
Person/s accompanying/Available : Mr. Harish Gupta : Senior VP - Finance & Accounts
At the site at the time of visit/
inspection/valuation
2. Name & Address of the Valuer : **Mr. Vilas J. Bardapurkar**
C/o Techn-O-Aid Consultants Pvt. Ltd.
128, Runwal Commercial Complex, L.B.S. Marg,
Mulund (W), Mumbai – 400 080.
3. List of Documents handed over to : Sale Agreement for Land.
the Valuer by the Owner
4. Details of enquiries made for : a. Local enquires from Estate agents
arriving Fair Market Value. b. Real Estate, Bulletins / Supplements
5. Sub – Registrar Value / Guideline : ----
Value / Rate
6. Fair Market Value of the Property : **₹ 497,62,94,000 = 00**
7. Factors for determining its market : Locality, quality of construction, age, amenities etc.
value
8. Conservative Market Value of the : 90 % Of F.M.V. i.e. **₹ 447,86,64,600 = 00**
Property
9. Distress Value of the Property 80 % Of F.M.V. i.e. **₹ 398,10,35,200 = 00**
10. Any Critical Aspects Associated : N.A.
With Property

AS/AS

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.



11. **PROPERTY DETAILS** :
- * **Name(s) & address(es) of the Owner (s):** : **M/s. Welspun Corp Ltd.**
Welspun City, Survey Nos. 594, 657/P1, 657/P2, 657/P3, 658, 659, 661/P1, 661/P2, 662/P, 890, 984, Village – Varsamedi, Taluka – Anjar, Dist. – Kutch, Gujarat – 370110, India.
- * If the Property is under Joint Ownership / co- ownership share of each owner / are the shares in undivided : Company Ownership
- * Brief description of the Property (Whether Open Land, House Property, Land area, Built – up Area, No. of Floors etc. : As per Given below;

LAND :

Sr. No.	Asset Code	Cap Date	Description	Area In Acres.	Area In Sq. Mtr.
1	11011000000	01.07.2005	Survey No 659	21.30	86,201.10
2	11011000001	31.03.2006	Survey No.658	16.00	64,752.00
3	11011000002	31.03.2006	Survey No.661	16.00	64,752.00
4	11011000003	31.03.2006	Survey No.662	8.23	33,286.58
				6.40	25,900.00
5	11011000004	31.03.2006	Survey No.984p	18.73	75,780.08
6	11011000005	31.03.2006	Survey No.984	18.08	73,149.53
7	11011000006	31.03.2006	Survey No.594	7.38	29,846.63
8	11011000007	31.03.2007	Survey No 671	21.68	87,718.73
9	11011000008	31.03.2007	Survey No 672	14.25	57,669.75
10	11011000009	31.03.2007	Survey No 673	15.68	63,436.73
11	11011000010	31.03.2007	Survey No 890p	13.85	56,050.95
12	11011000011	31.03.2008	Survey No 630/1	37.35	151,155.45
13	11011000012	31.03.2009	Survey No 890p- Government Land	10.48	42,392.33
14	11011000013	31.03.2009	Survey No 630/2 and 631p- Government Land	2.88	11,635.13
15	11011000014	31.03.2009	Survey No 656p- Government Land	14.45	58,479.15
16	11011000015	31.03.2009	Survey No 660p2- Government Land	11.98	48,462.83
17	11011000016	31.03.2009	Survey No 660p1 - Reg Dt 19.01.2009	8.18	33,084.23
Total - Land				271.57	10,99,063.23



BUILDING & STRUCTURES:

Sr. No.	Asset Code	Cap Date	Description	Type Of Structure
Building - Factory				
1	11013000000	25-Dec-05	PCMD - Factory Building - Main Building	Heavy M.S. Structure
2	11013000001	25-Dec-05	PCMD - Sub Station Building	M.S. Structure
3	11013000003	28-Mar-08	PCMD - Factory Building - Main Building - Phase 2	Heavy M.S. Structure
4	11013000004	28-Mar-08	PCMD - Cooling Bed Building	Heavy M.S. Structure
5	11013000005	28-Mar-08	PCMD - Water Complex Building	RCC Structure
6	11013000006	28-Mar-08	PCMD - Hotplate Storage Building	Heavy M.S. Structure
7	11013000007	28-Mar-08	PCMD - Storage Tank Area	Open Yard
8	11013000008	16-Oct-08	PCMD - Mat Lab Building	Heavy M.S. Structure
9	11013000009	07-Sep-08	PCMD - Salvage Bay	Heavy M.S. Structure
10	11013000010	24-Feb-09	PCMD - Factory Building - Main Building - Phase 3	Heavy M.S. Structure
11	11013000011	18-Aug-08	PCMD - Transformer Yard	Open Yard
12	11013000012	12-Sep-08	PCMD - LPG And Oxygen Yard	Open Yard
13	11013000015	01-Apr-08	PCMD - Factory Building- Main Bldg-Phase 3	Heavy M.S. Structure
14	11013000016	03-Sep-09	PCMD - LPG Yard Building	M.S. Structure
15	11013000019	10-Mar-12	PCMD - Factory Building-Cold Leveler	Heavy M.S. Structure
16	11013000020	28-Mar-12	PCMD - Factory Building - Cut To Length	Heavy M.S. Structure
17	11013000022	05-Jul-12	PCMD - Factory Building - Cut To Length Extension	Heavy M.S. Structure
Building - Others				
1	11014000000	28-Mar-08	Administration Building	RCC Structure
2	11014000001	28-Mar-08	Store Building	M.S. Structure
3	11014000002	28-Mar-08	Stores Yard	Open Yard
4	11014000003	28-Mar-08	Drains	Drains
5	11014000004	28-Mar-08	Roads	Roads
6	11014000005	28-Mar-08	Water Reservoir	Open Water Storage
7	11014000006	28-Mar-08	Worker Colony	RCC Structure
8	11014000007	28-Mar-08	Slab Storage Area	Heavy M.S. Structure



Sr. No.	Asset Code	Cap Date	Description	Type Of Structure
9	11014000008	28-Mar-08	Coil Storage Area	Heavy M.S. Structure
10	11014000009	28-Mar-08	Plate Storage Area	Heavy M.S. Structure
11	11014000010	28-Mar-08	Plate Storage Open Area	Open Yard
12	11014000011	28-Mar-08	Open Slab Yard Area	Open Yard
13	11014000012	2-Feb-09	Slab Storage Yard	Open Yard
14	11014000013	26-Feb-09	Canteen Building	RCC Structure
15	11014000014	15-Oct-08	Plate Storage Open Yard	Open Yard
16	11014000015	12-Aug-08	Plate Storage Cover Yard	Heavy M.S. Structure
17	11014000016	20-Jan-09	Scrap Yard	Open Yard
18	11014000017	15-Oct-08	Seware Line	Sewage Lines
19	11014000018	15-Jun-08	Water Reservoir - 2	Open Water Storage
20	11014000019	15-Feb-09	Road And Drain	Roads & Drain
21	11014000020	10-Feb-09	Compound Wall - South Side Land Boundary	RCC + BB Wall
22	11014000021	23-Mar-09	Lorry Parking - Toilets And Bathrooms	Load Bearing Structure
23	11014000022	10-Jan-09	Chain Link Fencing (400 Rmt)	M.S. Structure
24	11014000023	15-May-08	Main Gate House	Load Bearing Structure
25	11014000027	1-Apr-08	Hot Plate Storage Yard	Open Yard
26	11014000028	10-Jan-10	Worker Colony	RCC Structure
27	11014000029	29-Mar-10	Parking Area	Open Parking
28	11014000030	28-Oct-09	Pond For Backwash Water Recovery	Open Water Storage
29	11014000031	16-Mar-10	Fencing - Natural Gas	M.S. Structure
30	11014000034	15-Apr-11	Open Slab Yard - Near Time Office	Open Yard
31	11014000035	26-Aug-11	Trailor Parking For Plate	Open Parking
32	11014000036	10-Mar-12	Road - Cold Leveler	Roads
33	11014000037	28-Mar-12	Road - Cut To Length	Roads
34	11014000051	5-Jul-12	Road - Cut To Length Extention	Roads
35	11014000052	1-Mar-13	Staff Colony - Cluster 1 - 36 Flats	RCC
36	11014000053	1-Mar-13	Staff Colony - Cluster 2 - 66 Flats	RCC
37	11014000054	1-Mar-13	Staff Colony - Cluster 3 - 72 Flats	RCC
38	11014000055	1-Mar-13	Staff Colony - 300 Cmd Sewrage Treatment Plant-Stp	RCC
39	11014000056	1-Mar-13	Staff Colony - Pump Room	RCC
40	11014000073	1-Apr-13	Staff Colony - Cluster 1 - 36 Flats - Escalation	RCC



Sr. No.	Asset Code	Cap Date	Description	Type Of Structure
41	11014000074	1-Apr-13	Staff Colony - Cluster 2 - 66 Flats - Escalation	RCC
42	11014000075	1-Apr-13	Staff Colony - Cluster 3 - 72 Flats - Escalation	RCC
43	11014000076	1-Apr-13	Staff Colony - Pump Room - Escalation	RCC
44	11014000077	1-Apr-13	Staff Colony - 300 Cmd Stp - Escalation	RCC
45	11014000078	20-Sep-13	Staff Colony - Cluster 4 - 54 Flats	RCC
46	11014000079	20-Sep-13	Staff Colony - Cluster 4 - Amenity	RCC
47	11014000080	20-Sep-13	Staff Colony - Cluster 2 - Amenity	RCC
48	11014000081	20-Sep-13	Staff Colony - Ext Elect, Substation & Transformer	RCC
49	11014000082	20-Sep-13	Staff Colony - Roads	Roads
50	11014000083	20-Sep-13	Staff Colony - Sewerage	RCC
51	11014000084	20-Sep-13	Staff Colony - Storm Water Drain	Drains
52	11014000085	20-Sep-13	Staff Colony - Paver Block & Kerb Stone	Roads
53	11014000086	20-Sep-13	Staff Colony - Compound Wall	BB Wall
54	11014000087	20-Sep-13	Staff Colony - Site Development	Roads
55	11014000088	20-Sep-13	Staff Colony - Area Grading	Roads
56	11014000089	4-Mar-14	Staff Colony - Market & Medical	RCC
57	11014000090	12-Sep-14	Driver Canteen	RCC
58	11014000091	21-Dec-15	Staff Colony - Market & Medical - 1st Floor	RCC
59	11014000092	3-Dec-16	Tensile Structure Shed At Market Medical	M.S. Structure

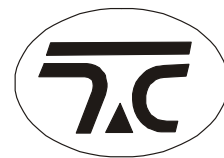
- * Dimensions of the Site : As Per Plan
- North :
- South :
- East :
- West :
- * Location of the Property : As per above
(Plot / Door No. Survey No. etc.)
- * Postal Address : Same as above



* Boundaries of the Property	:	As per Agreement
North	:	
South	:	
East	:	
West	:	
* Any Specific identification marks (Like Electric pole No. Dug well etc)	:	N.A.
* Whether covered under Corporation / Panchayat / Municipality.	:	Varsamedi, Gram Panchayat
* Whether covered under any land ceiling of State / Central Government	:	N.A.
* Is the Land Freehold / leasehold	:	Freehold
* Are there any restrictive covenants in regard to use of Land ? If so attach a copy of the covenant.	:	No.
* Type of the property - Whether	:	
Agriculture	:	
Industrial	:	Yes. – Industrial Unit
Commercial	:	
Institutional	:	
Government	:	
Non-Government	:	
Others (Specify)	:	
* In Case of Agricultural Land	:	N.A.
Any conversion to House site is obtained	:	
Whether the land is dry or wet	:	
Availability of irrigation facilities	:	
Type of crops grown	:	
Annual yield or income	:	
* Year of Purchase	:	As per Agreement
* Value of Purchase price	:	As per Agreement
* Whether the Property is occupied by owner or tenant. If occupied by tenant since how long he is staying and the amount of rent being paid.	:	Owner Occupied.



* Classification of the Site	:	
Population Group	:	Rural
High / Middle / Poor Class	:	N.A.
Residential / Non residential	:	Non Residential
Development of surrounding area	:	Developed
Possibility of any threat to the property (Floods, calamities etc.)	:	No.
* Proximity of civic amenities (like School, hospital, bus stop, market etc)	:	Available in Vicinity
* Level of the Land (Plain, rock etc.)	:	Plain
* Terrain of the Land	:	Leveled
* Shape of the Land (Square, Rectangular etc)	:	Trapezoidal
* Type of use to which it can be put (for construction of house, factory etc)	:	Industrial Factory
* Any usage restrictions on the property	:	Industrial Purpose
* Whether the plot is under town planning approved layout	:	Yes
* Whether the plot is intermittent or corner	:	Intermittent
* Whether any road facility is available	:	Yes.
* Type of Road available (B.T / Cement Road etc)	:	B.T. Road
* Front Width of the Road	:	40 Ft.
* Source of water & water potentiality	:	Borewell
* Type of Sewerage System	:	Underground
* Availability of power supply	:	Paschim Gujarat VIJ Co. Ltd.
* Advantage of the site	:	Develop Industrial Locality
* Give instances of sale of immovable property in the locality on a separate sheet, indicating the name & address of the property, Registration no. Sale price and area of Land sold.	:	Not Available



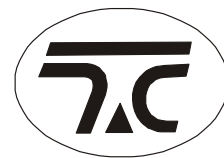
12. RENT DETAILS

- * Is the Building owner occupied / tenant / both ? : Owner Occupied
- * If partly owner occupied, specify portion & extent of area under occupation : N.A.
- * Name of the Tenant / Lessees / Licensees etc : N.A.
- * Portion in their occupation : N.A.
- * Has the tenant to bear the whole or part of the cost of repairs & maintenance. Give particulars : N.A.
- * If lift is installed, who is to bear the cost of maintenance and operations. Owner or tenant ? : N.A.
- * Has any standard rent has been fixed for the premises under any law relating to the control of rent? : N.A.
- * Present / expected income / rent from the Property : N.A.

13. VALUATION OF THE PROPERTY :

Part I : (Valuation of Land) : As Per Valuation Annexure

- 1 Dimensions of the Plot :
- 2 Total area of the plot :
- 3 Prevailing market rate :
- 4 Guideline rate obtained from the Registrar office :
- 5 Assessed / adopted rate of Valuation :
- 6 Estimated Value of the land. :
- 7 The conservation value of the land. :



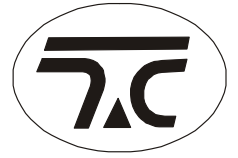
Part II : (Valuation of Factory Property)

a. Technical Details of the Factory Building

- * Type of the Building : Industrial Factory
(Residential / Commercial / Industrial)
- * Year of Construction : As Per Valuation Annexure
- * Future life of the Property : As Per Valuation Annexure
- * No. of floors and height. of each floor : As Per Details
including Basement
- * Plinth area of each floor : ---
- * Type of Construction (Load bearing / : R.C.C, Heavy M.S. & Load Bearing
RCC / Steel Framed)
- * Condition of the Building :
 - External : GOOD
 - Internal : GOOD
- * Whether the building / property is : Yes.
constructed strictly according to the
sanctioned plan, Details of variations
noticed if any and effect of the same on
the valuation.

- b. Specification of construction : As Per Valuation Annexure**

VALUATION ANNEXURE



I. LAND

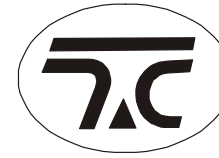
The Factory is Located at **Welspun City, Survey Nos. 594, 657/P1, 657/P2, 657/P3, 658, 659,661/P1, 661/P2, 662/P, 890, 984, Village – Varsamedi, Taluka – Anjar, Dist. – Kutch, Gujarat – 370110, India.**

Being Connected with National Highway, Transportation facility will be available easily & at reasonable rates. All Infrastructures such as Water Supply, Roads, Communication, Network etc. are easily available at the location. As many manufacturing units are working in this area since many years, skilled, semi skilled & unskilled Labour is available at very cheaper rates. Market of finished goods viz. Domestic as well as Exports are well connected by roads, so that the finished goods can be transported at low transport cost and at ease.

This Locality has Factories of many Reputed Companies. During Last two years the Reality Market has Shown upward trend & prices of Properties are **Sky Rocketing Northwards**. There is heavy demand for Industrial Properties in this locality.

VALUATION :

For the property under valuation, which is located at **Village -Varsamedi, Taluka – Anjar, Dist. – Kutch, Gujarat – 370110**, the Valuation works out as below;



VALUATION :

Sr. No.	Description	Gross Block	Net Block	Area	Rate Per	Replacement	Fair Market
		As on 31.12.17	As on 31.12.17	In Sq. Mtr.	Unit In ₹	Value In ₹	Value In ₹
1	Survey No 659	24527053	24527053	86,201.10	1,375.00	118526513	118526513
2	Survey No.658	16410667	18353167	64,752.00	1,375.00	89034000	89034000
3	Survey No.661	16585140	18527640	64,752.00	1,375.00	89034000	89034000
4	Survey No.662	1143712	1143712	33,286.58	1,375.00	45769041	45769041
				25,900.00	1,375.00	35612500	35612500
5	Survey No.984p	540994	540994	75,780.08	1,375.00	104197603	104197603
6	Survey No.984	1417534	1417534	73,149.53	1,375.00	100580597	100580597
7	Survey No.594	25139483	25139483	29,846.63	1,375.00	41039109	41039109
8	Survey No 671	1165950	1165950	87,718.73	1,375.00	120613247	120613247
9	Survey No 672	754810	754810	57,669.75	1,375.00	79295906	79295906
10	Survey No 673	776120	776120	63,436.73	1,375.00	87225497	87225497
11	Survey No 890p	262630	262630	56,050.95	1,375.00	77070056	77070056
12	Survey No 630/1	2102592	2102592	151,155.45	1,375.00	207838744	207838744
13	Survey No 890p- Government Land	6958294	6958294	42,392.33	950.00	40272709	40272709
14	Survey No 630/2 and 631p- Government Land	1909834	1909834	11,635.13	950.00	11053369	11053369
15	Survey No 656p- Government Land	9598739	9598739	58,479.15	950.00	55555193	55555193
16	Survey No 660p2- Government Land	8082990	8082990	48,462.83	950.00	46039684	46039684
17	Survey No 660p1 - Reg Dt 19.01.2009	10595199	10595199	33,084.23	1,375.00	45490809	45490809
Total - Land		13,16,62,436	13,18,56,741	10,99,063		144,27,99,929	144,27,99,929



BUILDING & STRUCTURES

A. Factory Building

Sr. No.	Cap. Date	Plant	Type of Structure	Area In Sq. Ft.	Resi. Life
1	25-Dec-05	PCMD - Factory Building - Main Building	Heavy M.S. Structure	115,121.00	27
2	28-Mar-08	PCMD - Factory Building - Main Building - Phase 2	Heavy M.S. Structure	312,188.00	30
3	28-Mar-08	PCMD - Cooling Bed Building	Heavy M.S. Structure	95,543.00	30
4	28-Mar-08	PCMD - Hotplate Storage Building	Heavy M.S. Structure	50,345.00	30
5	16-Oct-08	PCMD - Mat Lab Building	Heavy M.S. Structure	12,917.00	30
6	7-Sep-08	PCMD - Salvage Bay	Heavy M.S. Structure	82,668.00	30
7	24-Feb-09	PCMD - Factory Building - Main Building - Phase 3	Heavy M.S. Structure	44,455.00	31
8	1-Apr-08	PCMD - Factory Building- Main Bldg-Phase 3	Heavy M.S. Structure	89,556.00	30
9	10-Mar-12	PCMD - Factory Building- Cold Leveler	Heavy M.S. Structure	54,912.00	34
10	28-Mar-12	PCMD - Factory Building - Cut To Length	Heavy M.S. Structure	72,331.00	34
11	5-Jul-12	PCMD - Factory Building - Cut To Length Extension	Heavy M.S. Structure	15,810.00	34
12	28-Mar-08	PCMD - Slab Storage Area	Heavy M.S. Structure	93,360.00	30
13	28-Mar-08	PCMD - Coil Storage Area	Heavy M.S. Structure	20,254.00	30
14	28-Mar-08	PCMD - Plate Storage Area	Heavy M.S. Structure	104,045.00	30
15	12-Aug-08	PCMD - Plate Storage Cover Yard	Heavy M.S. Structure	59,320.00	30

This is Ground Storied Heavy M.S. Framed Structure having R.C.C footings, Heavy M.S. Beams, Columns & GI Sheet Roofing over MS Trusses. The Present condition of the Structures is Good & Well Maintained by the owners.



DESCRIPTION	DETAILS
Superstructure	Heavy M.S. Framed Structure
Roof	GI Sheet Roofing over M.S. Trusses
Doors	M.S. Rolling Shutters
Windows	----
RCC work	Good
Plastering	BB Walls / GI Sheet Cladding
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial

Sr. No.	Cap. Date	Plant	Type of Structure	Area In Sq. Ft.	Resi. Life
1	25-Dec-05	PCMD - Sub Station Building	M.S. Structure	106,564.00	27
2	3-Sep-09	PCMD - LPG Yard Building	M.S. Structure	59,988.00	26
3	28-Mar-08	PCMD - Store Building	M.S. Structure	10,764.00	30
4	10-Jan-09	PCMD - Chain Link Fencing (400 Rmt)	M.S. Structure	--	31
5	16-Mar-10	PCMD - Fencing - Natural Gas	M.S. Structure	--	17
6	3-Dec-16	Tensile Structure Shed At Market Medical	M.S. Structure	--	28

These Ground Storied M.S. Framed Structure having R.C.C footings, M.S. Beams, Columns & GI Sheet Roofing over MS Trusses. The Present condition of the Structures is Good & Well Maintained by the owners.

DESCRIPTION	DETAILS
Superstructure	M.S. Framed Structure
Roof	GI Sheet Roofing over M.S. Trusses
Doors	M.S. Rolling Shutters
Windows	----
RCC work	Good
Plastering	BB Walls / GI Sheet Cladding
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial



Sr. No.	Cap. Date	Plant	Type of Structure	Area In Sq. Ft.	Resi. Life
1	28-Mar-08	Water Complex Building	RCC Structure	77,553.00	50
2	28-Mar-08	Administration Building	RCC Structure	6,351.00	50
3	28-Mar-08	Worker Colony	RCC Structure	25,798.00	50
4	26-Feb-09	Canteen Building	RCC Structure	19,375.00	51
5	10-Jan-10	Worker Colony	RCC Structure	8,490.00	52
6	1-Mar-13	Staff Colony - Cluster 1 - 36 Flats	RCC Structure	26,997.00	55
7	1-Mar-13	Staff Colony - Cluster 2 - 66 Flats	RCC Structure	49,495.00	55
8	1-Mar-13	Staff Colony - Cluster 3 - 72 Flats	RCC Structure	53,995.00	55
9	1-Mar-13	Staff Colony - 300 CMD Sewerage Treatment Plant - STP	RCC Structure	1,411.00	55
10	1-Mar-13	Staff Colony - Pump Room	RCC Structure	1,612.00	55
11	1-Apr-13	Staff Colony - 300 Cmd Stp – Escal.	RCC	--	55
12	20-Sep-13	Staff Colony - Cluster 4 - 54 Flats	RCC	--	55
13	20-Sep-13	Staff Colony - Cluster 4 - Amenity	RCC	--	55
14	20-Sep-13	Staff Colony - Cluster 2 - Amenity	RCC	--	55
15	20-Sep-13	Staff Colony - Ext Elect, Substation & Transformer	RCC	--	55
16	20-Sep-13	Staff Colony - Sewerage	RCC	--	55
17	4-Mar-14	Staff Colony - Market & Medical	RCC	--	55
18	12-Sep-14	Driver Canteen	RCC	--	55
19	21-Dec-15	Staff Colony - Market & Medical - 1st Floor	RCC	--	55

These Ground Storied R.C.C. Framed Structure having R.C.C Beams, Columns & Slabs. The Present condition of the Structures is Good & Well Maintained by the owners.

DESCRIPTION	DETAILS
Superstructure	R.C.C. Framed Structure
Roof	R.C.C. Slab
Doors	M.S. Rolling Shutters
Windows	M.S. Grills
RCC work	Good
Plastering	BB Walls
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial



Site Development :

Sr. No.	Cap. Date	Plant	Type of Structure	Area In Sq. Ft.	Resi. Life
1	28-Mar-08	Storage Tank Area	Open Yard	93,084.00	20
2	18-Aug-08	Transformer Yard	Open Yard	53,605.00	20
3	12-Sep-08	LPG And Oxygen Yard	Open Yard	5,716.00	20
4	28-Mar-08	Stores Yard	Open Yard	215,280.00	20
5	28-Mar-08	Drains	Drains	-	20
6	28-Mar-08	Roads	Roads	239,951.00	20
7	28-Mar-08	Water Reservoir	Open Water Storage	1,743,768.00	20
8	28-Mar-08	Plate Storage Open Area	Open Yard	73,906.00	20
9	28-Mar-08	Open Slab Yard Area	Open Yard	34,479.00	20
10	2-Feb-09	Slab Storage Yard	Open Yard	33,842.00	21
11	15-Oct-08	Plate Storage Open Yard	Open Yard	50,795.00	20
12	20-Jan-09	Scrap Yard	Open Yard	64,584.00	21
13	15-Oct-08	Sewage Line	Sewage Lines	-	20
14	15-Jun-08	Water Reservoir - 2	Open Water Storage	1,035,497.00	20
15	15-Feb-09	Road And Drain	Roads & Drain	117,231.00	21
16	10-Feb-09	Compound Wall - South Side Land Boundary	RCC + BB Wall	-	21
17	23-Mar-09	Lorry Parking - Toilets & Bathrooms	Load Bearing Structure	118,404.00	21
18	15-May-08	Main Gate House	Load Bearing Structure	3,229.00	20
19	1-Apr-08	Hot Plate Storage Yard	Open Yard	46,845.00	20
20	29-Mar-10	Parking Area	Open Parking	15,500.00	22
21	28-Oct-09	Pond For Backwash Water Recovery	Open Water Storage	121,095.00	21
22	15-Apr-11	Open Slab Yard - Near Time Office	Open Yard	155,002.00	23
23	26-Aug-11	Trailer Parking For Plate	Open Parking	64,584.00	23
24	10-Mar-12	Road - Cold Leveler	Roads	3,552.00	24
25	28-Mar-12	Road - Cut To Length	Roads	6,523.00	24
26	5-Jul-12	Road - Cut To Length Extension	Roads	98,243.00	24
27	20-Sep-13	Staff Col. - Roads	Roads	--	25
28	20-Sep-13	Staff Col. - Storm Water Drain	Drains	--	25
29	20-Sep-13	Staff Col.- Paver Block & Kerb Stone	Roads	--	25
30	20-Sep-13	Staff Col. - Compound Wall	BB Wall	--	25
31	20-Sep-13	Staff Col. - Site Development	Roads	--	25
32	20-Sep-13	Staff Col. - Area Grading	Roads	--	25



VALUATION

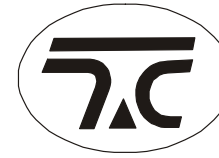
1. The Building & Structures are in good condition & for Valuation we are adopting **“OPTIMIZED REPLACEMENT VALUE BASIS”**. The detailed Lists of Building & Structures are enclosed.
2. The Total Life of Building & Structures at the Factory is considered at : for R.C.C Structures at 55-60 years, for Heavy M.S. Structures at 40-45 years & for M.S./ Load bearing Structures at 30-35 years respectively As per Companies Act, 2013.

Valuation Methodology

Taking into consideration the various Details / Specifications / Construction & present condition of **Building & Structures** as described in the Annexure for the Factory located on **Welspun City, Survey Nos. 594, 657/P1, 657/P2, 657/P3, 658, 659, 661/P1, 661/P2, 662/P, 890, 984, Village – Varsamedi, Taluka – Anjar, Dist. – Kutch, Gujarat – 370110, India**, which is a Developed Industrial Locality of **Gujarat**. The Fair Market Value as on Date of Valuation has been arrived on the **“OPTIMIZED REPLACEMENT VALUE BASIS”**.

To arrive at the Fair Market Value for the Assets owned by **M/s. Welspun Corp Limited;**

- Considered the investment cost (Purchase Price) of the assets as per the asset registers, annual additions and deletions in the assets,
- Worked out Present Day Replacement Value applying relevant cost inflation indices and current market prices of Modern Equivalent Assets,
- Adjusted the Replacement Value to get Fair Market Value with due consideration to economic life of the assets, expected future life, technological and commercial/ economical obsolescence, etc.
- To arrive to the Fair Market Value (FMV), due weightage was given to the life span, comparison of useful life of assets and depreciation rates as per fair life of the assets.



VALUATION :

Taking into consideration the various Details / Specifications / Construction & present condition of the Buildings as described above for the Property located at **Village – Varsamedi, Taluka – Anjar Dist. – Kutch, Gujarat – 370110. India.** Hence, the Valuation works out as below;

Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
	Building - Factory				
1	Factory Building - Main Building	149169182	90621816	346786480	234080870
2	Sub Station Building	15199584	9233904	35335790	20023610
3	Factory Building - Main Building - Phase 2	540390384	368584153	1072891860	804668900
4	Cooling Bed Building	72103992	49179981	143155370	107366530
5	Water Complex Building	56901389	38810740	112972100	94143420
6	Hotplate Storage Building	36938414	25194590	73337580	55003190
7	Storage Tank Area	19513461	13309549	38742050	25828030
8	Mat Lab Building	8915463	6244132	17700770	13275580
9	Salvage Bay	36318421	25308017	72106650	54079990
10	Factory Building - Main Building - Phase 3	59363288	42281157	109100100	84552580
11	Transformer Yard	1492459	1037296	2963130	1975420
12	LPG And Oxygen Yard	2487432	1734462	4938550	3292370
13	Factory Building- Main Bldg-Phase 3	134952784	92054407	267935450	200951590
14	LPG Yard Building	4320914	3152034	7941140	5558800
15	Factory Building-Cold Leveler	45878184	37290380	62394330	53035180
16	Factory Building - Cut To Length	65679514	53492275	89324140	75925520
17	Factory Building - Cut To Length Extension	9412291	7750411	12800720	10880610
	Total - Building - Factory	125,90,37,156	86,52,79,306	247,04,26,210	184,46,42,190



Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
	Building – Others				
1	Administration Building	6055096	4654759	12021800	10018170
2	Store Building	7643740	5875997	15175890	10117260
3	Stores Yard	3713388	2854605	7372570	4915050
4	Drains	4616069	230803	9164750	6109830
5	Roads	79237525	3961876	157318300	104878870
6	Water Reservoir	101951361	78373409	202414380	134942920
7	Worker Colony	44372655	37398429	88097530	73414610
8	Slab Storage Area	58725599	45144326	116593890	87445420
9	Coil Storage Area	4418433	3396597	8772360	6579270
10	Plate Storage Area	70900775	54503789	140766500	105574880
11	Plate Storage Open Area	42614493	32759182	84606880	56404590
12	Open Slab Yard Area	18073610	13893786	35883370	23922250
13	Slab Storage Yard	12222687	9595990	22463320	15724320
14	Canteen Building	13917822	11938061	25578700	21741900
15	Plate Storage Open Yard	24894270	19400814	49425120	32950080
16	Plate Storage Cover Yard	69134117	53645500	137258980	102944240
17	Scrap Yard	43390994	34036590	79745610	55821930
18	Seware Line	5464397	4258560	10849020	7232680
19	Water Reservoir - 2	34167937	26408610	67837070	45224710
20	Road And Drain	18153080	907654	33362420	23353690
21	Compound Wall - South Side Land Boundary	27864547	21888028	51210520	35847360
22	Lorry Parking - Toilets And Bathrooms	40534113	31927076	74495130	52146590



Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
23	Chain Link Fencing (400 Rmt)	2840731	142036	5220800	3654560
24	Main Gate House	1503515	1270417	2985080	1990050
25	Hot Plate Storage Yard	331844	255120	658840	439230
26	Worker Colony	13624016	11878551	22190010	19231340
27	Parking Area	1823913	1471714	2970680	2178500
28	Pond For Backwash Water Recovery	3279834	2620677	6027800	4219460
29	Fencing - Natural Gas	59134	2957	96310	70630
30	Open Slab Yard - Near Time Office	3190317	2636908	4716120	3615690
31	Trailor Parking For Plate	787516	656247	1164150	892520
32	Road - Cold Leveler	161339	8067	219420	175540
33	Road - Cut To Length	808876	40444	1100070	880060
34	Road - Cut To Length Extention	8438414	421921	11476240	9180990
35	Staff Colony - Cluster 1 - 36 Flats	59273186	54704329	73283210	67176280
36	Staff Colony - Cluster 2 - 66 Flats	106757615	98528594	131991230	120991960
37	Staff Colony - Cluster 3 - 72 Flats	111373370	102788560	137697990	126223160
38	Staff Colony - 300 Cmd Sewrage Treatment Plant-Stp	6783976	6261058	8387460	7688510
39	Staff Colony - Pump Room	7336873	6771337	9071040	8315120
40	Staff Colony - Cluster 1 - 36 Flats - Escalation	2196168	2027072	2715260	2488990
41	Staff Colony - Cluster 2 - 66 Flats - Escalation	3721056	3434550	4600580	4217200
42	Staff Colony - Cluster 3 - 72 Flats - Escalation	4022460	3712747	4973220	4558790
43	Staff Colony - Pump Room - Escalation	330190	304767	408240	374220
44	Staff Colony - 300 Cmd Stp - Escalation	289346	267068	357740	327930



Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
45	Staff Colony - Cluster 4 - 54 Flats	123182989	114802535	152298970	139607390
46	Staff Colony - Cluster 4 - Amenity	10768123	10035540	13313320	12203880
47	Staff Colony - Cluster 2 - Amenity	9645242	8989052	11925030	10931280
48	Staff Colony - Ext Elect, Substation & Transformer	22742097	19819460	28117500	25774380
49	Staff Colony - Roads	19826916	3987759	24513280	20427730
50	Staff Colony - Sewerage	7891400	6877259	9756640	8130530
51	Staff Colony - Storm Water Drain	14028580	10482347	17344430	14453690
52	Staff Colony - Paver Block & Kerb Stone	14001173	12201851	17310540	14425450
53	Staff Colony - Compound Wall	7390015	6440308	9136750	7613960
54	Staff Colony - Site Development	12132625	10573435	15000340	12500280
55	Staff Colony - Area Grading	4015604	3499550	4964750	4137290
56	Staff Colony - Market & Medical	6352832	5967359	7199880	6719890
57	Driver Canteen	491339	439930	556850	519730
58	Staff Colony - Market & Medical - 1st Floor	4012544	3883438	4296900	4082060
59	Tensile Structure Shed At Market Medical	1167702	928211	1203090	1122880
	Total - Building - Others	132,86,49,578	101,61,87,619	217,96,63,870	168,88,51,770
	Total - Building	258,76,86,734	188,14,66,925	465,00,90,080	353,34,93,960



SUMMARY

Sr. No.	Particulars	Gross Block In ₹	Net Block In ₹	Replacement Value In ₹	Fair Market Value In ₹
A	Land	13,16,62,436	13,18,56,741	144,27,99,929	144,27,99,929
B	Factory Building & Structures	258,76,86,734	188,14,66,925	465,00,90,080	353,34,93,960
Total		271,93,49,170	201,33,23,666	609,28,90,009	497,62,93,889
Rounded Off To		271,93,49,000	201,33,24,000	609,28,90,000	497,62,94,000
In Crore		271.93	201.33	609.29	497.63

(₹ Four Hundred Ninety Seven Crore Sixty Three Lakh Only.)

We Certify that

- The Property is being valued by me personally.
- The Rates for valuation of the property are as per Prevailing Market Rates in the Locality as on date of visit.
- We have no direct or indirect interest in the Asset Valued & we have used the basic Data / Documents provided to us at the Time of our personal Visit to the Site on **24.01.2018**
- The value of the property : **₹ 497.63 Crore**
- Our Report does not cover Check of the Ownership / Title clearance / Legal aspects & there is no Legal / Contractual obligation on our Part. We have assumed that the assets are free of encumbrances of loan, Or Govt. or other dues, Stamp Duty, Registration Charges, Transfer charges etc. if any, are not considered in the valuation.
- Emphasis of this Report is on the value of the Property & not on the Area Measurement or Title Verification of the property & is based on market rate.
- It may be noted that, the Valuation of the Asset arrived by us is purely our opinion based on Basis and Assumptions as Listed in Page No. 2, 3 of this Report.
- This Report contains 42 Pages & Photographs.

Date : 31.01.2018

Place: MUMBAI

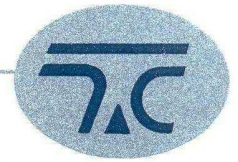


Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

Approved Valuer

TECHN-O-AID CONSULTANTS PVT. LTD.



**APPROVED TECHNICAL CONSULTANTS
ARCHITECTS , CHARTERED ENGINEERS & VALUERS**

128, 1ST FLR . RUNWAL COMMERCIAL COMPLEX , NEAR SHREE SANTOSHI MATA MANDIR. L.B.S. MARG,
MULUND (W), MUMBAI - 400 080. TEL.: 2590 2669 • TELEFAX : 2569 0712 • CELL : 98210 18187
E-mail : tacpl@bplmobile.blackberry.com • technoaidconsultants@gmail.com • tacpl@yahoo.com

VALUATION OF PLANT & MACHINERY AND OTHER ASSETS OWNED BY M/S. WELSPUN CORP LTD.

AT

**WELSPUN CITY, SURVEY NOS. 594, 657/P1, 657/P2, 657/P3, 658, 659, 661/P1, 661/P2,
662/P, 890, 984, VILLAGE – VARSAMEDI, TALUKA – ANJAR,
DIST. – KUTCH, GUJARAT – 370110, INDIA.**

TO ASSESS FAIR MARKET VALUE

DATE OF INSPECTION

24.01.2018

DATE OF REPORT

31.01.2018

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.



BASIS & ASSUMPTIONS FOR VALUATION OF PLANT & MACHINERY AND OTHER ASSETS

- 1. This Valuation Assignment is given by the Owner – To Assess Fair Market Value.**
2. For this Assignment of Valuation Assets has been classified into Groups as per their Functional abilities and Capacities like Plant & Machinery, Laboratory Equipments, Electrical Installations & Furniture & Fixtures and then these Groups are valued as a Block of Assets.
3. The Available details such as cost of Erection and Commissioning are furnished by the company for this Assignment.
4. The Life of the Machinery is assumed appropriately depending upon the Operation/s it performs /product manufactured & number of shifts operated & maintenance.
The Total Life of the Basic Machinery / Process Plants / Utilities we assume the Life based upon the type of Industry.
5. Obsolescence (Tech. / Functional / Economic) & utility of the Machine Equipment are taken into the Consideration as part of Depreciation.

The Depreciation calculated for Accounting is not valid /considered for Revaluation of Plant & Machinery.
For those Machine & Equipments which are maintained very well by the company, we consider relatively low rates of Depreciation for these Machines.
6. The age of the Machine and Depreciation is directly co-related with the date of Valuation.
The Age of Machine is defined as "A period of time from the date of installation till the date of retirement of its service."

The Age of Machine depends upon the Working Condition, Frequency of Breakdown, Spares, Climate, Govt. Policy, Technological Obsolescence etc.
7. In case of Capital Work in Progress, the Documents /C. A.'s certificate furnished is referred to & valued AT COST.
8. For arriving the Replacement cost of Plant, Machinery/Equipments we either follow the method of Indexation referring to RBI Cost Inflation Index as of 01.04.1981 & the index on date of Valuation as notified by RBI or gather the information over telephone from manufacturer / dealers / experts from similar industry.
9. We assume that the bank having invoices in original given by the Borrower.
10. In case of any Human & Technical error of judgment, a fresh Report will be submitted at a later Date, as & when the mistake is identified.



11. VALUATION is the Art of Process of Estimating Value, depending on the circumstances of the case & purpose for which Valuation is needed, at a given time, Place & under Specified Market conditions and Our Report is an opinion expressed keeping in mind the purpose. Buying & Selling Assets is a Totally Different Activity & is out of scope of the Valuation Assignment.

FAIR MARKET VALUE is the Price that the Capital Asset would ordinarily fetch on sale in the open market on the relevant date.

Market Value is thus the warranted Price expressed in terms of money which a property is estimated to bring, at any given Time, and Place, where the Buyers and Sellers act without compulsion & with full knowledge of all the uses to which the asset is adopted and for which it is capable of being used, As Defined by the International Valuation Standards Committee London.

12. VALUATION is a function of Time, 'VALUE' varies with the purpose viz. Value of the same Property will be different, when purpose is different viz.

There are Different yardsticks / Approaches to Valuation viz.

1. If Valuation is for Income Tax / Wealth Tax Purpose, the approach is Indexation referring to RBI Cost Inflation Index as of 01.04.1981 & the index on date of valuation as notified by RBI.
2. If Valuation is for Insurance Purpose, GIC Subsidiaries who work on IRDA Guidelines, the Replacement Cost is considered while issuing the Policy.
3. If Valuation is for Merger / Acquisition, then as per understanding for SWAP Ratio Decided by the Purchasing Co. & Selling Co., the Valuation is arrived at.
4. If Valuation is for VISA Purpose Value, will be Market Value Approach is adopted.
5. If Valuation is for Balance Sheet Purpose, Fair Market Value Approach is adopted.



Report No. : TACPL / DIR / 17 - 18 / 315 – B

FOR : TO ASSESS FAIR MARKET VALUE

VALUATION REPORT: PLANT & MACHINERY AND OTHER ASSETS

1. Date of Inspection : 24.01.2018
2. Name & Address of the Valuer : **Vilas J. Bardapurkar**
C/o Techn-O-Aid Consultants Pvt. Ltd.
128, Runwal Commercial Complex, L.B.S. Marg,
Mulund (W), Mumbai – 400 080.
3. Name of the Owner : **M/S. Welspun Corp Ltd.**
4. Address of the Plant : **Welspun City, Survey Nos. 594, 657/P1, 657/P2, 657/P3, 658, 659, 661/P1, 661/P2, 662/P, 890, 984, Village – Varsamedi, Taluka – Anjar, Dist. – Kutch, Gujarat – 370110, India.**
5. List of Documents handed over to the Valuer by the Owner : Various Documents, Balance Sheet – Fixed Assets Schedule and Physical Verification of Plant & Machineries
6. Details Of Enquiries Made For Arriving Fair Market Value. :
 - a. Local enquires from Suppliers of Plant & Machinery
 - b. Plant & Machinery Manuals, Bulletins / Supplement
7. Fair Market Value of the Plant & Machinery & Other Assets as on Date : **₹ 2354,58,75,000 = 00**
8. Factors for Determining Its Market Value : Operation /s it performs / Product Manufactured & Number of shifts operated & Maintenance.
9. Conservative Market Value of the Plant & Machinery & Other Assets : 90 % Of F.M.V. i.e. **₹ 2119,12,87,500 = 00**
10. Distress Value of the Plant & Machinery & Other Assets : 80 % Of F.M.V. i.e. **₹ 1883,67,00,000 = 00**

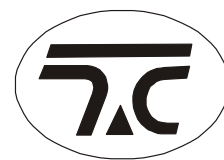
AS/PM

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.



VALUATION

1. The Plant is in excellent condition & for Valuation we are adopting **“OPTIMIZED REPLACEMENT VALUE BASIS”**. The detailed Lists of Plant & Machinery are enclosed.
2. The Total Life of Plant & Machinery installed at the Factory is considered at 25 years, As per Company's Act 2013.

Valuation Methodology

Taking into consideration the various Details / Specifications / Construction & present condition of **Plant & Machinery and Other Assets** as described in the Annexure for the Factory located on **Welspun City, Survey Nos. 594, 657/P1, 657/P2, 657/P3, 658, 659, 661/P1, 661/P2, 662/P, 890, 984, Village – Varsamedi, Taluka – Anjar, Dist. – Kutch, Gujarat – 370110, India**, which is a Developed Industrial Locality of **Gujarat**. The Fair Market Value as on Date of Valuation has been arrived on the **“OPTIMIZED REPLACEMENT VALUE BASIS”**.

To arrive at the Fair Market Value for the Assets owned by **M/s. Welspun Corp Limited;**

- Considered the investment cost (Purchase Price) of the assets as per the asset registers, annual additions and deletions in the assets,
- Worked out Present Day Replacement Value applying relevant cost inflation indices and current market prices of Modern Equivalent Assets,
- Adjusted the Replacement Value to get Fair Market Value with due consideration to economic life of the assets, expected future life, technological and commercial/ economical obsolescence, etc.
- To arrive to the Fair Market Value (FMV), due weightage was given to the life span, comparison of useful life of assets and depreciation rates as per fair life of the assets.
- For the Other Assets Viz. Vehicles, Furniture & Fixtures, Office Equipments & Computers, we have considered the Net Value as on 31.12.2017 as the Fair Market Value.



Summary

Sr. No.	Particulars	Gross Block In ₹	Net Block In ₹	Replacement Value In ₹	Fair Market Value In ₹
A	Plant & Machineries	2064,01,68,831	1135,39,84,169	3765,57,87,250	2352,92,82,500
	Total	2064,01,68,831	1135,39,84,169	3765,57,87,250	2352,92,82,500
B	Other Assets				
1.	Electrical	---	---	---	---
2.	Vehicles	57,08,008	4,60,258	4,60,258	4,60,258
3.	Furniture & Fixtures	2,51,77,021	72,04,014	72,04,014	72,04,014
4.	Office Equipments	2,66,93,352	59,15,157	59,15,157	59,15,157
5.	Computers	1,41,64,006	4,83,646	4,83,646	4,83,646
6.	Software	45,98,26,369	25,29,366	25,29,366	25,29,366
	Total	106,31,37,510	3,31,84,884	3,31,84,884	3,31,84,884
	Grand Total of Assets	2117,17,37,586	1137,05,76,611	3767,23,79,692	2354,58,74,942
	Rounded Off To	2117,17,38,000	1137,05,77,000	3767,23,80,000	2354,58,75,000
	In Crore	2,117.17	1,137.06	3,767.24	2,354.59

(₹ Two Thousand Three Hundred and Forty Three Crore Seventy Eight Lakh Only.)

We hereby declare that,

- The information furnished above is true & correct to the best of our knowledge & belief.
- We have no direct or indirect interest in the Asset Valued & we have used the basic Data / Documents provided to us at the Time of our personal Visit to the Site **on 24.01.2018**
- The value of the Plant & Machinery : **₹ 2,354.59 Crore**
- Our Report does not cover Check of the Ownership / Title clearance / Legal aspects & there is no Legal / Contractual obligation on our Part.
- It may be noted that, the Valuation of the Asset arrived by us is purely our opinion based on Basis & Assumptions as Listed in Page No.37 & 38 of this Report.
- My Registration with State Chief Commissioner of Income Tax is valid as on Date.

Date : 31.01.2018

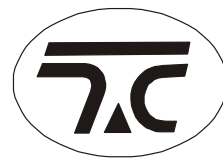
Place: MUMBAI



Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

Approved Valuer



PHOTOGRAPHS

FOR PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.

PLATE & COIL DIVISION – ANJAR

AT

WELSPUN CITY, SURVEY NOS.594, 657/P1, 657/P2, 657/P3, 658, 659, 661/P1,

661/P2, 662/P, 890, 984, VILLAGE – VARSAMEDI, TALUKA – ANJAR,

DIST. – KUTCH, GUJARAT – 370110, INDIA.

TECHN-O-AID CONSULTANTS PVT. LTD.



**APPROVED TECHNICAL CONSULTANTS
ARCHITECTS , CHARTERED ENGINEERS & VALUERS**

128, 1ST FLR . RUNWAL COMMERCIAL COMPLEX , NEAR SHREE SANTOSHI MATA MANDIR. L.B.S. MARG,
MULUND (W), MUMBAI - 400 080. TEL.: 2590 2669 • TELEFAX : 2569 0712 • CELL : 98210 18187
E-mail : tacpl@bplmobile.blackberry.com • technoaidconsultants@gmail.com • tacpl@yahoo.com

VALUATION OF ASSETS

OWNED BY

M/S. WELSPUN CORP LTD.

POWER PLANT – ANJAR

AT

**WELSPUN CITY, SURVEY NO.890, VILLAGE – VARSAMEDI,
TALUKA – ANJAR DIST. – KUTCH, GUJARAT – 370110, INDIA.**

TO ASSESS FAIR MARKET VALUE

DATE OF INSPECTION

24.01.2018

DATE OF REPORT

31.01.2018



SUMMARY

VALUATION OF IMMOVABLE PROPERTY

OWNED BY

M/S. WELSPUN CORP LTD.

Sr. No.	Particulars	Gross Block In ₹	Net Block In ₹	Replacement Value In ₹	Fair Market Value In ₹
I	Land	---	---	---	---
II	Building	11,77,93,561	8,42,45,300	24,16,44,460	15,69,54,510
III	Plant & Machineries	143,15,07,891	65,49,77,184	299,77,39,230	217,81,16,410
IV	Electrical	---	---	---	---
V	Vehicles	---	---	---	---
VI	Furniture & Fixtures	1,15,123	38,129	38,129	38,129
VII	Office & Other Equip.	14,67,607	4,64,018	4,64,018	4,64,018
VIII	Computers	76,599	2,503	2,503	2,503
IX	Software	---	---	---	---
Grand Total of Assets		155,09,60,782	73,97,27,133	323,98,88,339	233,55,75,569
Rounded Off To		155,09,61,000	73,97,27,000	323,98,88,000	233,55,76,000
In Crore		155.10	73.97	323.99	233.56

(₹ Two Hundred and Thirty Three Crore Fifty Six Lakh Only.)

Date : 31.01.2018

Place: MUMBAI

Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

Approved Valuer

TECHN-O-AID CONSULTANTS PVT. LTD.



**APPROVED TECHNICAL CONSULTANTS
ARCHITECTS , CHARTERED ENGINEERS & VALUERS**

128, 1ST FLR . RUNWAL COMMERCIAL COMPLEX , NEAR SHREE SANTOSHI MATA MANDIR. L.B.S. MARG,
MULUND (W), MUMBAI - 400 080. TEL.: 2590 2669 • TELEFAX : 2569 0712 • CELL : 98210 18187
E-mail : tacpl@bplmobile.blackberry.com • technoaidconsultants@gmail.com • tacpl@yahoo.com

VALUATION OF ASSETS : LAND & BUILDING

OWNED BY

M/S. WELSPUN CORP LTD.

AT

**WELSPUN CITY, SURVEY NO. 890, VILLAGE – VARSAMEDI,
TALUKA – ANJAR DIST. – KUTCH, GUJARAT – 370110, INDIA.**

TO ASSESS FAIR MARKET VALUE

DATE OF INSPECTION

24.01.2018

DATE OF REPORT

31.01.2018



BASIS & ASSUMPTIONS FOR VALUATION OF FIXED ASSETS

- 1) **This Valuation Assignment is given by the Owner – To Assess Fair Market Value**
- 2) While undertaking the Assignment of Valuation, we refer to Xerox copies of anyone or more Documents of Ownership i.e. Agreement / Share Certificate / Bill / Index II / Property Card / Plan furnished to us before or during visit and as our policy we do not retain these documents with us and return the same to Bank / Client. As Regards to the Authenticity / Genuineness / Verification of the Documents, the onus lies with the Bank. Our Report is valid subject to the same Property is legally cleared by Banks panel Advocate and Bank is having a Clear & Marketable Title to the Property without any encumbrance.

We / Our Representative Personally Visit the site for inspection after co – ordination with the owner / his consultants / representative & in majority of the cases the owner arranges for the visit to the site.

Subsequently after the visit we Prepare Valuation Report for the Property had shown to us.

It is mandatory for societies older than 15 years have to conduct a structural audit of the building every 5 yrs & after 30 yrs, every 3 yrs. This applies to existing structures as well as upcoming buildings also.

Bank is requested to obtain the said structural audit certificate from competent authority given to the Society.

- 3) VALUATION is the Art of Process of Estimating Value, depending on the circumstances of the case and purpose for which Valuation is needed, at a given time, Place & under Specified Market conditions and Our Report is an opinion expressed keeping in mind the purpose. Buying and Selling Assets is a Totally Different Activity & is out of scope of the Valuation Assignment.

FAIR MARKET VALUE is the Price that the Capital Asset would ordinarily fetch on sale in the open market on the relevant date. Market value is thus the warranted Price expressed in terms of money which a property is estimated to bring, at any given Time, and Place, where the Buyers and Sellers act without compulsion & with full knowledge of all the uses to which the asset is adopted and for which it is capable of being used, As Defined by the International Valuation Standards Committee London.

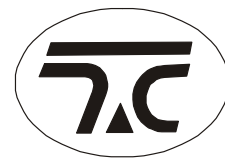
- 4) VALUATION is a function of Time; 'VALUE' varies with the purpose viz. Value of the same Property will be different, when purpose is different viz.

There are Different yardsticks / Approaches to Valuation viz.

1. If Valuation is for Income Tax / Wealth Tax Purpose, the approach is Cost of Construction Less Deprecation Applicable considering the Age of the Building.
 2. If Valuation is for Insurance Purpose, GIC Subsidiaries who work on IRDA Guidelines, the Replacement Cost of Construction / Sq. Ft. for Building Duly (Not Land) is Considered and Market Value is not considered while issuing the Policy.
 3. If Valuation is for Merger / Acquisition, then as per understanding for SWAP Ratio Decided by the Purchasing Co. & Selling Co., the Valuation is arrived at.
 4. If Valuation is for VISA Purpose Value, will be Market Value Approach is adopted.
 5. If Valuation is for Balance Sheet Purpose, Fair Market Value Approach is adopted.
 6. If Valuation is for Availing Bank Facilities, Conservative Approach is adopted.
- 5) Whatever Documents / Data was not available, we have arrived at the values on Basis of our experience and knowledge in the field. In case of any Human & / Technical error of judgment, a fresh Report will be submitted at a later Date, as & when the mistake is identified.



- 6) Regarding Area of the Property there are different terminologies in vogue in the Real Estate Market. e.g. Carpet Area, Built Up Area (BUA), Super Built Up Area (SBUA), Saleable Area etc. For the same property the per Sq. Ft. rate is different depending upon for what type of area the rate is specified.
- a) Carpet Area : - This is wall to wall area which is Actually Measurable.
 - b) Built Up Area : - This is 20% more than Carpet area as defined by Stamp Duty Ready Reckoner Published by the Government on 1st January Every Year.
 - c) Super Built Up Area : - This is Calculated Area which is Loaded by the Builder on the Carpet Area and the general practice followed is to load by 50 % or more for Commercial Properties & by 33 – 45% or more for Large Residential Projects having many high Rise Towers, having various amenities viz. Landscape Garden, Children's Play Area, Swimming Pools, High Speed Lifts, Health Club, Car Parkings, Separate area for Functions etc. This is a Calculated Area, using the loading factor determining for providing the any or all above Amenities given to the Owners / Purchasers in the Complex and various from Project to Project and Builder to Builder.
 - d) Saleable Area : - This is again a Calculated Area. The Builder depending on the Project & Location apply a Still Higher loading % particularly for Commercial properties in Mall Builder/Administration Cum Sales Office / Owner inform that due to Extra High Class Amenities Provided viz. Lifts / Escalators / Full Air Conditioned Premises / Generators Back up / Fire Fighting and Security Services, the % is decided which ranges between 50-200% & even Govt. agencies like MHADA, CIDCO & DDA are also following the trend. The Rates for Properties in Mall also vary a lot for Property on Gr. Floor, at the Entrance whether in front or on sides are Highest and may be Lower on Upper floors. The Super Built Up & Saleable Area's are Notional Area's which do not exists & are calculated Area's.
- 7) Legislations :
- 1. The State Government on 24th April 2008 passed a Bill, to Amend Maharashtra Ownership Flat Act, 1963 that the Builders should sell properties on Actual Carpet Area & Mention in the Agreement for Sale / Sale Deed. At the same time, Government has allowed Builders to charge separately for the various Amenities provided by them.
 - 2. As far as Super Built up Area or Saleable Area, there is no Law to Govern the Sale Transaction & Builders are enjoying this lack of Legislation as per their wish.
 - 3. In some cases, we have come across situations, where the property owners have undertaken to enclose the Balconies provided - Legally or illegally, in such cases, the Carpet Area observed is more than mentioned in ownership Document. However, we take the area as mentioned in the Agreement Or other Document of Ownership Document.
 - 4. Change in Use of the property from Residential to Commercial is ILLEGAL under the MRTP (Monopolies & Restrictive Trade Practices) Act & under Section 52, (for changing the use of Premises of Residential Bldg to Commercial to run Offices), the Matter is non-cognizable, that can attract a Punishment of 3 Years in Jail.
- 8) Ownership Documents
- a. The Agreement for Sale is Registered on the Basis of the Area mentioned in this Document after paying Stamp Duty and Registration Charges, However this area may not be a True Area, at times, to reduce the Stamp Duty, the Area mentioned in the Agreement is decided by seller & Purchaser on lower side.
 - b. It is to be understood that the Amount which is mentioned in the Agreement is again decided by seller and Buyer on terms mutually Agreed by them. This Amount is COST PRICE of the property to the Purchaser & NOT A REAL VALUE because it is the payment made by purchaser by way of Cheque / D.D. to the seller. All times, there is Cash Element also, which is not reflected in the Agreement.



9) Different values of the Property

- a. Fair Market Value : The Market value obtained in this report is defined as follows: Market Value is the Estimated Amount for which an Asset should exchange on the date of valuation between a willing buyer and willing seller in an Arm's length transaction after proper marketing wherein the parties had each acted Knowledgeably and without compulsion. (As Defined by the International Valuation Standards Committee, London.) Thus, the characteristics of the Market Values are :
- It is depend on 'Purpose of Valuation'.
 - It is time-specific as on the given date & it is free will Sale.
 - It is an estimated amount & not a predetermined or an actual sale price.
 - Buyer & Seller are actuated by business principles. They are unrelated & are acting independently.
 - Asset would be exposed to the market in the most appropriate manner to effect its disposal at the best price possible.
- b. Realisable Value : The Value Realisable by the Bank is generally less than the Market value because of various facts such as mode of payment (Strictly by Cheque), limitations of effective marketing, costs involved in the process of the sale etc. The percentage variation between RV & MV depends on various factors such as urban or rural property, user & location of the property etc. in our opinion, Considering characteristics of the subject Property under Valuation we have considered reduction factor of 10% of Market Value.
- c. Distress Sale Value : It means the amount which may reasonably be expected to be obtained from the sale of a property in which one or more characteristics of the definition of market value are not satisfied. The Seller may be a unwilling seller and the buyer may be motivated by the knowledge of the disadvantage the seller suffers from Due to this we are discounting the market value by 20%.

In view of this, when we are giving opinion to the bank regarding Value of the Security, for us the Intrinsic Value of the Property is relevant. Our emphasis is on "Value" of the Security & not on "Built Up Area" or "Super Built Up Area" etc. Hence the Per Sq. Ft. Rate is judiciously adopted keeping in mind the characteristics such as the amenities provided, the loading factor adopted etc.

As Panel Valuer of the Bank, we do keep in Mind, the Bank's Interest Only. The Report is purely our opinion on date of Inspection, as Professionals having several years of Experience in the field for many Banks.

We are in no way concerned or have any Authority in the financial facilities which are applied by the Borrowers to the Bank, subsequent sanction & Disbursal by the Bank.

In case in future if the Account becomes N.P.A. or Bank Notices that the Borrower with Fraudulent Intentions has either By Concealing the information or forging or tampering the papers, cheated the Bank and the case is handed over to Investigating Authority ,It is to be very clearly understood & noted by the bank that we in no way work hand in glove with the Borrower any time & not responsible for any Loss / Damage /Claim incurred by the Bank & we indemnify our self from any of these things.

Our Reports are never wrong or inflated and we refer to the Real Estate Periodicals / News Papers Supplements or gather the information from Websites of Real Estate Agencies / Sources and Verbal Information gathered from Estate Agents/ Builders sale Offices in the Locality at the time of arriving at the Valuation figure.

Our Report is issued for a Specific Bank which is mentioned in our Report. Use of Our Report for any other Bank or for any other purpose is Strictly Prohibited. In Case the Bank has any Querries, they should be address formally in writing to us by way of Formal Letter and we shall reply to the same by Formal Letter by answering the querries / clarifications sought by bank.



Report No. : TACPL / DIR / 17 - 18 / 316 – A

FOR : TO ASSESS FAIR MARKET VALUE

VALUATION REPORT : LAND & BUILDING

1. Date of Inspection : 24.01.2018
Person/s accompanying/Available : Mr. Harish Gupta : Senior VP - Finance & Accounts
At the site at the time of visit/
inspection/valuation
2. Name & Address of the Valuer : **Mr. Vilas J. Bardapurkar**
C/o Techn-O-Aid Consultants Pvt. Ltd.
128, Runwal Commercial Complex, L.B.S. Marg,
Mulund (W), Mumbai – 400 080.
3. List of Documents handed over to : Various Sale Deeds for Land, Building Plans,
the Valuer by the Owner Balance Sheet – Fixed Assets Schedule and Physical
Verification of Building & Structures
4. Details of enquiries made for : a. Local enquires from Estate agents
arriving Fair Market Value. b. Real Estate, Bulletins / Supplements
5. Sub – Registrar Value / Guideline : ----
Value / Rate
6. Fair Market Value of the Property : **₹ 15,69,55,000 = 00**
7. Factors for determining its market : Locality, quality of construction, age, amenities etc.
value
8. Conservative Market Value of the : 90 % Of F.M.V. i.e. **₹ 14,12,59,500 = 00**
Property
9. Distress Value of the Property 80 % Of F.M.V. i.e. **₹ 12,55,64,000 = 00**
10. Any Critical Aspects Associated : N.A.
With Property

AS /PM

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.



11. **PROPERTY DETAILS** :
- * **Name(s) & address(es) of the Owner (s):** : **M/s. Welspun Corp Ltd.**
Welspun City, Survey No. 890,
Village – Varsamedi, Taluka – Anjar,
Dist. – Kutch, Gujarat – 370110. India
- * If the Property is under Joint Ownership / co- ownership share of each owner / are the shares in undivided : **Company Ownership**
- * Brief description of the Property (Whether Open Land, House Property, Land area, Built – up Area, No. of Floors etc. : **As per Given below;**

BUILDING & STRUCTURES:

Sr. No.	Asset Code	Cap. Date	Asset Description	Area In Sq. Ft.
1	11013000002	26-Sep-07	43mw CPP - Factory Building	370,339.00
2	11013000013	30-Sep-08	43mw CPP - Crusher House	28,740.00
3	11013000014	27-Sep-08	43mw CPP - TG Building	9,548.00
4	11014000024	30-Jun-08	43mw CPP - Coal Shed	64,584.00
5	11014000025	15-Sep-08	43mw CPP - Drain	-
6	11014000026	10-Sep-08	43mw CPP - Lorry Parking	-
7	11014000032	26-Sep-07	43mw CPP - Other Building	10,749.00



* Dimensions of the Site	:	As Per Plan
North	:	
South	:	
East	:	
West	:	
* Location of the Property (Plot / Door No. Survey No. etc.)	:	Survey No.890, Village – Varsamedi, Taluka – Anjar, Dist. – Kutch, Gujarat.
* Postal Address	:	Same as above
* Boundaries of the Property	:	As per Agreement
North	:	
South	:	
East	:	
West	:	
* Any Specific identification marks (Like Electric pole No. Dug well etc)	:	N.A.
* Whether covered under Corporation / Panchayat / Municipality.	:	Varsamedi Gram Panchayat
* Whether covered under any land ceiling of State / Central Government	:	N.A.
* Is the Land Freehold / leasehold	:	Freehold
* Are there any restrictive covenants in regard to use of Land ? If so attach a copy of the covenant.	:	No.
* Type of the property - Whether	:	
Agriculture	:	
Industrial	:	Yes. – Industrial Unit
Commercial	:	
Institutional	:	
Government	:	
Non-Government	:	
Others (Specify)	:	
* In Case of Agricultural Land	:	N.A.
Any conversion to House site is obtained	:	
Whether the land is dry or wet	:	
Availability of irrigation facilities	:	
Type of crops grown	:	
Annual yield or income	:	



* Year of Purchase	:	As per Agreement
* Value of Purchase price	:	As per Agreement
* Whether the Property is occupied by owner or tenant. If occupied by tenant since how long he is staying and the amount of rent being paid.	:	Owner Occupied.
* Classification of the Site	:	
Population Group	:	Rural
High / Middle / Poor Class	:	N.A.
Residential / Non residential	:	Non Residential
Development of surrounding area	:	Developed
Possibility of any threat to the property (Floods, calamities etc.)	:	No.
* Proximity of civic amenities (like School, hospital, bus stop, market etc)	:	Available in Vicinity
* Level of the Land (Plain, rock etc.)	:	Plain
* Terrain of the Land	:	Leveled
* Shape of the Land (Square, Rectangular etc)	:	Trapezoidal
* Type of use to which it can be put (for construction of house, factory etc)	:	Industrial Factory
* Any usage restrictions on the property	:	Industrial Purpose
* Whether the plot is under town planning approved layout	:	Yes
* Whether the plot is intermittent or corner	:	Intermittent
* Whether any road facility is available	:	Yes.
* Type of Road available (B.T / Cement Road etc)	:	B.T. Road
* Front Width of the Road	:	40 Ft.
* Source of water & water potentiality	:	Borewell
* Type of Sewerage System	:	Underground
* Availability of power supply	:	Paschim Gujarat VIJ Co. Ltd.



- * Advantage of the site : Develop Industrial Locality
- * Give instances of sale of immovable property in the locality on a separate sheet, indicating the name & address of the property, Registration no. Sale price and area of Land sold. : Not Available

12. RENT DETAILS

- * Is the Building owner occupied / tenant / both ? : Owner Occupied
- * If partly owner occupied, specify portion & extent of area under occupation : N.A.
- * Name of the Tenant / Lessees / Licensees etc : N.A.
- * Portion in their occupation : N.A.
- * Has the tenant to bear the whole or part of the cost of repairs & maintenance. Give particulars : N.A.
- * If lift is installed, who is to bear the cost of maintenance and operations. Owner or tenant ? : N.A.
- * Has any standard rent has been fixed for the premises under any law relating to the control of rent? : N.A.
- * Present / expected income / rent from the Property : N.A.

13. VALUATION OF THE PROPERTY :

Part I : (Valuation of Land) : As Per Valuation Annexure

- 1 Dimensions of the Plot :
- 2 Total area of the plot :
- 3 Prevailing market rate :
- 4 Guideline rate obtained from the Registrar office :
- 5 Assessed / adopted rate of Valuation :
- 6 Estimated Value of the land. :
- 7 The conservation value of the land. :



Part II : (Valuation of Factory Property)

a. Technical Details of the Factory Building

- * Type of the Building : Industrial Factory
(Residential / Commercial / Industrial)
- * Year of Construction : As Per Valuation Annexure
- * Future life of the Property : As Per Valuation Annexure
- * No. of floors and height. of each floor : As Per Details
including Basement
- * Plinth area of each floor : ---
- * Type of Construction (Load bearing / : R.C.C, Heavy M.S. & Load Bearing
RCC / Steel Framed)
- * Condition of the Building :
 - External : GOOD
 - Internal : GOOD
- * Whether the building / property is : Yes.
constructed strictly according to the
sanctioned plan, Details of variations
noticed if any and effect of the same on
the valuation.

- b. Specification of construction : As Per Valuation Annexure**

VALUATION ANNEXURE



I. LAND

The Factory is Located at **Welspun City, Survey No. 890, Village – Varsamedi, Taluka – Anjar Dist. – Kutch, Gujarat – 370110.**

Being Connected with National Highway, Transportation facility will be available easily & at reasonable rates. All Infrastructures such as Water Supply, Roads, Communication, Network etc. are easily available at the location. As many manufacturing units are working in this area since many years, skilled, semi skilled & unskilled Labour is available at very cheaper rates. Market of finished goods viz. Domestic as well as Exports are well connected by roads, so that the finished goods can be transported at low transport cost and at ease.

II. BUILDING & STRUCTURES

A. Factory Building

Sr. No.	Asset Description	Type Of Structure	Area In Sq. Ft.	Resi. Life
1	Factory Building -	Heavy M.S. Structure	370,339.00	19
2	Crusher House -	Heavy M.S. Structure	28,740.00	20
3	Coal Shed	Heavy M.S. Structure	64,584.00	20

These are Ground Storied Heavy M.S. Framed Structure having R.C.C footings, Heavy M.S. Beams, Columns & GI Sheet Roofing over MS Trusses. The Present condition of the Structures is Good & Well Maintained by the owners.

DESCRIPTION	DETAILS
Superstructure	Heavy M.S. Framed Structure
Roof	GI Sheet Roofing over M.S. Trusses
Doors	M.S. Rolling Shutters
Windows	----
RCC work	Good
Plastering	BB Walls / GI Sheet Cladding
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial

Sr. No.	Asset Description	Type Of Structure	Area In Sq. Ft.	Resi. Life
1	Other Building	Non RCC Structure	10,749.00	19



These are Ground Storied M.S. Framed Structure having R.C.C footings, M.S. Beams, Columns & GI Sheet Roofing over MS Trusses. The Present condition of the Structures is Good & Well Maintained by the owners.

DESCRIPTION	DETAILS
Superstructure	M.S. Framed Structure
Roof	GI Sheet Roofing over M.S. Trusses
Doors	M.S. Rolling Shutters
Windows	----
RCC work	Good
Plastering	BB Walls / GI Sheet Cladding
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial

Sr. No.	Asset Description	Type Of Structure	Area In Sq. Ft.	Resi. Life
1	TG Building	R.C.C	9,548.00	50

These are Ground Storied R.C.C. Framed Structure having R.C.C Beams, Columns & Slabs. The Present condition of the Structures is Good & Well Maintained by the owners.

DESCRIPTION	DETAILS
Superstructure	R.C.C. Framed Structure
Roof	R.C.C. Slab
Doors	M.S. Rolling Shutters
Windows	M.S. Grills
RCC work	Good
Plastering	BB Walls
Flooring, Skirting	Heavy PCC Flooring
Drainage	Concealed
Electric installation	Industrial

Site Development :

Sr. No.	Asset Description	Type Of Structure	Area In Sq. Ft.	Resi. Life
1	Drain	Drains	-	20
2	Lorry Parking	Open Parking	-	20



VALUATION :

Taking into consideration the various Details / Specifications / Construction & present condition of the Buildings as described above for the Property located at **Village – Varsamedi, Taluka – Anjar Dist. – Kutch, Gujarat – 370110. India.** Hence, the Valuation works out as below;

Sr. No.	Description	Gross Block As on 31.12.17	Net Block As on 31.12.17	Replacement Value In ₹	Fair Market Value In ₹
	Building - Factory				
1	Factory Building - 43 Mw Captive Power Plant	57564554	38306080	121376420	76871730
2	Crusher House - 43 Mw Cpp Factory Building	704445	492351	1398610	932410
3	TG Building - 43 Mw Cpp Factory Building	899194	628221	1785260	1487720
	Total - Building - Factory	5,91,68,193	3,94,26,653	12,45,60,290	7,92,91,860
	Building - Others				
1	Coal Shed - 43 Mw Cpp Non Factory Building	50412240	39003813	100088530	66725690
2	Drain - 43 Mw Cpp Non Factory Building	642207	32110	1275040	850030
3	Lorry Parking - 43 Mw Cpp Non Factory Building	1972660	1533721	3916520	2611010
4	Other Building - 43 Mw Captive Power Plant	5598261	4249003	11804080	7475920
	Total - Building - Others	5,86,25,368	4,48,18,647	11,70,84,170	7,76,62,650
	Total - Building	11,77,93,561	8,42,45,300	24,16,44,460	15,69,54,510



SUMMARY

Sr. No.	Particulars	Gross Block In ₹	Net Block In ₹	Replacement Value In ₹	Fair Market Value In ₹
A	Land	---	---	---	---
B	Factory Building & Structures	11,77,93,561	8,42,45,300	24,16,44,460	15,69,54,510
Total		11,77,93,561	8,42,45,300	24,16,44,460	15,69,54,510
Rounded Off To		11,77,94,000	8,42,45,000	24,16,44,000	15,69,55,000
In Crore		11.78	8.42	24.16	15.70

(₹ Fifteen Crore Seventy Lakh Only.)

We Certify that

- The Property is being valued by me personally.
- The Rates for valuation of the property are as per Prevailing Market Rates in the Locality as on date of visit.
- We have no direct or indirect interest in the Asset Valued & we have used the basic Data / Documents provided to us at the Time of our personal Visit to the Site on **24.01.2018**
- The value of the property : **₹ 15.70 Crore**
- Our Report does not cover Check of the Ownership / Title clearance / Legal aspects & there is no Legal / Contractual obligation on our Part. We have assumed that the assets are free of encumbrances of loan, Or Govt. or other dues, Stamp Duty, Registration Charges, Transfer charges etc. if any, are not considered in the valuation.
- Emphasis of this Report is on the value of the Property & not on the Area Measurement or Title Verification of the property & is based on market rate.
- It may be noted that, the Valuation of the Asset arrived by us is purely our opinion based on Basis and Assumptions as Listed in Page No. 2, 3 of this Report.
- This Report contains 42 Pages & Photographs.

Date : 31.01.2018

Place: MUMBAI



Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

Approved Valuer

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.

TECHN-O-AID CONSULTANTS PVT. LTD.



**APPROVED TECHNICAL CONSULTANTS
ARCHITECTS , CHARTERED ENGINEERS & VALUERS**

128, 1ST FLR . RUNWAL COMMERCIAL COMPLEX , NEAR SHREE SANTOSHI MATA MANDIR. L.B.S.MARG,
MULUND (W), MUMBAI - 400 080. TEL.: 2590 2669 • TELEFAX : 2569 0712 • CELL : 98210 18187
E-mail : tacpl@bplmobile.blackberry.com • technoaidconsultants@gmail.com • tacpl@yahoo.com

VALUATION OF PLANT & MACHINERY AND OTHER ASSETS OWNED BY M/S. WELSPUN CORP LTD.

**AT
WELSPUN CITY, SURVEY NO. 890, VILLAGE – VARSAMEDI,
TALUKA – ANJAR DIST. – KUTCH, GUJARAT – 370110, INDIA.**

TO ASSESS FAIR MARKET VALUE

DATE OF INSPECTION

24.01.2018

DATE OF REPORT

31.01.2018



VALUATION REPORT PREPARED BY

PROPERTY OWNED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

M/S. WELSPUN CORP LTD.



BASIS & ASSUMPTIONS FOR VALUATION OF PLANT & MACHINERY AND OTHER ASSETS

- 1. This Valuation Assignment is given by the Owner – To Assess Fair Market Value.**
2. For this Assignment of Valuation Assets has been classified into Groups as per their Functional abilities and Capacities like Plant & Machinery, Laboratory Equipments, Electrical Installations & Furniture & Fixtures and then these Groups are valued as a Block of Assets.
3. The Available details such as cost of Erection and Commissioning are furnished by the company for this Assignment.
4. The Life of the Machinery is assumed appropriately depending upon the Operation/s it performs /product manufactured & number of shifts operated & maintenance.
The Total Life of the Basic Machinery / Process Plants / Utilities we assume the Life based upon the type of Industry.
5. Obsolescence (Tech. / Functional / Economic) & utility of the Machine Equipment are taken into the Consideration as part of Depreciation.

The Depreciation calculated for Accounting is not valid /considered for Revaluation of Plant & Machinery.
For those Machine & Equipments which are maintained very well by the company, we consider relatively low rates of Depreciation for these Machines.
6. The age of the Machine and Depreciation is directly co-related with the date of Valuation.
The Age of Machine is defined as "A period of time from the date of installation till the date of retirement of its service."

The Age of Machine depends upon the Working Condition, Frequency of Breakdown, Spares, Climate, Govt. Policy, Technological Obsolescence etc.
7. In case of Capital Work in Progress, the Documents /C. A.'s certificate furnished is referred to & valued AT COST.
8. For arriving the Replacement cost of Plant, Machinery/Equipments we either follow the method of Indexation referring to RBI Cost Inflation Index as of 01.04.1981 & the index on date of Valuation as notified by RBI or gather the information over telephone from manufacturer / dealers / experts from similar industry.
9. We assume that the bank having invoices in original given by the Borrower.
10. In case of any Human & Technical error of judgment, a fresh Report will be submitted at a later Date, as & when the mistake is identified.



11. VALUATION is the Art of Process of Estimating Value, depending on the circumstances of the case & purpose for which Valuation is needed, at a given time, Place & under Specified Market conditions and Our Report is an opinion expressed keeping in mind the purpose. Buying & Selling Assets is a Totally Different Activity & is out of scope of the Valuation Assignment.

FAIR MARKET VALUE is the Price that the Capital Asset would ordinarily fetch on sale in the open market on the relevant date.

Market Value is thus the warranted Price expressed in terms of money which a property is estimated to bring, at any given Time, and Place, where the Buyers and Sellers act without compulsion & with full knowledge of all the uses to which the asset is adopted and for which it is capable of being used, As Defined by the International Valuation Standards Committee London.

12. VALUATION is a function of Time, 'VALUE' varies with the purpose viz. Value of the same Property will be different, when purpose is different viz.

There are Different yardsticks / Approaches to Valuation viz.

1. If Valuation is for Income Tax / Wealth Tax Purpose, the approach is Indexation referring to RBI Cost Inflation Index as of 01.04.1981 & the index on date of valuation as notified by RBI.
2. If Valuation is for Insurance Purpose, GIC Subsidiaries who work on IRDA Guidelines, the Replacement Cost is considered while issuing the Policy.
3. If Valuation is for Merger / Acquisition, then as per understanding for SWAP Ratio Decided by the Purchasing Co. & Selling Co., the Valuation is arrived at.
4. If Valuation is for VISA Purpose Value, will be Market Value Approach is adopted.
5. If Valuation is for Balance Sheet Purpose, Fair Market Value Approach is adopted.



Report No. : TACPL / DIR / 13 - 14 / 316 - B

FOR : TO ASSESS FAIR MARKET VALUE

VALUATION REPORT: PLANT & MACHINERY AND OTHER ASSETS

1. Date of Inspection : 24.01.2018
2. Name & Address of the Valuer : **Vilas J. Bardapurkar**
C/o Techn-O-Aid Consultants Pvt. Ltd.
128, Runwal Commercial Complex, L.B.S. Marg,
Mulund (W), Mumbai – 400 080.
3. Name of the Owner : **M/S. Welspun Corp Ltd.**
4. Address of the Plant : **Welspun City, Survey No. 890,**
Village – Varsamedi, Taluka – Anjar,
Dist. – Kutch, Gujarat – 370110, India.
5. List of Documents handed over to the Valuer by the Owner : Various Documents, Balance Sheet – Fixed Assets Schedule and Physical Verification of Plant & Machineries
6. Details Of Enquiries Made For Arriving Fair Market Value. : a. Local enquires from Suppliers of Plant & Machinery
b. Plant & Machinery Manuals, Bulletins / Supplement
7. Fair Market Value of the Plant & Machinery & Other Assets as on Date : **₹ 217,86,21,000 = 00**
8. Factors for Determining Its Market Value : Operation /s it performs / Product Manufactured & Number of shifts operated & Maintenance.
9. Conservative Market Value of the Plant & Machinery & Other Assets : 90 % Of F.M.V. i.e. **₹ 196,07,58,900 = 00**
10. Distress Value of the Plant & Machinery & Other Assets : 80 % Of F.M.V. i.e. **₹ 174,28,96,800 = 00**

AS/AS

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.



VALUATION

1. The Plant is in excellent condition & for Valuation we are adopting “**OPTIMIZED REPLACEMENT VALUE BASIS**”. The detailed Lists of Plant & Machinery are enclosed.
2. The Total Life of Plant & Machinery installed at the Factory is considered at 40 years, As per Company's Act 2013.

Valuation Methodology

Taking into consideration the various Details / Specifications / Construction & present condition of **Plant & Machinery and Other Assets** as described in the Annexure for the Factory located on **Welspun City, Survey Nos. 890, Village – Varsamedi, Taluka – Anjar, Dist. – Kutch, Gujarat – 370110**, which is a Developed Industrial Locality of **Gujarat**. The Fair Market Value as on Date of Valuation has been arrived on the “**OPTIMIZED REPLACEMENT VALUE BASIS**”.

To arrive at the Fair Market Value for the Assets owned by **M/s. Welspun Corp Limited;**

- Considered the investment cost (Purchase Price) of the assets as per the asset registers, annual additions and deletions in the assets,
- Worked out Present Day Replacement Value applying relevant cost inflation indices and current market prices of Modern Equivalent Assets,
- Adjusted the Replacement Value to get Fair Market Value with due consideration to economic life of the assets, expected future life, technological and commercial/ economical obsolescence, etc.
- To arrive to the Fair Market Value (FMV), due weightage was given to the life span, comparison of useful life of assets and depreciation rates as per fair life of the assets.
- For the Other Assets Viz. Vehicles, Furniture & Fixtures, Office Equipments & Computers, we have considered the Net Value as on 31.12.2017 as the Fair Market Value.



Summary

Sr. No.	Particulars	Gross Block In ₹	Net Block In ₹	Replacement Value In ₹	Fair Market Value In ₹
A	Plant & Machineries	143,15,07,891	65,49,77,184	299,77,39,230	217,81,16,410
	Total	143,15,07,891	65,49,77,184	299,77,39,230	217,81,16,410
B	Other Assets				
1.	Electrical	---	---	---	---
2.	Vehicles	---	---	---	---
3.	Furniture & Fixtures	1,15,123	38,129	38,129	38,129
4.	Office Equipments	14,67,607	4,64,018	4,64,018	4,64,018
5.	Computers	76,599	2,503	2,503	2,503
6.	Software	---	---	---	---
	Total	33,18,658	10,09,298	10,09,298	10,09,298
	Grand Total of Assets	143,25,45,104	65,54,81,832	299,80,04,229	217,83,87,399
	Rounded Off To	143,25,45,000	65,54,82,000	299,80,04,000	217,83,87,000
	In Crore	143.25	65.55	299.80	217.84

(₹ Two Hundred and Seventeen Crore Eighty Four Lakh Only.)

We hereby declare that,

- The information furnished above is true & correct to the best of our knowledge & belief.
- We have no direct or indirect interest in the Asset Valued & we have used the basic Data / Documents provided to us at the Time of our personal Visit to the Site on **24.01.2018**
- The value of the Plant & Machinery : **₹ 217.84 Crore**
- Our Report does not cover Check of the Ownership / Title clearance / Legal aspects & there is no Legal / Contractual obligation on our Part.
- It may be noted that, the Valuation of the Asset arrived by us is purely our opinion based on Basis & Assumptions as Listed in Page No.37 & 38 of this Report.
- My Registration with State Chief Commissioner of Income Tax is valid as on Date.

Date : 31.01.2018

Place: MUMBAI



Vilas J. Bardapurkar

B.E., F.I.E., F.I.V., A.M. – A.S.A. (U.S.A.)

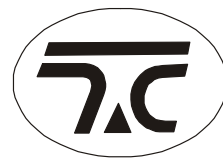
Approved Valuer

VALUATION REPORT PREPARED BY

TECHN-O-AID CONSULTANTS PVT. LTD.

PROPERTY OWNED BY

M/S. WELSPUN CORP LTD.



PHOTOGRAPHS
FOR PROPERTY OWNED BY
M/S. WELSPUN CORP LTD.
POWER PLANT – ANJAR

AT
WELSPUN CITY, SURVEY NO.890, VILLAGE – VARSAMEDI,
TALUKA – ANJAR DIST. – KUTCH, GUJARAT – 370110, INDIA.