

WIL/SEC/2023

July 31, 2023

To,

<b>BSE Limited</b> 1 <sup>st</sup> Floor, New Trading Wing, Rotunda Bldg, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001 <b>BSE Scrip Code: 514162</b>	<b>The National Stock Exchange of India Ltd.,</b> Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra - Kurla Complex, Bandra (East), Mumbai - 400 051 <b>Stock Symbol: WELSPUNIND</b>
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Dear Sir / Madam,

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

**Ref: Scheme of Amalgamation of Anjar Integrated Textile Park Developers Private Limited (‘the Transferor Company 1’) and Anjar Terry Towels Limited (‘the Transferor Company 2’) and Besa Developers and Infrastructure Private Limited (‘the Transferor Company 3’) and Welspun Zucchi Textiles Limited (‘the Transferor Company 4’) and Welspun Flooring Limited (‘the Transferor Company 5’) with Welspun India Limited (‘the Transferee Company’) and their respective shareholders presented under section 230 - 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder.**

In compliance with Regulation 30 of Listing Regulations read with Schedule III of Listing Regulations, this is to inform you that the Board of Directors of Welspun India Limited (‘Board’) at its board meeting held today, i.e., Monday, July 31, 2023, has approved the Scheme of Amalgamation of Anjar Integrated Textile Park Developers Private Limited (‘the Transferor Company 1’) and Anjar Terry Towels Limited (‘the Transferor Company 2’) and Besa Developers and Infrastructure Private Limited (‘the Transferor Company 3’) and Welspun Zucchi Textiles Limited (‘the Transferor Company 4’) and Welspun Flooring Limited (‘the Transferor Company 5’) with Welspun India Limited (‘the Transferee Company’ or ‘the Company’) and their respective shareholders (‘Scheme’), as may be modified from time to time pursuant to the provisions of Sections 230 to 232 and other applicable sections of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, and subject to the requisite approvals and sanction of the jurisdictional bench of National Company Law Tribunal (‘NCLT’) and of the shareholders

#### Welspun India Limited

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E-mail : companysecretary\_wil@welspun.com Website : www.welspunindia.com

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

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and / or creditors, Central Government and such other competent authority, as may be directed by the NCLT.

The salient features of the proposed Scheme, inter alia are given as under:

- The proposed Appointed Date for the amalgamation will be 1 April 2023.
- The entire assets and liabilities of Anjar Integrated Textile Park Developers Private Limited, Anjar Terry Towels Limited, Besa Developers and Infrastructure Private Limited, Welspun Zucchi Textiles Limited, and Welspun Flooring Limited (hereinafter collectively referred to as 'Transferor Companies') to be transferred to and vested by the Company.
- The entire share capital of the Transferor Companies is held by the Company. Upon the Scheme becoming effective, no equity shares of the Company shall be issued and allotted.

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

The details required to be disclosed under Regulation 30 of Listing Regulations including all circulars and notifications issued thereunder, as amended from time to time read with the SEBI Master Circular bearing no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 'Master circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities' dated July 11, 2023 and the SEBI circular bearing no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 'Disclosure of material events / information by listed entities under Regulations 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015' dated July 13, 2023, are enclosed herewith as Annexure A to this intimation.

Thanking You,

**For Welspun India Limited**

**Shashikant Thorat**  
**Company Secretary**  
ICSI Membership No.: FCS-6505

Enclosed : as above

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**Annexure I - Amalgamation / Merger**

a.	Name of the entity(ies), forming part of the amalgamation/merger, details in brief such as size, turnover etc;	Attached herewith as Exhibit 'A'
b.	Whether the transaction would fall within related party transaction? If yes, whether the same is done at "arms' length"	<p>Yes, the Transferor Companies are wholly owned subsidiaries of the Company and as such the said companies are related party to each other.</p> <p>However, the proposed Scheme does not fall within the purview of related party transactions in view of General Circular No. 30/2014 dated July 17, 2014 issued by the Ministry of Corporate Affairs since the same is subject to the sanction of the NCLT.</p> <p>Further, pursuant to Regulation 23(5)(b) of the Listing Regulations, the related party transaction provisions are not applicable.</p> <p>The Scheme is exempted from the provisions of SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023.</p>
c.	Areas of the business of the entity(ies)	<ul style="list-style-type: none"> <li>• Anjar Integrated Textile Park Developers Private Limited was incorporated for carrying on the business of developing textile parks. Currently, there are no business operations.</li> <li>• Anjar Terry Towels Limited is engaged in the business of manufacturing of home textiles products. Currently, there are no business operations.</li> <li>• Besa Developers and Infrastructure Private Limited was incorporated for carrying on the business of purchasing, selling, developing, taking in exchange, or on leasing or hiring or otherwise acquiring any real estate. Currently, there are no business operations.</li> <li>• Welspun Zucchi Textiles Limited was incorporated for carrying on the business of manufacturing of home</li> </ul>

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		<p>textiles products particularly bathrobes. Currently, there are no business operations.</p> <ul style="list-style-type: none"> <li>• Welspun Flooring Limited is engaged in the business of manufacturing of carpets, flooring products.</li> <li>• The Company is engaged in the business of manufacturing of home textile products.</li> </ul>
d.	Rationale of amalgamation/merger	Attached herewith as Exhibit 'B'
e.	In case of cash consideration – amount or otherwise share exchange ratio	As the Transferor Companies are wholly owned subsidiaries of the Company, the entire issued and paid up share capital of the Transferor Companies is being held by the Company. Therefore, upon the proposed Scheme becoming effective, all shares held by the Company in the share capital of the Transferor Companies shall stand cancelled, without any further act or deed. In lieu thereof, no allotment of any new shares or any payment will be made by the Company to the shareholders of the Transferor Companies.
f.	Brief details of change in the shareholding (if any) of the listed entity	There will be no change in the shareholding pattern of the Company pursuant to the proposed Scheme as no shares are being issued in consideration of the proposed Scheme.

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**Exhibit A**

**As on March 31, 2023**

**(~ INR in Crore)**

<b>Particulars</b>	<b>Net worth* (Standalone)</b>	<b>Total Income (Standalone)</b>
Anjar Integrated Textile Park Developers Private Limited	<b>(0.03)</b>	<b>-</b>
Anjar Terry Towels Limited	<b>0.91</b>	<b>-</b>
Besa Developers and Infrastructure Private Limited	<b>(1.43)</b>	<b>0.01</b>
Welspun Flooring Limited	<b>487.03</b>	<b>652.33</b>
Welspun Zucchi Textiles Limited	<b>12.11</b>	<b>0.77</b>
Welspun India Limited	<b>3,538.39</b>	<b>5,795.52</b>

*\* Networth is calculated as Share Capital + Other Equity.*

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## Exhibit B

### Rationale of the Scheme

- (i) The Transferee Company has been in the textile business for a long period of time with marquee global customers and relationships. Over the years, it has built a strong distribution network and customer relationship. The proposed amalgamation will enable the flooring business housed in the Transferor Company 5 to leverage on the existing global distribution channels and customer relationships of the Transferee Company and to penetrate the markets across the globe, increase the customer base and have wider reach, resulting into higher revenues and profitability. Access to an established distribution network and customer relationship will accelerate the growth of the flooring business.
- (ii) The consolidation will result in better earning predictability, stronger revenue and improved competitiveness, with diversification in product portfolio. This will result in stronger presence across market segments, provide access to new markets and product offerings along with better bargaining power with suppliers.
- (iii) The proposed amalgamation will also result into greater economies of scale and synergy of operations as a result of better sourcing of raw materials, with sourcing function getting combined with the Transferee Company, reduction in procurement costs and lower lead time in procurement (resulting into lowering working capital requirement for inventory).
- (iv) Presently the project loan obtained by the Transferor Company 5 are guaranteed by the Transferee Company and carry higher cost of debt. The proposed amalgamation will enable raising funds at relatively lower cost by leveraging on the strong fundamentals and ratings of the Transferee Company.
- (v) With proposed amalgamation, further operational benefits would accrue to the organization with respect to flooring business housed in the Transferor Company 5 in terms of:
  - Supply Chain advantage for export to United States and United Kingdom in terms of rate contracts / better negotiation power due to overall Welspun India Limited relationships;
  - Quality System certification like BCI, GOTS, GRS shall be brought under single Roof; and
  - The Transferee Company will have the complete basket of products range to offer to the customers under one roof, which help to achieve the target of the Transferee Company to be a "Complete Home Solutions" supplier.

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- (vi) Further, proposed amalgamation will lead to following benefits:
- Streamlining the structure of the Transferee Company by way of reduction in the number of entities / subsidiaries and making it simple and transparent;
  - Elimination of doubling of related costs, thereby reducing operational and administrative expenses and overheads, and lead to better cost and operational efficiencies; and
  - Reducing the multiplicities of legal and regulatory compliances.

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