

भारत सरकार-कॉर्पोरेट कार्य मंत्रालय
कम्पनी रजिस्ट्रार कार्यालय, गुजरात, दादरा एवं नगर हवेली

लिमिटेड कम्पनी के रूप में परिवर्तित होने के परिणामस्वरूप, कम्पनी के नाम में परिवर्तन का नया
निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U67120GJ2008PLC055195 | 23 OCT 2008

मैसर्स WELSPUN INVESTMENTS PRIVATE LIMITED

23 OCT 2008

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स

WELSPUN INVESTMENTS PRIVATE LIMITED

जो मूल रूप में दिनांक सात अक्टूबर दो हजार आठ को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स

WELSPUN INVESTMENTS PRIVATE LIMITED

के रूप में निगमित की गई थी, और उसके द्वारा कम्पनी अधिनियम, के साथ पठित धारा 31/21 की शर्तों के अनुसार विधिवत आवश्यक
दिनांक 10/10/2008 को पारित किया है, उक्त कम्पनी का नाम परिवर्तित होकर आज मैसर्स

WELSPUN INVESTMENTS LIMITED

हो गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र, मेरे हस्ताक्षर द्वारा अहमदाबाद में आज दिनांक इकतीस अक्टूबर दो हजार आठ को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, Gujarat, Dadra and Nagar Havelli

Fresh Certificate of Incorporation Consequent upon Change of Name on
Conversion to Public Limited Company

Corporate Identity Number : U67120GJ2008PLC055195

In the matter of M/s WELSPUN INVESTMENTS PRIVATE LIMITED

I hereby certify that WELSPUN INVESTMENTS PRIVATE LIMITED which was originally incorporated on Seventh day of October Two Thousand Eight under the Companies Act, 1956 (No. 1 of 1956) as WELSPUN INVESTMENTS PRIVATE LIMITED having duly passed the necessary resolution on 10/10/2008 in terms of Section 31/ 21 read with Section 44 of the Companies Act, 1956; the name of the said company is this day changed to WELSPUN INVESTMENTS LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Ahmedabad this Twenty First day of October Two Thousand Eight.



(PREMLAL BHANJURAM MALIK)

सहायक कम्पनी रजिस्ट्रार / Assistant Registrar of Companies
गुजरात, दादरा एवं नगर हवेली
Gujarat, Dadra and Nagar Havelli

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पता का पता:

Mailing Address as per record available in Registrar of Companies office:

WELSPUN INVESTMENTS LIMITED
Welspun City, Village Versamedi, Taluka Anjar, Dist Kutch,
Anjar - 370110,
Gujarat, INDIA



प्रारूप 1
पंजीकरण प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U67120GJ2008PTC055195

2008 - 2009

मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स

WELSPUN INVESTMENTS PRIVATE LIMITED

का पंजीकरण, कम्पनी अधिनियम 1956 (1956 का 1) के अंतर्गत आज किया जाता है और यह कम्पनी प्राइवेट लिमिटेड है।

यह निगमन-पत्र आज दिनांक सात अक्टूबर दो हजार आठ को मेरे हस्ताक्षर से अहमदाबाद में जारी किया जाता है।

Form 1

Certificate of Incorporation

Corporate Identity Number : U67120GJ2008PTC055195

2008 - 2009

I hereby certify that WELSPUN INVESTMENTS PRIVATE LIMITED is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the company is private limited.

Given under my hand at Ahmedabad this Seventh day of October Two Thousand Eight.



(KAMAL HARJANI)

सहायक कम्पनी रजिस्ट्रार / Assistant Registrar of Companies

गुजरात, दादरा एवं नगर हवेली
Gujarat, Dadra and Nagar Havelli

कम्पनी रजिस्ट्रार के कार्यालय ऑफिस में उपलब्ध पता का पता

Mailing Address as per record available in Registrar of Companies office:

WELSPUN INVESTMENTS PRIVATE LIMITED

Welspun City, Village Versamedi, Taluka Anjar, Dist Kutch,

Anjar - 370110,

Gujarat, INDIA

भारत सरकार-कॉर्पोरेट कार्य मंत्रालय
कम्पनी रजिस्ट्रार कार्यालय, गुजरात, दादरा एवं नगर हवेली

कम्पनी अधिनियम, 1956 की धारा 18 (1) (क)

उद्देश्य-खंडों में परिवर्तन की पुष्टि हेतु विशेष विनिश्चय के पंजीकरण का प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या - U52100GJ2008PLC055195

मेसर्स WELSPUN INVESTMENTS LIMITED

के अंशधारकों ने दिनांक 24/02/2010 को आयोजित की गई वार्षिक / असाधारण बैठक में एक विशेष विनिश्चय पारित करके कम्पनी अधिनियम, 1956 (1956 का 1) की धारा 18 (1) का अनुपालन करते हुए अपने संगम-ज्ञापन के प्रावधानों में परिवर्तन कर लिया है।

मैं, एतद्वारा सत्यापित करता हूँ कि उक्त विशेष विनिश्चय की प्रतिलिपि, यथा परिवर्तित संगम-ज्ञापन के साथ, आज पंजीकृत कर ली गई है।

मेरे हस्ताक्षर द्वारा अहमदाबाद में यह प्रमाण-पत्र, आज दिनांक दस मार्च दो हजार दस को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, Gujarat, Dadra and Nagar Havelli

SECTION 18(1)(A) OF THE COMPANIES ACT, 1956

Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause(s)

Corporate Identity Number : U52100GJ2008PLC055195

The share holders of M/s WELSPUN INVESTMENTS LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 24/02/2010 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section (18)(1) of the Companies Act, 1956 (No. 1 of 1956)

I hereby certify that the said Special Resolution together with the copy of the Memorandum of Association as altered has this day been registered.

Given under my hand at Ahmedabad this Tenth day of March Two Thousand Ten.




(KAMAL HARJANI)

सहायक कम्पनी रजिस्ट्रार / Assistant Registrar of Companies
गुजरात, दादरा एवं नगर हवेली
Gujarat, Dadra and Nagar Havelli

कम्पनी रजिस्ट्रार के कार्यालय अधिकार ने उपरोक्त पत्राचार का पता
Mailing Address as per record available in Registrar of Companies office:
WELSPUN INVESTMENTS LIMITED
Welspun City, Village Versamedi, Taluka Anjar, Dist Kutch,
Anjar - 370110,
Gujarat, INDIA.

भारत सरकार-कॉर्पोरेट कार्य मंत्रालय
कम्पनी रजिस्ट्रार कार्यालय, गुजरात, दादरा एवं नगर हवेली

नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U52100GJ2008PLC055195

मैसर्स WELSPUN INVESTMENTS LIMITED

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स
WELSPUN INVESTMENTS LIMITED

जो मूल रूप में दिनांक सात अक्टूबर दो हजार आठ को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स
WELSPUN INVESTMENTS PRIVATE LIMITED

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिवत आवश्यक विनिश्चय पारित करके तथा लिखित रूप में यह सूचित करके की उसे भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पठित, भारत सरकार, कम्पनी कार्य विभाग, नई दिल्ली की अधिसूचना सं. सा. का. नि. 507 (अ) दिनांक 24.6.1985 एस्. आर. एन. A81072423 दिनांक 31/03/2010 के द्वारा प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित रूप में मैसर्स
WELSPUN INVESTMENTS AND COMMERCIALS LIMITED

हो गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र, मेरे हस्ताक्षर द्वारा अहमदाबाद में आज दिनांक इकतीस मार्च दो हजार दस को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, Gujarat, Dadra and Nagar Havelli

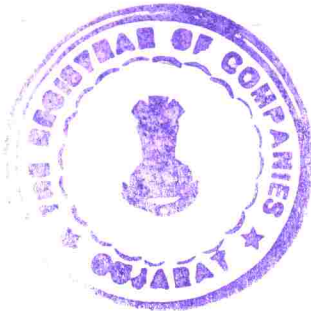
Fresh Certificate of Incorporation Consequent upon Change of Name

Corporate Identity Number : U52100GJ2008PLC055195

In the matter of M/s WELSPUN INVESTMENTS LIMITED

I hereby certify that WELSPUN INVESTMENTS LIMITED which was originally incorporated on Seventh day of October Two Thousand Eight under the Companies Act, 1956 (No. 1 of 1956) as WELSPUN INVESTMENTS PRIVATE LIMITED having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E) dated 24/06/1985 vide SRN A81072423 dated 31/03/2010 the name of the said company is this day changed to WELSPUN INVESTMENTS AND COMMERCIALS LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Ahmedabad this Thirty First day of March Two Thousand Ten .



(KAMAL HARJANI)

सहायक कम्पनी रजिस्ट्रार / Assistant Registrar of Companies

गुजरात, दादरा एवं नगर हवेली
Gujarat, Dadra and Nagar Havelli

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

WELSPUN INVESTMENTS AND COMMERCIALS LIMITED
Welspun City, Village Versamedi, Taluka Anjar, Dist Kutch,
Anjar - 370110,
Gujarat, INDIA

(THE COMPANIES ACT, 1956)

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

***WELSPUN INVESTMENTS AND COMMERCIALS LIMITED**

- I. The name of the Company is ***WELSPUN INVESTMENTS AND COMMERCIALS LIMITED**.
- II. The Registered Office of the Company will be situated in the state of Gujarat.
- III. (A) The Objects for which the Company is established are :-

****1.** To acquire, hold, sell, buy or otherwise deal in any shares., units, stocks, debentures, debenture-stock, bonds, mortgages, obligations and other securities by original subscription, tender, purchase, change, gift or otherwise and to subscribe for the same, either conditionally or otherwise, and to underwrite, sub-underwrite or guarantee the subscription thereof to purchase and sell the above mentioned securities and to carry on and undertake the business of hire purchase, leasing including across border leasing, import leasing and to give on lease or on leave and' licence basis, or in any other manner of all types of equipment, property and assets including all kinds of goods, articles or things whether movable or immovable and to act as discount and acceptance house, to arrange acceptance and co-acceptance of bills, to undertake factoring of bills, and other documents, to purchase the book debts and receivables and to lend' and give credit against the same, to draw, make, accept, endorse, discount execute, issue negotiate and sell bills of exchange, promissory notes and advance by discounting or otherwise with or without security upon such terms and conditions as the Company deems fit to borrow, to lend, to negotiate loans, to transact business as promoters, financiers, monetary agents, to raise -or provide venture capital, 10 arrange securitisation of loans, long term debt instruments, real estate/property certificates, to undertake asset management, portfolio management, advisory counselling services.

***2.** To carry on all or any of the business of manufacturers, traders, buyers, sellers, exporters, stockists, distributors, consignors, consignees, agents, factors of and/or deal in all kinds goods, articles, things, and materials of all kinds of commodities as well as substances, merchandise, goods, machinery, articles, parts, apparatus, things and material of all kinds

* inserted vide special resolution passed in Extra- Ordinary General Meeting held on 24.02.2010

** Renumbered vide special resolution passed in Extra- Ordinary General Meeting held on 24.02.2010

(B) THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS:

1. To act as promoter, contractor or trader for all types of non ferrous and ferro metals and to carry on business of manufacturers of an dealers in Brass part.
2. To enter into partnership or into any arrangement for sharing profits or joint venture with any person, persons or company, carrying on or about to carry on any business which this company is authorized to carry on, or any business capable of being conducted so as directly or indirectly to benefit this company and to acquire or join in acquiring any such business.
3. To purchase, take on lease, or in exchange, hire, subscribe for or otherwise acquire and to hold and deal with any property moveable or immoveable including patents, patent rights, invention, concessions and shares, stocks, debentures or obligations of any company and upon a distribution of assets or division of profits to distribute any such property amongst the members of this company in specie.
4. To make, draw, accept, endorse, negotiate, discount, buy, sell and deal in bills, notes, hundies and other negotiable or transferable instruments.
5. To borrow and secure the payment of money in such manner and on such terms as the directors may deem expedient and to mortgage or charge the undertaking and all or any part of the property and rights of the company, present or future including uncalled capital, Subject to Sec. 58A and directives of Reserve Bank of India.
6. To lend money to any person or company and to guarantee the performance of any contracts.
7. To pay for any business, property or rights acquired agreed to be acquired by this company and generally to satisfy any obligation of this company, by the issue or transfer of shares of this or any other company credited as fully or partly paid up or of debentures or other securities of this or any other company.
8. To sell, exchange, let, develop, dispose of or otherwise deal with the undertaking, or all or any part of the property of this company upon

such terms and for such price or other consideration of any kind as the company in general meeting may think fit.

9. To promote or assist in or contract with any person or company for the promotion of any company or companies, for the purpose of acquiring all or any of the property and liabilities of this company or for any other purpose.
10. To remunerate or make donations to any person or persons whether directors, officers or agents of this company or not, for services rendered or to be rendered in or about the conduct of the company's business.
11. To invest and deal with the moneys of the company not immediately required, upon such securities and in such manner as may from time to time be determined by the directors.
12. To establish and support funds of institutions calculated to benefit employees or ex-employees of the company, or its predecessors in business or the dependents or connections of such persons, and to grant pensions and allowances, and to subscribe or guarantee money or charitable objects, or for the benefit of rural development or for the upliftment of weaker sections of society rural or otherwise.
13. To amalgamate with any other company or body of persons having objects altogether or in part similar to those of the company.
14. To carry on the business of manufacturers, fabricators, processors, growers, makers, importers, buyers, sellers, stockists agents, distributors and concessionaires of and dealers in commodities of all kinds as well as substances, merchandise, goods, machinery, articles, parts, apparatus, things and material of all kinds.
15. To apply and become a corporate member of Stock Exchange (s) National Stock Exchange, OTC Exchange and any other recognized Stock Exchange (s), with trading privileges, and to carry-on the business as share and stock broker, sub-broker, finance broker, dealer, jobber, market maker, portfolio manager, underwriter, sub-underwriter, dealers or broker or agent in any shares, securities, financial instruments, capital market money market instruments of all kinds, company deposits, national saving certificates and other securities issued or guaranteed by any body corporate, Government, Sovereign ruler, trusts, corporations, public sector undertakings, municipality or local authority, or body of whatever nature in India or abroad.
16. To establish and carry on the business of Merchant Banking and to act as lead managers, co-managers, advisors, registrars and transfer

agents, clearing house, and to provide custodial and depository services, and to act as advisors for investment in and purchase, sale, subscription, acquisition or dealing in shares, units, negotiable instruments, foreign exchange, debentures, bonds, obligations, mortgages, and securities of any kind and in preparation of reports on technical feasibility and economical viability of projects and other financial and investment matters.

(C) OTHER OBJECTS:

1. To carry on the business of Transport, Hotel and Restaurant.
2. To carry on the business of manufacturers or processors and/or importers, exporters, buyers, sellers, stokists and distributors of and/or dealers in all or any of the following.
 - a. Elastomers synthetic resins, carbon black, leather hides, skins, plastics, latexes and formulations, thereof and other kinds of resins and plastic products and goods.
 - b. All types of compounds, drugs, dyewares, disinfectants and of electrical, photographic, surgincal and scientific apparatus and materials.
 - c. Oils, colours, paints, varnishes, lacquers, pigments, cements products enamels, dyestuffs, fertilizer and insecticides.
 - d. Perfumery, soap, cosmetics, toilet preparations of all sorts surface-active agents and glycerine.
 - e. Starch and other sizing materials caustic soda and other intermediates and compounds.
 - f. Paper, newsprint, paper board, strawboard hardboard fibreboard chip-board, corrugated paper, transparent paper, carbons, inks, parchment and corks.
 - g. Tyres, tubes, tyre-cord, wheels, vehicles and photographic films.
 - h. Water proof materials and fabrics, tarpaulins, American cloth, hosiery, canvas, oil cloth, linoleums and imitation leather, high density polyethene and polyproperylene of various qualities any types.
3. To carry on business of suppliers of plant, machinery and equipment, stores, tools, gargets, device contraptions, instruments, spares and components and develop, acquire, supply plans, drawings, estimates,

project report and knowhow for industries, business companies services and public bodies and Governments.

4. To cultivate, press, prepare, process, buy, sell, export, import, distribute, trade, stock, barter, exchange, pledge, make advances upon, speculate, enter into forward transactions or otherwise deal in seeds, rubber, food-grains, sugarcane, vegetables and forests, agricultural and natural produce of all kinds, and to manufacture and deal in oils and other products obtained from such produce, and to develop farms and plantations for any of the above items and commodities or any other commodity or produce.
5. To manufacture, import, buy, sell, exchange, alter, improve, manipulate, prepare for market, supply and otherwise deal in all kinds of plant, machinery, apparatus, tools, stores, and spare parts, utensils, substances, materials, and goods required for any manufacturing and other industries of whatsoever description.
6. To carry on any business relating to the mining and working of minerals and to search for, get, mine, quarry, crush, reduce, wash, smelt, dress, manipulate, erect, work, raise, make merchantable, manufacture, produce, buy, sell and deal in iron, coke, minerals, oil, iron stone, lime stone, cement, brick-earths, bricks, pipes, tiles, fire-clay, refractories, insulators, glass and glassware, asbestos, patent fuels and other metals, minerals and substances and to work mines and acquire mining rights in, under or upon the land and property for the time being belonging to the Company or otherwise and to carry on any other metallurgical operations.
7. To carry on the business of engineers, chemists, druggists, researchers, technicians, designers, planners, advisors, purchasers, testers, erectors, managers, consultants, superintendents and contractors for all kinds of industries and businesses.
8. To carry on all or any of the business of cartage and haulage contractors, garage proprietors, owners and charterers of road vehicles, aircrafts, barges and boats of every description, charters of ships and lightermen and carriers of goods and passengers by road, and water, forwarding, transport, commission, clearing and Customs agents, packers, warehousemen, housekeepers and job matters.
9. To carry on the business of manufacturers and/or dealers in ferrous and non-ferrous metals, including iron and steel, aluminium, brass, tin, nickel, fabricators, special, special steel, stainless and its utensils, tools, castings, alloys and implements.
10. To act as agents or brokers or as trustees for any person or company and to undertake and perform sub contracts to carry on business as

manufacturers, dealers, stockists, importers and exporters of general goods, suppliers, commission agents, contractors and clearing forwarding agents.

11. To carry on business as builders and to acquire, hold, hold, deal in lands, buildings, houses, flats, bungalows, shop hereditaments of any tenure or freehold or otherwise for residential or business purposes.
12. To procure or develop and supply patents, inventions, models, designs, scientific or industrial formulae or processes on any mines and/or industrial subjects.
13. To carry on the profession of consultants on management, employment, engineering, industrial and technical matters to industry and business and to act as employment agents.
14. To buy, sell, import, export or otherwise deal in Non-ferrous and Ferrous metal, Brass, Copper, Gun Metal Phosphor Bronze, Aluminium, Stainless Steel rods, Pipes sheets, Wires, Strips and Scraps.
15. To carry on the business of Leasing Company and to invest the capital and other moneys of the company in the purchase or upon the security of shares, stocks, debentures, debenture stock, bonds, mortgages, obligations, estates, buildings, land, business, manufacturing concerns and securities carrying on business of Underwriters, film financing, hire purchase financing, and to carry on business of financing industrial enterprises, trade and business, to borrow, advance, deposit or lend moneys, securities and property from, to or with such persons and on such terms as may seem expedient, to discount, buy, sell and deal in bills, notes, warrants, coupons, import entitlements and other negotiable or transferable securities or documents, to guarantee or become liable for the payment of money or for the performance of obligations, and generally to transact guarantees and/or Trust business, provided the Company shall not carry on Banking business as defined by Banking Regulation Act, 1949 and subject to the provisions of the Act and directives of Reserve Bank of India.
16. To carry on in India or elsewhere either alone or jointly in financial or technical collaboration the business to explore, extract, excavate procure produce, pump, refine, purify, store, research, prepare, promote, prospect, process, split remove, amalgamate, barter, convert, clean commercialize, compound, distribute, discover, handle, import, export, buy, sell, market, organize, manage, protect, provide, vaporize, condense, concentrate, dilute, mix and to act as agent, broker, stockiest, C & F agent, transporters, consultant, engineering contractor, advisor, export house or otherwise to deal in all sorts of crude and refined petroleum oils, natural gases oleaginous

and saponaceous substances, their products, by-products, residues, ingredients, derivatives, formulations, blends, mixtures, goods and materials and to carry on the business in India or elsewhere operating providing, running and chartering of ships, vessels, drilling repair and reconditioning of tubular, to provide oil field services such as mud logging and to take contracts for prospecting searching and exploring oil fields, gas fields, and other mineral oils and gases and to do all incidental acts and thing necessary for the object and to purchase, hold, acquire, mines, mining lease, mining licenses, mining rights, mining claims and metalliferous lands and to explore, search, work, exercise, develop, treat, fine and to turn to account, ores, all sorts of major and minor minerals, working deposits of all kinds of minerals and sub-soil minerals and crush, win set quarry smelt, calcine, refine, dress, preserve amalgamate, manufacture, manage, manipulate and prepare, process, manufacture, assemble, fabricate cast fit, press, machine, treat, wells, harden , plate, temper, anneal any kind of metals and the consequential products and to do all such other acts or things necessary in connection with the same, with the company may from time to time think proper to be acquired for any of its objects and to import, export, purchase, sell, manufacture, repair, assemble, supervise installations of, or otherwise deal in all types of mining machines, tools and implements, smelters, crushing machines, furnaces and to obtain, produce , process, trade and deals in gold copper, zinc, stones of all types, coal, china, clay, mica, gypsum , graphite, soap, stone, domite, barites bentonete, oxides, ceramic chemicals and other like and allied materials and natural products from earth and to carry on such other business and process in connection with the above mentioned business as are customarily carried on in connection therewith or are natural and incidental thereto.

IV. The liability of the Members is limited.

V. The Authorised Share Capital of the Company is Rs. 13,00,00,000/- (Rupees Thirteen Crore only) divided into 1,30,00,000 (One Crore Thirty Lac only) Equity Shares of Rs. 10/- (Rupees Ten only) each with power to increase and reduce the capital and divide these shares in the capital for the time being into several classes and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the regulations of the Company.

We, the several persons whose names and addresses are subscribed hereto, are desirous of being formed into a Company in pursuance of the Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective name :

Name, address, description and occupation of subscriber	Number of shares taken by each subscriber	Signature of the Subscriber	Name, address, description & signature of the witness
<p>1) B K Goenka S/o. Shri. Gopiram Goenka 6, Chancellor Court, A/88, Carmichael Road, Mumbai-26 Maharashtra. Occ:- Business</p>	<p>100 shares (one hundred)</p>	<p>Sd/-</p>	<p>Witness For 1 & 2 Ravindra Baliram More, S/o Late Shri. B T More #-303, Rail Nagar Society, Vazira Naka, Borivali (W), Mumbai- 400092 Maharashtra Occ: Service</p>
<p>2) Welspun India Ltd having its registered office at Survey No. 76, Village Morai, Dist. Vapi, Valsad- 396191, Gujarat represented through it's authorised signatory Mr. Devendra K Patil vide BOD resolution dated 19/09/2008, S/o Shri. Krishna Patil, R/o Yojna CHS Ltd, Jogeshwari (E), Mumbai-60. Occ:- Service.</p>	<p>49,900 shares (Forty Nine thousand Nine Hundred)</p>	<p>Sd/-</p>	

Place : Ahmedabad

Dated 20th September, 2008

DRAFT
ARTICLES OF ASSOCIATION
OF

WELSPUN INVESTMENTS AND COMMERCIALS LIMITED

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the 6th Annual General Meeting held on _____, 2014 in substitution for and to the entire exclusion of, the regulations contained in the existing Articles of Association of the Company.

Table `F' to Apply

1. (a) Subject as hereinafter provided and in so far as these presents do not modify or exclude them the regulations contained in Table "F" in the First Schedule to the Companies Act, 2013 [hereinafter called the Act or the said Act] shall apply to the Company.

Company To Be Governed By These Articles

- (b) The regulations for the management of the Company and for the observance of the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed or permitted by Section 14 of the Act, be such as are contained in these Articles.

Interpretation

2. **Headings Not Authoritative**

- (a) The headings used in these Articles shall not affect the construction hereof.

- (b) **Interpretation Clause**

In the Interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subject or context :

"The Company" or "This Company"

"The Company" or "This Company" means "WELSPUN INVESTMENTS AND COMMERCIALS LIMITED", Public Company incorporated under the Companies Act, 1956.

"The Act"

"The Act" or "The said Act" means the Companies Act, 2013 (Act 18 of 2013) and subsequent amendments thereto or any statutory modifications or re-enactments thereto or any statutory modifications or re-enactments thereof for the time being in force.

“Directors”

“Directors” means the Directors for the time being of the Company or, as the case may be, the Directors assembled at a meeting of the Board either in person or through electronic mode or acting by Circular Resolution under the Articles;

“Dividend”

“Dividend” includes any interim dividend;

“Document”

“Document” includes summons, notice, requisition order, declaration form and registers, whether issued, sent or kept in pursuance of this or any other law for the time being in force or otherwise, maintained on paper or in electronic form;

“Equity Shares”

“Equity Shares” mean the equity shares of the Company, having a face value of Rs. 10 (Rupees Ten) each;

“INR or Rs”

“INR or Rs” means the Indian Rupees;

“Meeting” or “General Meeting”

“Meeting” or “General Meeting” means a meeting of Members;

“Member”

“Member” means (i) the subscriber to the memorandum of the Company who shall be deemed to have agreed to become member of the Company, and on its registration, shall be entered as member in its register of members; (ii) every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company; (iii) every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository;

“Memorandum”

“Memorandum” means the Memorandum of Association of the Company as originally framed or as altered from time to time;

“Month”

“Month” means a calendar month;

“National Holiday”

“National Holiday” means and includes a day declared as national holiday by the Central Government.

“Office”

“Office” means the Registered Office for the time being of the Company;

“Ordinary Resolution”

A resolution shall be an ordinary resolution when at a general meeting of which the notice required under the Act has been duly given, the votes cast (whether on a show of hands or on a poll, as the case may be in favor of the resolution (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the resolution by members so entitled and voting;

“Paid-Up Share Capital “or “Share Capital Paid-Up”

“Paid-Up Share Capital “or “Share Capital Paid-Up” means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid-up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the Company, but does not include any other amount received in respect of such shares, by whatever name called;

“Proxy”

“Proxy” include attorney duly constituted under the power of attorney;

“Register of Members”

“Register of Members” means the Register of Members to be kept, pursuant to the Act maintained on paper or in electronic form;

“Registrar”

“Registrar” means the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated;

“Regulations”

“Regulations” or the Company’s Regulations means the regulations for the time being for the management of the Company;

“Seal”

“Seal” means the Common Seal of the Company;

“Share”

“Share” means share in the Share Capital of the Company, and includes stock except where a distinction between stock and share is expressed or implied;

“Special Resolution”

A Resolution shall be a Special Resolution when –

- (i) the intention to propose the resolution as a special resolution has been duly specific in the notice calling the general meeting or other intimation given to the members of the resolution;
- (ii) the notice required under the Act has been duly given of the general meeting; and
- (iii) the vote cast in favor of the resolution (whether on a show of hands, or on a poll, as the case may be) by members who,

being entitled so to do vote in person, or where proxies are allowed by proxy, are not less than three times the numbers of the votes, if any, cast against the resolution by members so entitled and voting.

“These Presents”

“These Presents” means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time;

“Year” and “Financial Year”

“Year” means a calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act;

“Expression in the Act to bear the same meaning in Articles”

- (c) Save as aforesaid, any words or expressions defined in the Act shall, where the subject or context bids, bear the same meaning in these Articles.

Share capital and variation of rights

3. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
4. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, —
- (a) one certificate for all his shares without payment of any charges;
or
(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
5. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the

company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

- (ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.
6. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
7. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
8. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
9. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
10. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

Lien

11. (i) The company shall have a first and paramount lien—
- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

12. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

13. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

14. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

15. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not

by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
 - (iii) A call may be revoked or postponed at the discretion of the Board.
16. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
17. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
18. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
19. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
20. The Board –
- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
 - (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

21. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 22. The Board may, subject to the right of appeal conferred by section 58 decline to register –
 - (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
 - (b) any transfer of shares on which the company has a lien.
- 23. The Board may decline to recognise any instrument of transfer unless –
 - (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
 - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - (c) the instrument of transfer is in respect of only one class of shares.
- 24. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

- 25.
 - (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
 - (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- 26.
 - (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either –
 - (a) to be registered himself as holder of the share; or
 - (b) to make such transfer of the share as the deceased or insolvent member could have made.
 - (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or

insolvency.

27. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
28. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Forfeiture of shares

29. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
30. The notice aforesaid shall –
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
31. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

32. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
33. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
34. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
35. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

36. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
37. Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any

person.

38. Where shares are converted into stock, —
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
 - (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.
39. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, —
- (a) its share capital;
 - (b) any capital redemption reserve account; or
 - (c) any share premium account.

Capitalisation of profits

40. (i) The company in general meeting may, upon the recommendation of the Board, resolve —
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards —
- (A) paying up any amounts for the time being unpaid on any

- shares held by such members respectively;
- (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
- (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
- (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

41. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall –
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power –
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

42. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

General meetings

43. All general meetings other than annual general meeting shall be called extraordinary general meeting.

44. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

45. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
46. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
47. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
48. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

Adjournment of meeting

49. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

50. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to

his share in the paid-up equity share capital of the company.

51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
52.
 - (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
 - (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
53. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
54. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
55. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
56.
 - (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
 - (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

57. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
59. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

60. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.
61. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
(b) in connection with the business of the company.
62. All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
64. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum limit prescribed for the Board under the Act.
(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

65. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
66. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
- 67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
- 68.
 - (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
 - (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
- 69.
 - (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
 - (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- 70.
 - (i) A committee may elect a Chairperson of its meetings.
 - (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
- 71.
 - (i) A committee may meet and adjourn as it thinks fit.
 - (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
- 72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
- 73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

74. Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
 - (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

The Seal

76. (I) The Board of Directors shall provide a Common Seal for the purpose of the Company, shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for its safe custody for the time being under such regulations as the Board may prescribe.
- (II) The Seal shall never be used except by the authority, of the Directors or a committee of the Directors, previously given and every deed or other instrument to which a seal of the Company is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company or by an officer duly authorized in that behalf by resolution of the Board, be signed by one Director at least in whose presence the seal shall have been affixed, provided nevertheless that the certificate of shares issued by the Company shall be sealed and signed as provided in the next following Article

Provided however that the certificates of shares shall be signed in the same manner as the certificates of the shares required to be signed in conformity with the provisions of the Companies (Share Capital and Debentures) Rules, 2014 and their statutory modification for the time being in force.

Dividends and Reserve

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
78. Subject to the provisions of Section 123, the Board may from time to

time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

79. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
80. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
82. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
84. Notice of any dividend that may have been declared shall be given

to the persons entitled to share therein in the manner mentioned in the Act.

85. No dividend shall bear interest against the company.

Accounts

86. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Winding up

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder—
- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity and Responsibility Directors and Others Right to Indemnity

88. Every Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorised representative of the Company shall be indemnified by the Company and for this purpose may have relevant third party insurances procured by the Company in their favour, for all costs, fees, penalty, deposit, losses and expenses (including travelling expenses) which such Director, Manager, Secretary, Officer or employee or authorized representative may suffer or is likely to suffer in any way during the course of discharge of his duties including expenses and the amount for which such indemnity is provided, shall immediately attach as a lien on the property of the Company and have priority between the members over all other

claims. Provided that no Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorized representative of the Company shall be entitled to be indemnified by the Company or have insurance procured therefor in circumstances where any amounts directly or indirectly arise out of or in connection with any fraud, gross negligence, breach of trust or material and willful default on the part of such Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorized representative of the Company.

Director and Other Officers not Responsible for the Acts of Others

89. Subject to the provisions of the Act, no Director, Managing Director, Whole-time Director or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the nominees of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, within whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties or in relation thereto, unless the same happens through his own dishonesty.

90. An Independent Director, and a non-executive director not being a promoter or a Key Managerial Personnel, shall be liable only in respect of acts of omission or commission, by the Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he has not acted diligently.

We, the several persons whose names and addresses are subscribed hereto, are desirous of being formed into a Company in pursuance of this Articles of Association.

Name, address, description and occupation of subscriber	Name, address, description & signature of the witness
<p>1) B K Goenka S/o. Shri. Gopiram Goenka 6, Chancellor Court, A/88, Carmichael Road, Mumbai-26 Maharashtra. Occ: Business</p> <p>2) Welspun India Ltd having its registered office at Survey No. 76, Village Morai, Dist. Vapi, Valsad-396191, Gujarat represented through it's authorised signatory Mr. Devendra K Patil vide BOD resolution dated 19/09/2008, S/o Shri. Krishna Patil, R/o Yojna CHS Ltd, Jogeshwari (E), Mumbai-60. Occ:- Service.</p>	<p>Witness For 1 & 2 Ravindra Baliram More, S/o Late Shri. B T More #-303, Rail Nagar Society, Vazira Naka, Borivali (W), Mumbai-400092 Maharashtra Occ: Service</p>

Place : Ahmedabad

Dated 20th September, 2008

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for order by Mr. Justice K.A. Puj
13/5/09

13/5/09
13/5/09

- 1 -

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD
ORIGINAL JURISDICTION

COMPANY PETITION NO. 32 OF 2009

CONNECTED WITH

COMPANY APPLICATION NO. 605 OF 2008

Notified on 13/10/09

13/10/09
S.O.

In the matter of Sections 391 to 394 read with
Sections 100 to 104 of the Companies Act, 1956;
And

In the matter of
Welspun Investments Limited.

A Company incorporated under the Companies
Act, 1956 and having its registered office at
Welspun City, Village Versamedi, Taluka Anjar,
District Kutch, 370110 in the State of Gujarat.

And

In the matter of
Composite Scheme of Arrangement in the nature
of Demerger and transfer of Marketing Division
of Welspun India Limited to Welspun Global
Brands Limited and Investment & Treasury
Division to Welspun Investments Limited and
Restructure of Capital of these companies.



Welspun Investments Limited.

A Company incorporated under the Companies
Act, 1956 and having its registered office at
Welspun City, Village Versamedi, Taluka Anjar,
District Kutch, 370110 in the State of Gujarat.

.....Petitioner

BEFORE HONOURABLE Mr. JUSTICE K. A. PUJ

Date: 8th May 2009

Order On Petition

The above petition coming on for hearing on 8th May 2009, upon
reading the said petition, the order dated 28th November 2008 passed in
the Company Application No. 605 of 2008 whereby the meeting of the
Equity Shareholders of the Petitioner Company for the purpose of
considering, and if thought fit, approving, with or without modifications,
the arrangement proposed to be made between the said Company and its

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members and creditors by the Scheme of Arrangement in the nature of de-merger and transfer of Investment & Treasury Division of Welspun India Limited to Welspun Investments Limited and Restructure of Capital of the company was dispensed with, and considering the affidavit dated 27th March 2009 filed by Mr. R. K. Dalmia, Dy. Registrar of Companies, Gujarat alongwith the letter dated 25th March 2009 by the Regional Director, Dept. of Company Affairs and considering the Additional Affidavit dated 4th April 2009 filed by Mr. Devendra Patil and it appearing from the consent letters placed on record that proposed scheme has been unanimously approved by the Equity Shareholders and upon hearing Shri Saurabh N. Soparkar, Senior Counsel, appearing with Smt. Swati Soparkar, Advocate for the Petitioner Company, and hearing Shri Harin P. Raval, Additional Solicitor General of India Senior Standing Counsel appearing for the Central Govt.,

This Court doth hereby sanction the scheme of arrangement set forth in para 8 of the petition herein and in the Schedule hereto, and doth hereby declare the same to be binding on the Equity Shareholders of the above named Company and also on the said Company.

And this Court doth further order that parties to the scheme of arrangement or other persons interested shall be at liberty to apply to this Court for any directions that may be necessary in regard to the working of the said arrangement, and

That the said Company do file with the Registrar of the Companies a certified copy of this order within 30 days from the receipt of the same, and

This Court doth further order payment of Rs. 3,500/- in aggregate as the cost of this petition awardable to Shri Harin P. Raval, Additional Solicitor General of India Senior Standing Counsel.

SCHEDULE

Scheme of Arrangement as sanctioned by the court.

Dated this 8th day of May 2009.

- 3 -

~~Authorised Signatory~~

Composite Scheme of Arrangement in the nature of De-merger
And Reconstruction of Capital
Under Sections 78, 100, 391 to 394 of the Companies Act, 1956
Between
Welspun India Limited
And
Welspun Global Brands Limited
And
Welspun Investments Limited

GENERAL

This Scheme is divided into the following parts:

- (a) Part I, which deals with definitions and share capital ;
- (b) Part II, which deals with the schema of De-merger;
- (c) Part III, which deals with the Consequential Reduction of Capital in the nature of Utilisation of Share Premium Account of De-merged Company
- (d) Part IV. Restructure of Capital of WGBL, the first Resulting Company and WIL, the second Resulting Company
- (e) Part V, which deals with other terms and conditions applicable to the Scheme.

PART I - DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning.

- 1.1 "Act" means the Companies Act, 1956 and shall include any statutory modification, re-enactment or amendment thereof
- 1.2 "Appointed Date for Demerger" shall mean the 1st day of April 2009
- 1.3 "Court" means the Hon'ble High Court of Gujarat or the competent National Company Law Tribunal (NCLT) as may be applicable at the relevant time.

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FOR WELSPUN INDIA LIMITED

Director/Authorised Signatory

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- 1.4 "De-merged Company" and "WIL", each means "Welspun India Limited", company incorporated under the Companies Act, 1956 having its registered office at Welspun City, Village Versamedl, Taluka Anjar, District Kutch Gujarat - 370110 in the state of Gujarat.
- 1.5 "Effective Date" means the last of the dates on which the certified copies of the orders passed by the High Court sanctioning the Scheme are filed with the Registrar of Companies of Gujarat.
- 1.6 "First Resulting Company" and "WGBL", each means "Welspun Global Brands Limited", a company incorporated under the Act; having its registered office at Opp. Moral Telephone Exchange, Village Moral, Vapi - Dist. Valsad, Gujarat - 396191 in the state of Gujarat.
- 1.7 "Record Date" means the date to be fixed jointly by the boards of directors of the De-merged Company and the respective Resulting Company for the purpose of issue of shares by the respective Resulting Company to the shareholders of the De-merged Company pursuant to the De-merger.
- 1.8 "Remaining Business" means all other assets and liabilities of the business and divisions of WIL and all activities except those pertaining to Marketing Division and Investment and Treasury Division.
- 1.9 "Resulting Company" means First Resulting Company or Second Resulting Company and "Resulting Companies" means both First Resulting Company and Second Resulting Company.
- 1.10 "Second Resulting Company" and "WINL", each means "Welspun Investments Limited" a company incorporated under the Act, with registered office at Welspun City, Village Versamadi, Taluka Anjar, District Kutch, Gujarat - 370110 in the state of Gujarat.
- 1.11- "Scheme", "the Scheme" and "this Scheme", each means this Scheme of Arrangement in its present form submitted to the Court or with any modification made under Clause 19 of this Scheme or with such other modifications/amendments as the Court may direct

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1.12 "Undertaking-I" means the Marketing Division of the De-merged Company comprising of the following:

(i) All the assets and properties of the Marketing Division of the De-merged Company as on the Appointed Date.

(ii) All the debts, liabilities, duties and obligations of the Marketing Division of the De-merged Company as on the Appointed Date.

(iii) Without prejudice to the generality of sub-clause (i) & (ii) above, the Undertaking-I shall include all the reserves, movable and immovable properties, assets, including lease-hold rights, tenancy rights, industrial and other licenses, registrations, permits, authorizations, quota rights, trade marks, patents and other industrial and intellectual properties, import quotas, electrical connections, telephones, telex, facsimile and other communication facilities and equipments, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals related to Marketing Division.

1.13 "Undertaking-II" means the Investment & Treasury Division of the De-merged Company comprising of the following:

(i) All the assets and properties of the Investment & Treasury Division of the De-merged Company as on the Appointed Date

(ii) All the debts, liabilities, duties and obligations of the Investment & Treasury Division of the De-merged Company as on the Appointed Date.

(iii) Without prejudice to the generality of sub-clause (i) & (ii) above, the Undertaking-II shall include all the reserves, movable and immovable properties, assets, including lease-hold rights, tenancy rights, industrial and other licenses, registrations, permits, authorizations, quota rights, trade marks, patents and other industrial and intellectual properties, import quotas, electrical connections, telephones, telex, facsimile and other communication facilities and equipments, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals related to Investment & Treasury Division

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1.14 "Undertaking" means Undertaking-I or Undertaking-II and "Undertakings" means both Undertaking-I and Undertaking-II.

1.15 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, Income Tax Act, 1961 and other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

SHARE CAPITAL

21 As per the latest Audited Balance Sheet, the Share Capital of the "WIL" as on 31st March, 2008 was as under:

	(Amount in Rs.)
<u>Authorized Share Capital</u>	
8,15,00,000 Equity Shares of Rs. 10 each	81,50,00,000
11,00,000 Redeemable Cumulative Preference Shares of Rs. 100 each	11,00,00,000
2,35,00,000 Redeemable Cumulative Preference Shares of Rs. 10 each	23,50,00,000
Total	1,16,00,00,000
<u>Issued, Subscribed and Paid up Share Capital</u>	
7,30,89,519 Equity Shares of Rs. 10 each fully paid up	73,08,95,190
5,00,000 0% Redeemable Cumulative Preference Shares of Rs 100 each fully paid up	5,00,00,000
Total	78,08,95,190

After 31st March, 2008 there has been no change in the Issued, Subscribed and Paid-up Share Capital of the De-merged Company.

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Advocate

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2.2 As per the latest Audited Balance Sheet, the Share Capital of WGBL as on 31st March, 2008 was as under:

	(Amount in Rs.)
<u>Authorized Share Capital</u>	
5,00,000 Equity Shares of Rs. 10 each	50,00,000
Total	50,00,000
<u>Issued, Subscribed and Paid up Share Capital</u>	
50000 Equity Shares of Rs. 10/- each fully paid up	500,000
Total	5,00,000

The issued, Subscribed and Paid up Share Capital of the Company has since increased to 500000 equity shares of Rs. 10/- each fully paid up totaling to Rs. 50,00,000/- and the entire Issued, Subscribed and Paid up Share Share Capital is now held by Welspun India Limited, the De-merged Company since 17-09-2008. Thus, WGBL is a wholly owned subsidiary of Welspun India Limited.

2.3 As per the Provisional Balance Sheet of WINL as on the date of incorporation, the Share Capital of the company was as under.

	(Amount in Rs.)
<u>Authorized Share Capital</u>	
50,000 Equity Shares of Rs. 10/- each	5,00,000
Total	5,00,000
<u>Issued, Subscribed and Paid up Share Capital</u>	
50,000 Equity Shares of Rs. 10/- each fully paid up	5,00,000
Total	5,00,000

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Company for every 10 equity shares of Rs. 10/- each held in the De-merged Company.

B: De-merger of Investment and Treasury Division:

3.2 Pursuant to this Scheme of Arrangement, the Undertaking-II with effect from the Appointed Date without any further act or deed, be deemed to have been transferred to and vested in the Second Resulting Company, under Sections 391 to 394 of the Act in the manner that:

(i) All the properties pertaining to the Undertaking-II held by the De-merged Company immediately before the Appointed Date, shall stand transferred to, and become the properties of the Second Resulting Company with effect from the Appointed Date.

(ii) All the liabilities pertaining to the Undertaking-II, being the liabilities of the De-merged Company immediately before the Appointed Date, shall stand transferred to, and become the liabilities of, the Second Resulting Company with effect from the Appointed Date.

(iii) The properties and liabilities of the Undertaking-II being transferred by the De-merged Company shall stand transferred to the Second Resulting Company at values appearing in the books of the De-merged Company immediately before the Appointed Date.

(iv) The transfer of the Undertaking-II shall be on an going concern basis so that the Second Resulting Company shall be in a position to carry on the business which was being carried on by the De-merged Company without interruption.

(v) In consideration of the transfer of the Undertaking-II, the Second Resulting Company shall issue its equity shares to the shareholders of the De-merged Company in the ratio of 1 equity share of Rs.10/- each in WINL for every 20 equity shares of Rs. 10/- each in the De-merged Company

4 **TRANSFER OF UNDERTAKING**

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4.1 With effect from the Appointed Date the whole of the properties and assets pertaining to the Undertaking-I and Undertaking-II, including the investment made in the shares of the respective Resulting Company shall, under the provisions of Sections 391 and 394 and all other applicable provisions, if any, of the Act, without any further act or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in WGBL, the First Resulting Company and WINV, the Second Resulting Company, respectively at their respective book values, as at the close of business of the day immediately preceding the Appointed Date so as to vest in the respective Resulting Company all the rights, title and interest of the De-merged Company therein.

4.2 With effect from the Appointed Date all debts, liabilities, duties and obligations of every kind, nature and description relating to the Undertaking I and Undertaking-II shall stand transferred or be deemed to be transferred, without any further act or deed, pursuant to the Section 391 and 394 of the Act so as to become the debts, liabilities, duties and obligations of the First Resulting Company and Second Resulting Company respectively and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Scheme.

4.3 Shareholders of the De-merged Company are hereby informed that the investment by virtue of which the De-merged Company has been holding an interest in investment in Undertaking-I and Undertaking-II is now being transferred to Welspun Retail Limited on 15th September 2014. The De-merged Company is being transferred to Welspun Retail Limited as a part of the De-merged Company's business and the De-merged Company becoming effective WGBL. The De-merged Company is holding 51% equity shares in Welspun Retail Limited. The De-merged Company is being transferred to the price at which the shares of the De-merged Company are being transferred under the Scheme.

4.4 Without prejudice to the generality of Clause 4.1 above, the Undertaking I and Undertaking II of the De-merged Company shall mean and include inter alia all the releasable properties and assets including current assets, cash and bank balances, goodwill and other intangibles, investments, rights, titles, interests, powers, authorities, licenses, contracts and registrations of whatsoever nature including, without being limited to all patents, trade marks, trade names, know-how and other intellectual property rights of whatsoever nature and licenses in respect thereof.

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
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privileges, liberties, easements, advantages, benefits, permits, approvals, authorizations, right to use of telephone, telexes, fax machines, e-mail, internet, electricity connections, utilities and other services etc. (hereinafter collectively referred to as "the said assets") pertaining to the respective Undertaking.

- (i) It is expressly provided that in respect of such of the said assets as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the De-merged Company, and shall become the property of the respective Resulting Company in pursuance of the provisions of Section 394 of the Act.
- (ii) In respect of such of the said assets other than those referred to in sub para (i) above, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in the respective Resulting Company with effect from the Appointed Date pursuant to the provisions of Section 394 of the Act.

4.5 i) Insofar as the existing security over the assets of the De-merged Company in respect of the liabilities forming part of an Undertaking is concerned, such security shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprising the Undertaking which have been charged and secured in respect of the liabilities pertaining to the Undertaking. Provided that if any assets comprising the Undertaking which are being transferred to respective Resulting Company pursuant to the Scheme have not been charged or secured in respect of the liabilities pertaining to the Undertaking, such assets shall remain unencumbered and the existing security referred to above shall not be extended to and shall not operate over such assets unless otherwise determined by the Board of Directors of respective Resulting Company. The absence of any formal amendment which may be required by a lender or third party shall not affect the above.

ii) In so far as the assets comprising the Remaining Business are concerned, the security relating to the liabilities pertaining to the Undertakings over such assets shall, without any further act, instrument or deed be released and

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discharged from the obligations and security relating to the same. The absence of any formal amendment which may be required by a lender or third party shall not affect the above.

iii) In so far as the assets comprising an Undertaking which are being transferred to respective Resulting Company pursuant to this Scheme are concerned, the security and charge over such assets relating to any loans, borrowing or debentures which are not transferred pursuant to this Scheme (and which shall continue with the Demerged Company) shall, without any further act, instrument or deed be released and discharged from such encumbrance and shall no longer be available as security in relation to the Remaining Business. The absence of any formal amendment which may be required by a lender or third party shall not affect the above.

iv) The provisions of this Clause shall operate, notwithstanding anything to the contrary contained to any deed or writing or terms of sanction or issue or any security documents all of which instruments shall stand modified and/or superseded by this clause.

4.6 The respective Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the De-merged Company relating to the respective Undertaking or in favour of any other party to any contract or arrangement to which the De-merged Company is a party or any writing as may be necessary to execute in order to give formal effect to the above provisions. The respective Resulting Company shall under the provisions of this Scheme be deemed to be authorized to execute any such writings on behalf of the De-merged Company as the case may be and to implement or carry out all such formalities or compliances as are required to be carried out or performed by the De-merged Company under any loan agreements or contracts or otherwise.

5. CONDUCT OF BUSINESS BY DE-MERGED COMPANY TILL EFFECTIVE DATE

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Until the Effective Date,

5.1 The De-merged Company shall carry on and shall be deemed to have carried on its business and activities and shall hold and shall stand possessed and shall be deemed to have held and stood possessed of all the assets of the Undertaking-I and Undertaking-II on account of and in trust for the respective Resulting Companies and shall act and be entitled to be indemnified accordingly.

5.2 Subject to the provisions of this Scheme, all the profits or income accruing or arising to the De-merged Company or expenditures or losses incurred by it on account of the Undertaking - I and Undertaking-II shall for all purposes be treated and deemed to be the income, profit, loss or expenditure (as the case may be) of the respective Resulting Companies.

5.3 The De-merged Company shall carry on the business activities of the Undertakings with reasonable diligence, business prudence and the De-merged Company shall not without the written concurrence of the Resulting Companies, alienate, charge or otherwise deal with any of the properties or assets of the respective Undertaking (except incurring necessary and reasonable expenses to carry on the day-to-day operations and manufacturing activities of the Undertaking and attending to its statutory obligations) or vary the terms and conditions of employment of its employees, if any.

5.4 During the pendency of the Scheme, the De-merged Company shall not, without the prior written permission of the Board of Directors of respective Resulting Company, undertake or commence any new business in the said Undertaking

6. LEGAL PROCEEDINGS

All proceedings, (including all suits, appeals, revisions, petitions, references, applications or other proceedings of whatsoever nature) if any, by or against the De-merged Company relating to and in respect of the Undertaking- I and Undertaking- II, pending as on the Appointed Date in respect of any property, rights, assets, debts, liabilities, duties and obligations if any, thereof referred to in Clauses 4.1 & 4.2 herein above shall be continued without being prejudicially affected by reason of



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8.5 For the purpose as aforesaid, the Resulting Companies shall, if and to the extent required, apply for and obtain any approvals including that of the SEBI, Reserve Bank of India and other concerned authorities, for the issue and allotment by the Resulting Companies to the respective Members of the De-merged Company, the Equity Shares in the said reorganized share capital of the Resulting Companies in the ratio as aforesaid.

8.6 The Resulting Companies will endeavor that the Equity Shares of the Resulting Companies issued in terms of this Clause 8 be listed and/or admitted to trading on the relevant Stock exchange/s, whether in India or abroad, where the equity shares of the respective Resulting Company or the De-merged Company are listed and/or admitted to trading. The respective Resulting Company shall enter into such arrangement and issue such confirmation and/or undertakings as may necessary in accordance with the applicable laws or regulations, for the above purpose. But on such formalities being fulfilled all such stock exchange shall list and/or admit the said new shares also for the purpose of trading. All the statutory and Government authorities shall give necessary approvals and permissions forthwith in this regard.

8.7 The said Equity Shares in the Resulting Companies allotted pursuant to the Scheme shall remain frozen in the depositories system till listing / trading permission is given by the relevant Stock Exchanges

9. ACCOUNTING TREATMENT IN THE BOOKS OF THE RESULTING COMPANIES

Upon the coming into effect of this Scheme and with effect from the Appointed Date:

9.1 The respective Resulting Company shall record the assets and liabilities of the respective Undertaking vested in it pursuant to this Scheme, at the respective book values thereof, as appearing in the books of the De-merged Company on the Appointed Date:

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- 9.2 The respective Resulting Company shall credit the aggregate face value of the New Equity Shares of the respective Resulting Company issued by it to the members of the De-merged Company pursuant to this Scheme to the Share Capital Account in its books of account.
- 9.3 An amount equal to the balance lying in the Reserves and Surplus Account in the books of the De-merged company relating to respective Undertaking shall be transferred to and reflected by the respective Resulting Company in its Reserves and Surplus Account.
- 9.4 Any difference, whether an excess or a shortfall in the value of net assets of an Undertaking transferred to a Resulting Company pursuant to the order of the Court over the value of the New Equity Shares allotted by the Resulting Company under Clause 8 shall be credited to Capital Reserve or transferred to Goodwill, as the case may be.
- 9.5 In case of any difference in accounting policy between the De-merged Company and the Resulting Companies, the impact of such differences shall be quantified and adjusted in the Share Premium Account or the General Reserve Account, as the case may be, of the respective Resulting Company to ensure that financial statements of the Resulting Company on the Effective Date are on the basis of consistent accounting policy.

10. ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY

The De-merged Company shall give effect to the transfer of assets and liabilities of the Undertakings as on the Appointed Date. In its books as under:

Pursuant to the Scheme and the other related provisions of the Scheme and concurrently and as an integral part of the Scheme, upon coming into effect of the Scheme in the books of account of De-merged Company, the difference between the values of the assets and the liabilities of the Undertakings being transferred to the Resulting Companies shall be adjusted against the balance of the Share Premium Account of the De-merged Company as detailed in terms of Part III of this Scheme

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and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause as clause V and Article 4.

"The Authorised Share Capital of the Company is Rs. 13,00,00,000/- (Rupees Thirteen Crore only) divided into 1,30,00,000 (One Crore Thirty Lac only) Equity Shares of Rs. 10/- (Rupees Ten only) each with power to increase and reduce the capital and divide these shares in the capital for the time being into several classes and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the regulations of the Company."

14.4 Under the accepted principle of Single Window Clearance, it is hereby provided that the aforesaid alterations viz. Change Capital Clause, referred above, shall become operative on the scheme being effective by virtue of the fact that the Shareholders of the De-merged Company and the Resulting Companies, while approving the Scheme as a whole, have also resolved and accorded the relevant consents as required respectively under Sections 16, 31, 84 and 394 of the Companies Act, 1956 or any other provisions of the Act and shall not be required to pass separate resolutions as required under the Act.

PART III

REDUCTION OF CAPITAL IN THE NATURE OF UTILISATION OF SHARE PREMIUM ACCOUNT.

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- 15.1 As a consequence of the De-merger and Transfer of the Undertaking-I and Undertaking-II, Share Premium Accounts of the company is proposed to be utilized to adjust / write off the amount representing the surplus of the assets over the liabilities of the Undertakings being transferred to the Resulting Companies as envisaged in Clause 10.1.
- 15.2 It is proposed that the amount not exceeding Rs. 75 Crore standing to the credit balance of Share Premium Account shall be so utilized for the said adjustment
- 15.3 The same amounts to reduction of capital under sec. 78 and 100 of the Companies Act. However, the same is consequential in nature and is proposed to be effected as an integral part of the Scheme. The approval of the members and creditors of WIL to the proposed Scheme, shall be deemed to be their approval under the provisions of Sections 78, 100 and all other applicable provisions of the Act to such reduction of capital of the De-merged Company and the De-merged Company shall not be required to undertake any separate proceedings for the same. The order of the Honorable High Court sanctioning the Scheme shall be deemed to be an Order under Section 102 of the Act. In view of the same, the Resulting Companies shall not be required to separately comply with Sec. 100 or any other provisions of Companies Act, 1956. The De-merged Company shall not be required to add "And Reduced" after its name

PART-IV

RESTRUCTURE OF CAPITAL OF WGBL AND WINL

- 16.1 Upon the Scheme becoming effective, the investments made by the De-merged Company in the shares of the Resulting Companies are proposed to be transferred and vested in the respective Resulting Company. Since both the Resulting Companies are wholly owned subsidiaries of the De-merged Company, upon the Scheme becoming effective, the shares held by the De-merged Company in both the Resulting Companies shall stand cancelled. This shall amount to consequential reduction of initial capital of both the Resulting companies. However, since both the Resulting Companies shall issue shares to the shareholders of the De-merged company as the

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consideration of such transfer and vesting of the respective Undertakings, as per the share exchange ratio provided in clause 8.1 and 8.2 for respective Resulting Company, there will not be any net reduction of share capital.

16.2 Thus, the cancellation of the initial share capital of the Resulting Companies is consequential and there is no net reduction of share capital of these Resulting Companies. Further this capital restructure is proposed as an integral part of the Scheme. In view of the same, the Resulting Companies shall not be required to separately comply with Sec. 100 or any other provisions of Companies Act, 1956.

PART V - OTHER TERMS AND CONDITIONS

17. APPLICATIONS TO HIGH COURT

The De-merged Company and the Resulting Companies shall with all reasonable dispatch, make applications to the High Court of Gujarat for sanctioning the Scheme of Arrangement under Section 391 read with Sec. 78 and 100 of the Companies Act, 1956 and for an order under Section 394 of the Companies Act, 1956 and for carrying the Scheme into effect

18. MODIFICATIONS/AMENDMENTS TO THE SCHEME

For the purpose of giving effect to this Scheme, the Board of Directors of the De-merged Company and also the Board of Directors of the Resulting Companies, shall be entitled to give such directions as may be deemed necessary or desirable by them to settle any questions of doubt or difficulty of whatsoever nature. The respective Board of Directors of the De-merged Company and Resulting Companies may consent to any modification or amendment of the Scheme, which may either be required by the courts or any other authority or which in the exercise of the discretion by such directors may be considered necessary, desirable or appropriate by them in the best interest of the shareholders.

19. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS

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This Scheme is conditional upon and subject to the following provisions-

- 19.1 to the approval of and agreement to the Scheme by the requisite majorities of such classes of shareholders and creditors of the De-merged Company and the Resulting Companies as may be directed by the High Court of Gujarat on the applications made for directions under Section 391 of the Act, for calling meeting and necessary resolutions being passed under the Act for the purpose.
- 19.2 The sanction of the Scheme by the High Court of Gujarat and to the necessary order or orders being obtained under Section 391, 394 and other applicable provisions of the Companies Act, 1956 by the De-merged Company and the Resulting Companies
- 19.3 The approvals, sanctions and permissions, if any, of the other concerned authorities as may be required.
- 19.4 The De-merged Company and the Resulting Companies, shall obtain such other consent or approval as may be required under any statute or contract not specifically referred to in this Scheme.



20. MISCELLANEOUS

20.1 The Scheme, although operative from the Appointed Date, shall take effect upon and from the date on which the last of the confirmation, sanctions and approvals or orders are finally obtained and the certified copies of the order(s) of the competent courts under Section 394 of the Companies Act, 1956 are filed with the Registrar of Companies, which date shall be the effective date for the purpose of the Scheme. Provided, however, that in the event of the aforesaid sanctions, approvals, or orders, for any reason not being obtained on or before 31.06.2009 or within such further period or periods as may be mutually agreed upon between the De-merged Company and the Resulting Companies, through their respective Boards of Directors, this Scheme shall become null and void and in that event no rights and liabilities shall accrue to or be incurred inter-se by the parties in terms of this Scheme and both the

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parties will be absolved from the effect of any action/inaction taken by them in response of the Scheme.

20.2 Till the event of this Scheme becoming effective all the De-merged Company, the Resulting Company shall continue to hold their Annual General Meeting and other meetings in accordance with the relevant laws and shall continue to comply with all their statutory obligations in the same manner, as if this Scheme is not existing.

20.3 All costs, charges and expenses in relation to or in connection with this Scheme and its implementation and of carrying out and completing the terms and provisions of this Scheme and of and incidental to completion of the arrangement under this Scheme, if identifiable with respective companies shall be borne and paid by the respective company and if common and non-identifiable with respective companies shall be borne and paid in equal proportion by the respective companies.

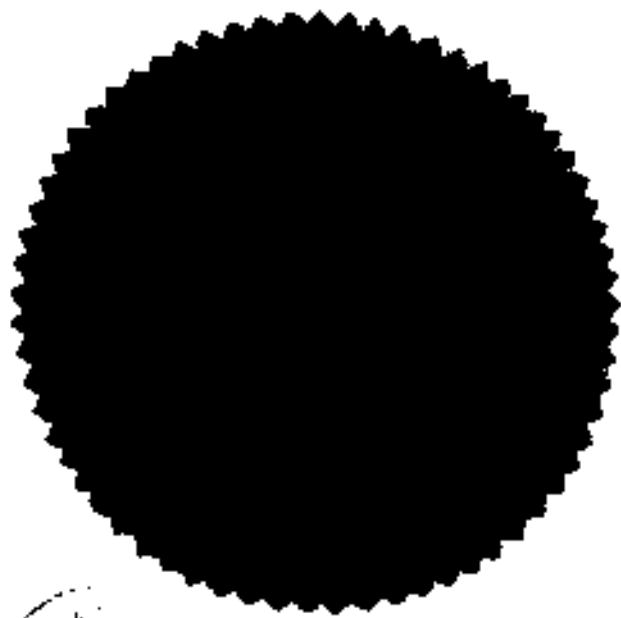


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Dated this 8th day of May 2009.

Witness K. S. Radhakrishnan Esquire,
the Chief Justice at Ahmedabad

aforesaid this Eighth day of May Two Thousand Nine.



By the order of the Court

S/L *[Signature]*
Registrar (Judicial)
this 8th day of May 2009

[Handwritten notes]
27/5/09
(Seized by)
MS
25/5/09

S/L *[Signature]*
Sealer

This 8th day of May 2009

Order drawn by:

Swati Soparkar
(Swati Saurabh Soparkar)
Advocate

204, Aakanksha, Opp. Vadilal House,
Nr. Mount Carmel Railway Crossing,
Navrangpura, Ahmedabad.

[Handwritten signature]
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IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

ORIGINAL JURISDICTION

COMPANY PETITION NO. 32 OF 2009

CONNECTED WITH

COMPANY APPLICATION NO. 605 OF 2008

CONNECTED WITH

COMPANY APPLICATION No. 186 OF 2011

In the matter of Sections 391 to 394 read with Sections
100 to 104 of the Companies Act, 1956;

And

In the matter of

Welspun Investments Limited.

A Company incorporated under the Companies Act,
1956 and having its registered office at Welspun City,
Village Versamedi, Taluka Anjar, District Kutch,
370110 in the State of Gujarat.

And

In the matter of

Composite Scheme of Arrangement in the nature of
Demerger and transfer of Marketing Division of
Welspun India Limited to Welspun Global Brands
Limited and Investment & Treasury Division to
Welspun Investments Limited and Restructure of
Capital of these companies.

Welspun Investments Limited.

A Company incorporated under the Companies
Act, 1956 and having its registered office at
Welspun City, Village Versamedi, Taluka Anjar,
District Kutch, 370110 in the State of Gujarat.

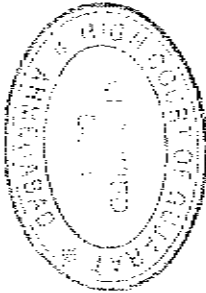
.....Petitioner

BEFORE HONOURABLE Mr. JUSTICE K. A. PUJ

Date: 8th May 2009 and 19th January 2011

(as modified by the further order passed in
Company Application no. 289 of 2010 passed by
Honorable Mr. Justice Anant S. Dave)

Order On Petition



Filed on 20-1-2011
Ready on 22-9-2011
Delivered on
Sent on
Paid by Posts
Notified on 22-12-2011
By S. O. 1/2-2/11

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The above petition coming on for hearing on 8th May 2009, upon reading the said petition, the order dated 28th November 2008 passed in the Company Application No. 604 of 2008 whereby the meeting of the Equity Shareholders of the Petitioner Company for the purpose of considering, and if thought fit, approving, with or without modifications, the arrangement proposed to be made between the said Company and its members and creditors by the Scheme of Arrangement in the nature of de-merger and transfer of Marketing Division of Welspun India Limited to Welspun Global Brands Limited and Restructure of Capital of the company was dispensed with, and it appearing from the consent letters placed on record that proposed scheme has been unanimously approved by the Equity Shareholders and considering the affidavit dated 27th March 2009 filed by Mr. R. K. Dalmia, Dy. Registrar of Companies, Gujarat alongwith the letter dated 26th March 2009 by the Regional Director, Dept. of Company Affairs and considering the Additional Affidavit dated 4th April 2009 filed by Mr. Devendra Patil and upon hearing Shri Saurabh N. Soparkar, Senior Counsel, appearing with Smt. Swati Soparkar, Advocate for the Petitioner Company, and hearing Shri Harin P. Raval, Additional Solicitor General of India Senior Standing Counsel appearing for the Central Govt., and further considering the affidavit dated 15th January 2011 and considering the affidavit dated 23rd day of December 2010 filed by Mr. Uttam Chand Nahta, and granting the clarificatory modifications in the scheme,

This Court doth hereby sanction the scheme of arrangement set forth in para 8 of the petition herein and further modified as in the Schedule hereto, and doth hereby declare the same to be binding on the Equity Shareholders of the above named Company and also on the said Company.

And this Court doth further order that parties to the scheme of arrangement or other persons interested shall be at liberty to apply to this Court for any directions that may be necessary in regard to the working of the said arrangement, and

That the said Company do file with the Registrar of the Companies a certified copy of this order within 30 days from the receipt of the same, and

SCHEDULE

Modified Scheme of Arrangement as sanctioned by the court.

Dated this 19th day of January 2011.

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Composite Scheme of Arrangement in the nature of De-merger
And Reconstruction of Capital
Under Sections 78, 100, 391 to 394 of the Companies Act, 1956
Between
Welspun India Limited
And
Welspun Global Brands Limited
And
Welspun Investments Limited

GENERAL

This Scheme is divided into the following parts:


- (a) Part I, which deals with definitions and share capital ;
- (b) Part II, which deals with the scheme of De-merger,
- (c) Part III, which deals with the Consequential Reduction of Capital in the nature of Utilisation of Share Premium Account of De-merged Company
- (d) Part IV, Restructure of Capital of WGBL, the first Resulting Company and WIL, the second Resulting Company
- (e) Part V, which deals with other terms and conditions applicable to the Scheme.

PART I – DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- 1.1 "Act" means the Companies Act, 1956 and shall include any statutory modification, re-enactment or amendment thereof.
- 1.2 "Appointed Date for Demerger" shall mean the 1st day of April 2009.
- 1.3 "Court" means the Hon'ble High Court of Gujarat or the competent National Company Law Tribunal (NCLT) as may be applicable at the relevant time.

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- 1.4 "De-merged Company" and "WIL", each means "Welspun India Limited", a company incorporated under the Companies Act, 1956 having its registered office at Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370110 in the state of Gujarat.
- 1.5 "Effective Date" means the last of the dates on which the certified copies of the orders passed by the High Court sanctioning the Scheme are filed with the Registrar of Companies of Gujarat.
- 1.6 "First Resulting Company" and "WGBL", each means "Welspun Global Brands Limited", a company incorporated under the Act, having its registered office at Opp. Morai Telephone Exchange, Village Morai, Vapi - Dist. Valsad, Gujarat - 393191 in the state of Gujarat.
- 1.7 "Record Date" means the date to be fixed jointly by the boards of directors of the De-merged Company and the respective Resulting Company for the purpose of issue of shares by the respective Resulting Company to the shareholders of the De-merged Company pursuant to the De-merger.
- 1.8 "Remaining Business" means all other assets and liabilities of the business and divisions of WIL and all activities except those pertaining to Marketing Division and Investment & Treasury Division.
- 1.9 "Resulting Company" means First Resulting Company or Second Resulting Company and "Resulting Companies" means both First Resulting Company and Second Resulting Company.
- 1.10 "Second Resulting Company" and "WINL", each means "Welspun Investments Limited" a company incorporated under the Act, with registered office at Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370110 in the state of Gujarat.
- 1.11 "Scheme", "the Scheme" and "this Scheme", each means this Scheme of Arrangement in its present form submitted to the Court or with any modification made under Clause 19 of this Scheme or with such other modifications/amendments as the Court may direct.

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1.12 "Undertaking-I" means the Marketing Division of the De-merged Company comprising of the following:

(i) All the assets and properties of the Marketing Division of the De-merged Company as on the Appointed Date.

(ii) All the debts, liabilities, duties and obligations of the Marketing Division of the De-merged Company as on the Appointed Date.

(iii) Without prejudice to the generality of sub-clause (i) & (ii) above, the Undertaking-I shall include all the reserves, movable and immovable properties, assets, including lease-hold rights, tenancy rights, industrial and other licenses, registrations, permits, authorizations, quota rights, trade marks, patents and other industrial and intellectual properties, import quotas, electrical connections, telephones, telex, facsimile and other communication facilities and equipments, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals related to Marketing Division.

1.13 "Undertaking-II" means the Investment & Treasury Division of the De-merged Company comprising of the following:

(i) All the assets and properties of the Investment & Treasury Division of the De-merged Company as on the Appointed Date.

(ii) All the debts, liabilities, duties and obligations of the Investment & Treasury Division of the De-merged Company as on the Appointed Date.

(iii) Without prejudice to the generality of sub-clause (i) & (ii) above, the Undertaking-II shall include all the reserves, movable and immovable properties, assets, including lease-hold rights, tenancy rights, industrial and other licenses, registrations, permits, authorizations, quota rights, trade marks, patents and other industrial and intellectual properties, import quotas, electrical connections, telephones, telex, facsimile and other communication facilities and equipments, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals related to Investment & Treasury Division

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1.14 'Undertaking' means Undertaking-I or Undertaking-II and 'Undertakings' means both Undertaking-I and Undertaking-II.

1.15 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, Income Tax Act, 1961 and other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

SHARE CAPITAL

2.1 As per the latest Audited Balance Sheet, the Share Capital of the "WIL" as on 31st March, 2008 was as under:

(Amount in Rs.)

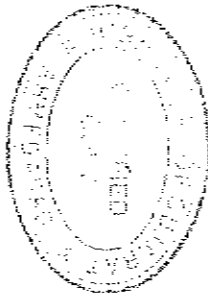
Authorized Share Capital

8,15,00,000 Equity Shares of Rs. 10 each	81,50,00,000
11,00,000 Redeemable Cumulative Preference Shares of Rs.100 each	11,00,00,000
2,35,00,000 Redeemable Cumulative Preference Shares of Rs.10 each	23,50,00,000
Total	1,16,00,00,000

Issued, Subscribed and Paid up Share Capital

7,30,89,519 Equity Shares of Rs.10 each fully paid up	73,08,95,190
5,00,000 0% Redeemable Cumulative Preference Shares of Rs.100 each fully paid up	5,00,00,000
Total	78,08,95,190

After 31st March, 2008, there has been no change in the Issued, Subscribed and Paid-up Share Capital of the De-merged Company.



- 2.2 As per the latest Audited Balance Sheet, the Share Capital of WGBL as on 31st March, 2008 was as under:

(Amount in Rs.)	
<u>Authorized Share Capital</u>	
5,00,000 Equity Shares of Rs. 10 each	50,00,000
Total	50,00,000
<u>Issued, Subscribed and Paid up Share Capital</u>	
50000 Equity Shares of Rs. 10/- each fully paid up	500,000
Total	5,00,000

The Issued, Subscribed and Paid up Share Capital of the Company has since increased to 500000 equity shares of Rs. 10/- each fully paid up totalling to Rs. 50,00,000/- and the entire Issued, Subscribed and Paid up Share Share Capital is now held by Welspun India Limited, the De-merged Company since 17-09-2008. Thus, WGBL is a wholly owned subsidiary of Welspun India Limited.

- 2.3 As per the Provisional Balance Sheet of WINL as on the date of incorporation, the Share Capital of the company was as under.

(Amount in Rs.)	
<u>Authorized Share Capital</u>	
50,000 Equity Shares of Rs. 10/- each	5,00,000
Total	5,00,000
<u>Issued, Subscribed and Paid up Share Capital</u>	
50,000 Equity Shares of Rs. 10/- each fully paid up	5,00,000
Total	5,00,000

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The entire Issued, Subscribed and Paid up Share Capital is held by Welspun India Limited, the De-merged Company. Thus, WINL is a wholly owned subsidiary of Welspun India Limited.

PART II - SCHEME OF DE-MERGER

3. - HIGH LIGHTS OF THE SCHEME

A. De-merger of Marketing Division:

3.1 Pursuant to this Scheme of Arrangement, the Undertaking-I shall, w.e.f. the Appointed Date without any further act or deed, be deemed to have been transferred to and vested in the First Resulting Company, under Sections 391 to 394 of the Act in the manner that:

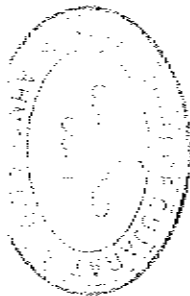
(i) All the properties pertaining to the Undertaking-I held by the De-merged Company, immediately before the Appointed Date, shall stand transferred to, and become the properties of the First Resulting Company with effect from the Appointed Date.

(ii) All the liabilities pertaining to the Undertaking-I, being the liabilities of the De-merged Company immediately before the Appointed Date, shall stand transferred to, and become the liabilities of, the First Resulting Company with effect from the Appointed Date.

(iii) The properties and liabilities of the Undertaking-I being transferred by the De-merged Company shall be transferred to the First Resulting Company at values appearing in the books of the De-merged Company immediately before the Appointed Date.

(iv) The transfer of the Undertaking-I shall be on an going concern basis so that the First Resulting Company shall be in a position to carry on the business which was being carried on by the De-merged Company without interruption.

(v) In consideration of the transfer of the Undertaking-I, the First Resulting Company shall issue its equity shares to the shareholders of the De-merged Company in the ratio of 1 equity share of Rs. 10/- each in First Resulting



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Company for every 10 equity shares of Rs. 10/- each held in the De-merged Company.

B: De-merger of Investment and Treasury Division:

3.2 Pursuant to this Scheme of Arrangement, the Undertaking-II with effect from the Appointed Date without any further act or deed, be deemed to have been transferred to and vested in the Second Resulting Company, under Sections 391 to 394 of the Act in the manner that:

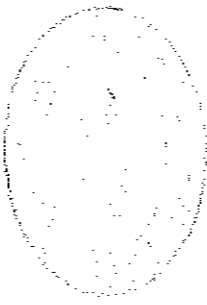
(i) All the properties pertaining to the Undertaking-II held by the De-merged Company immediately before the Appointed Date, shall stand transferred to, and become the properties of the Second Resulting Company with effect from the Appointed Date.

(ii) All the liabilities pertaining to the Undertaking-II, being the liabilities of the De-merged Company immediately before the Appointed Date, shall stand transferred to, and become the liabilities of, the Second Resulting Company with effect from the Appointed Date.

(iii) The properties and liabilities of the Undertaking-II being transferred by the De-merged Company shall stand transferred to the Second Resulting Company at values appearing in the books of the De-merged Company immediately before the Appointed Date.

(iv) The transfer of the Undertaking-II shall be on an going concern basis so that the Second Resulting Company shall be in a position to carry on the business which was being carried on by the De-merged Company without interruption.

(v) In consideration of the transfer of the Undertaking-II, the Second Resulting Company shall issue its equity shares to the shareholders of the De-merged Company in the ratio of 1 equity share of Rs.10/- each in WINL for every 20 equity shares of Rs. 10/- each in the De-merged Company.



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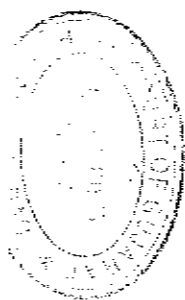
4 TRANSFER OF UNDERTAKING

- 4.1 With effect from the Appointed Date the whole of the properties and assets pertaining to the Undertaking-I and Undertaking-II, including the investment made in the shares of the respective Resulting Company shall, under the provisions of Sections 391 and 394 and all other applicable provisions, if any, of the Act, without any further act or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in WGBL, the First Resulting Company and WINV, the Second Resulting Company, respectively at their respective book values, as at the close of business of the day immediately preceding the Appointed Date so as to vest in the respective Resulting Company all the rights, title and interest of the De-merged Company therein.
- 4.2 With effect from the Appointed Date all debts, liabilities, duties and obligations of every kind, nature and description relating to the Undertaking I and Undertaking II shall stand transferred or be deemed to be transferred, without any further act or deed, pursuant to the Section 391 and 394 of the Act so as to become the debts, liabilities, duties and obligations of the First Resulting Company and Second Resulting Company respectively and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Scheme.
- 4.3 Shareholders of Welspun Retail Ltd. had entered into a shareholders' agreement by virtue of which the De-merged Company has been holding, as a part of investment in Undertaking-I, 98,00,000 Equity Shares of Rs. 10/- each which amounted to 49% equity share capital in Welspun Retail Limited (WRL) as on 15th September, 2008, which will be transferred to Welspun Global Brands Limited (WGBL) as a part of the Scheme. Besides, simultaneously on the Scheme becoming effective, WGBL has agreed to acquire 1,02,00,000 Equity Shares of Rs. 10/- each, which amounted to the remaining 51% equity share capital in Welspun Retail Limited as on 15th September, 2008, from the other shareholders, at the price equivalent to the price at which the shares are being transferred to WGBL under the Scheme, in form of 31,66,544 Equity Shares of Rs. 10/- each.*
- 4.3.(a) *The aforesaid agreement does not provide for allotment of any shares by WGBL in respect of the balance 35,29,412 Equity Shares of Rs. 10/- each of Welspun Retail

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Limited, held by Bennett, Coleman & Co Limited (allotted to the said shareholder after 15th September 2008). Hence, upon the scheme being effective, upon the acquisition of Equity Shares, as mentioned in the clause 4.3, as mentioned hereinabove, WGBL shall hold 85% Equity Shares in WRL and the balance shares shall continue to be held by Bennett, Coleman & Co. Limited or any transferee thereof.

4.4 Without prejudice to the generality of Clause 4.1 above, the Undertaking I and Undertaking II of the De-merged Company shall mean and include inter alia all the relatable properties and assets including current assets, cash and bank balances, goodwill and other Intangibles, investments, rights, titles, interests, powers, authorities, licenses, contracts and registrations of whatsoever nature including, without being limited to all patents, trade marks, trade names, know-how and other intellectual property rights of whatsoever nature and licenses in respect thereof, privileges, liberties, easements, advantages, benefits, permits, approvals, authorizations, right to use of telephone, telexes, fax machines, e-mail, internet, electricity connections, utilities and other services etc. (hereinafter collectively referred to as "the said assets") pertaining to the respective Undertaking.



(i) It is expressly provided that in respect of such of the said assets as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the De-merged Company, and shall become the property of the respective Resulting Company in pursuance of the provisions of Section 394 of the Act.

(ii) In respect of such of the said assets other than those referred to in sub para (i) above, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in the respective Resulting Company with effect from the Appointed Date pursuant to the provisions of Section 394 of the Act.

4.5 i) Insofar as the existing security over the assets of the De-merged Company in respect of the liabilities forming part of an Undertaking is concerned, such security shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprising the Undertaking which have been charged and secured in respect of the liabilities pertaining to the Undertaking. Provided that if any assets comprising the Undertaking which are being transferred to respective Resulting Company

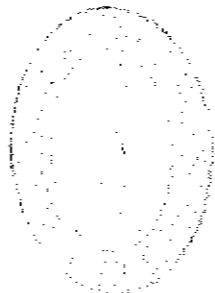
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pursuant to the Scheme have not been charged or secured in respect of the liabilities pertaining to the Undertaking, such assets shall remain unencumbered and the existing security referred to above shall not be extended to and shall not operate over such assets unless otherwise determined by the Board of Directors of respective Resulting Company. The absence of any formal amendment which may be required by a lender or third party shall not affect the above.

ii) In so far as the assets comprising the Remaining Business are concerned, the security relating to the liabilities pertaining to the Undertakings over such assets shall, without any further act, instrument or deed be released and discharged from the obligations and security relating to the same. The absence of any formal amendment which may be required by a lender or third party shall not affect the above.

iii) In so far as the assets comprising an Undertaking which are being transferred to respective Resulting Company pursuant to this Scheme are concerned, the security and charge over such assets relating to any loans, borrowing or debentures which are not transferred pursuant to this Scheme (and which shall continue with the Demerged Company) shall, without any further act, instrument or deed be released and discharged from such encumbrance and shall no longer be available as security in relation to the Remaining Business. The absence of any formal amendment which may be required by a lender or third party shall not affect the above.

iv) The provisions of this Clause shall operate, notwithstanding anything to the contrary contained to any deed or writing or terms of sanction or issue or any security documents all of which instruments shall stand modified and/or superseded by this clause.



4.6 The respective Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of the De-merged Company relating to the respective Undertaking or in favour of any other party to any contract or arrangement to which the De-merged Company is a party or any writing as may be necessary to execute. In order to give formal effect to the above provisions. The respective Resulting Company shall under the provisions of

this Scheme be deemed to be authorized to execute any such writings on behalf of the De-merged Company as the case may be and to implement or carry out all such formalities or compliances as are required to be carried out or performed by the De-merged Company under any loan agreements or contracts or otherwise.

5. CONDUCT OF BUSINESS BY DE-MERGED COMPANY TILL EFFECTIVE DATE

Until the Effective Date,

- 5.1 The De-merged Company shall carry on and shall be deemed to have carried on its business and activities and shall hold and shall stand possessed and shall be deemed to have held and stood possessed of all the assets of the Undertaking-I and Undertaking-II on account of and in trust for the respective Resulting Companies and shall act and be entitled to be indemnified accordingly.
- 5.2 Subject to the provisions of this Scheme, all the profits or income accruing or arising to the De-merged Company or expenditures or losses incurred by it on account of the Undertaking - I and Undertaking-II shall for all purposes be treated and deemed to be the income, profit, loss or expenditure (as the case may be) of the respective Resulting Companies.
- 5.3 The De-merged Company shall carry on the business activities of the Undertakings with reasonable diligence, business prudence and the De-merged Company shall not without the written concurrence of the Resulting Companies, alienate, charge or otherwise deal with any of the properties or assets of the respective Undertaking (except incurring necessary and reasonable expenses to carry on the day-to-day operations and manufacturing activities of the Undertaking and attending to its statutory obligations) or vary the terms and conditions of employment of its employees, if any.
- 5.4 During the pendency of the Scheme, the De-merged Company shall not, without the prior written permission of the Board of Directors of respective Resulting Company, undertake or commence any new business in the said Undertaking.

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6. LEGAL PROCEEDINGS

All proceedings, (including all suits, appeals, revisions, petitions, references, applications or other proceedings of whatsoever nature) if any, by or against the De-merged Company relating to and in respect of the Undertaking- I and Undertaking- II, pending as on the Appointed Date in respect of any property, rights, assets, debts, liabilities, duties and obligations, if any, thereof referred to in Clauses 4.1 & 4.2 herein above, shall be continued without being prejudicially affected by reason of transfer of assets and liabilities of the respective Undertaking, and enforced until the Effective Date by the De-merged Company as desired by the respective Resulting Company and as from the Effective Date, the same shall be continued and enforced by or against the respective Resulting Company, as the case may be.

7. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

Subject to the other provisions of the Scheme, all lawful contracts, duties, bonds, agreements and other instruments of whatever nature in respect of an Undertaking to which the De-merged Company is party subsisting or having effect immediately before the Appointed Date, shall be in full force and effect against or in favour of the respective Resulting Company, and may be enforced as fully and as effectively as if instead of the De-merged Company the respective Resulting Company had been a party thereto.

8. ISSUE OF SHARES BY THE RESULTING COMPANIES

8.1 Upon the transfer of the Undertaking-I of the De-merged Company pursuant to this Scheme and the arrangement becoming effective in terms of this Scheme, the First Resulting Company shall issue and allot in its capital, credited as paid up, to all the Members of the De-merged Company whose names appear in the Register of Members on the Record Date / Book closure to be fixed by the Directors of the First Resulting Company or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Resulting Company and approved by them to be placed on its register of names in the following proportion viz:-



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1 (one) Equity Shares of Rs.10/- each credited as fully Paid up of the First Resulting Company shall be issued and allotted at par for every 10 (Ten) equity shares of the face value of Rs. 10/- (Rupees ten only) each, to the Shareholders of the De-merged Company as on the Record Date fixed for the said purpose.

- 8.2 Upon the transfer of the Undertaking-II pursuant to this Scheme and the arrangement becoming effective in terms of this Scheme, the Second Resulting Company shall issue and allot in its capital at par, credited as paid up, to all the Members of the De-merged Company whose names appear in the Register of Members on the Record Date / Book closure to be fixed by the Directors of the Second Resulting Company or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Second Resulting Company and approved by them to be placed on its register of names in the following proportion viz:-

1 (one) Equity Share of Rs. 10/- each credited as fully Paid up of the Second Resulting Company shall be issued and allotted at par for every 20 (Twenty) equity shares of the face value of Rs. 10/- (Rupees ten only) each, to the Shareholders of the De-merged Company as on the Record Date fixed for the said purpose.

- 8.3 The said Equity Shares in the Resulting Companies to be issued to the shareholders of the De-merged Company shall rank pari passu in all respects.

- 8.4 The fractions arising due to the above ratio shall be treated as under:

No fractional certificates shall be issued by the Resulting Companies in respect of the fractional entitlements, if any, to which the members of the De-merged Company may be entitled on issue of allotment of the shares by the Resulting Company as aforesaid. The directors of the respective Resulting Company shall instead consolidate all such fractional entitlements and allot shares in lieu thereof to a Director or an Authorised Officer of the respective Resulting Company with the express understanding that such Director or the Officer shall sell the same at the best available price in one or more lots and

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by private sale / placement or by auction as deemed fit (the decision of such Director or the Officer as the case may be as to the timing and method of the sale and the price at which such sale has been given effect to shall be final and pay the sale proceeds to the respective Resulting Company. The net sale proceeds thereupon shall be distributed by the respective Resulting Company among the members of the De-merged Company in proportion of their fractional entitlements.

- 8.5 For the purpose as aforesaid, the Resulting Companies shall, if and to the extent required, apply for and obtain any approvals including that of the SEBI, Reserve Bank of India and other concerned authorities, for the issue and allotment by the Resulting Companies to the respective Members of the De-merged Company, the Equity Shares in the said reorganized share capital of the Resulting Companies in the ratio as aforesaid.
- 8.6 The Resulting Companies will endeavor that the Equity Shares of the Resulting Companies issued in terms of this Clause 8 be listed and/or admitted to trading on the relevant Stock exchange/s, whether in India or abroad, where the equity shares of the respective Resulting Company or the De-merged Company are listed and/or admitted to trading. The respective Resulting Company shall enter into such arrangement and issue such confirmation and/or undertakings as may necessary in accordance with the applicable laws or regulations, for the above purpose. But on such formalities being fulfilled all such stock exchange shall list and/or admit the said new shares also for the purpose of trading. All the statutory and Government authorities shall give necessary approvals and permissions forthwith in this regard.
- 8.7 The said Equity Shares in the Resulting Companies allotted pursuant to the Scheme shall remain frozen in the depositories system till listing / trading permission is given by the relevant Stock Exchange/s.

9. ACCOUNTING TREATMENT IN THE BOOKS OF THE RESULTING COMPANIES

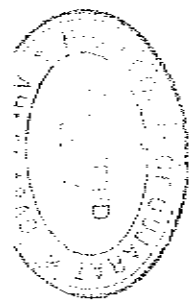
Upon the coming into effect of this Scheme and with effect from the Appointed Date:

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- 9.1 The respective Resulting Company shall record the assets and liabilities of the respective Undertaking vested in it pursuant to this Scheme, at the respective book values thereof, as appearing in the books of the De-merged Company on the Appointed Date.
- 9.2 The respective Resulting Company shall credit the aggregate face value of the New Equity Shares of the respective Resulting Company issued by it to the members of the De-merged Company pursuant to this Scheme to the Share Capital Account in its books of account.
- 9.3 An amount equal to the balance lying in the Reserves and Surplus Account in the books of the De-merged company relating to respective Undertaking shall be transferred to and reflected by the respective Resulting Company in its Reserves and Surplus Account.
- 9.4 Any difference, whether an excess or a shortfall in the value of net assets of an Undertaking transferred to a Resulting Company pursuant to the order of the Court over the value of the New Equity Shares allotted by the Resulting Company under Clause B shall be credited to Capital Reserve or transferred to Goodwill, as the case may be.
- 9.5 In case of any difference in accounting policy between the De-merged Company and the Resulting Companies, the impact of such differences shall be quantified and adjusted in the Share Premium Account or the General Reserve Account, as the case may be, of the respective Resulting Company to ensure that financial statements of the Resulting Company on the Effective Date are on the basis of consistent accounting policy.



10. ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY

The De-merged Company shall give effect to the transfer of assets and liabilities of the Undertakings as on the Appointed Date, in its books as under:

Pursuant to the Scheme and the other related provisions of the Scheme and concurrently and as an integral part of the Scheme, upon coming into effect of the Scheme, in the books of account of De-merged Company, the difference

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between the values of the assets and the liabilities of the Undertakings being transferred to the Resulting Companies shall be adjusted against the balance of the Share Premium Account of the De-merged Company as detailed in terms of Part III of this Scheme.

11. DE-MERGED COMPANY'S STAFF, WORKMEN AND EMPLOYEES

Upon the Scheme becoming effective all employees of the Undertaking- I and Undertaking- II shall become the employees of the respective Resulting Company with effect from the Appointed Date and their services shall be deemed to have continued without interruption by the vesting of the assets and liabilities of the Undertaking to the respective Resulting Company under the Scheme and the terms and conditions of service applicable to them, as aforesaid, will continue to govern them as employees of the respective Resulting Company.


12. OPERATIONS OF THE DE-MERGED COMPANY

The De-merged Company shall not be dissolved or wound up by virtue of or upon the sanction of the scheme by the competent courts under Section 394 of the Act and shall continue with its Remaining Business as a going concern.

13. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities pertaining to the Undertakings pursuant to this Scheme, and the continuance of proceedings by or against the Demerged Company under Clause 4 above shall not affect any transaction or proceedings already concluded or liabilities incurred, or any liabilities discharged by the Demerged Company in connection with the respective Undertaking subject to Clause 4 above, on or after the Appointed Date or Demerger till the Effective Date, to the end and intent that the Resulting Company shall accept and adopt all acts, deeds and things done and executed by the Demerged Company in respect thereto as done and executed on behalf of itself.

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14. AMENDMENT IN MEMORANDUM AND ARTICLES OF ASSOCIATION OF DE-MERGED COMPANY AS WELL AS RESULTING COMPANIES

14.1 Clause V of the Memorandum of Association and Article 5 of the Articles of Association of the De-merged Company viz. Welspun India Limited (relating to Authorised Share Capital) each shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following as clause V and Article 5:

"The Authorised Share Capital of the Company is Rs. 80,00,00,000/- (Rupees Eighty Crore only) divided into 7,50,00,000 (Seven Crore Fifty Lac only) Equity Shares of Rs. 10/- (Rupee Ten only) each and 5,00,000 Redeemable Preference Shares of Rs. 100 each with the rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being in force, with power to increase or reduce the capital for the time being and to divide the same into several classes and to attach thereto respectively any preferential, qualified or special privileges or conditions including as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such a manner as may for the time being be provided for by the Articles of Association of the Company or by the law in force for the time being."

14.2 Clause V of the Memorandum of Association and Article 4 of the Articles of Association of the First Resulting Company viz. Welspun Global Brands Limited (relating to Authorised Share Capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause as clause V and Article 4:

"The Authorised Share Capital of the Company is Rs. 25,50,00,000/- (Rupees Twenty Five Crore Fifty Lac only) divided into 2,55,00,000 (Two Crore Fifty Five Lac only) Equity Shares of Rs. 10/- (Rupees Ten only) each, with power to increase and reduce the capital and divide these shares in the capital for the time being into several classes and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the company and to vary, modify or abrogate any such rights,

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privileges or conditions in such manner as may be for the time being provided by the regulations of the Company."

14.3 Clause V of the Memorandum of Association and Article 4 of the Articles of Association of the second Resulting Company viz. Welspun Investments Limited (relating to Authorised Share Capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause as clause V and Article 4:

"The Authorised Share Capital of the Company is Rs. 13,00,00,000/- (Rupees Thirteen Crore only) divided into 1,30,00,000 (One Crore Thirty Lacs only) Equity Shares of Rs. 10/- (Rupees Ten only) each with power to increase and reduce the capital and divide these shares in the capital for the time being into several classes and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the regulations of the Company."


14.4 Under the accepted principle of Single Window Clearance, it is hereby provided that the aforesaid alterations viz. Change Capital Clause, referred above, shall become operative on the scheme being effective by virtue of the fact that the Shareholders of the De-merged Company and the Resulting Companies, while approving the Scheme as a whole, have also resolved and accorded the relevant consents as required respectively under Sections 16, 31, 94 and 394 of the Companies Act, 1956 or any other provisions of the Act and shall not be required to pass separate resolutions as required under the Act.

PART III

REDUCTION OF CAPITAL IN THE NATURE OF UTILISATION OF SHARE PREMIUM ACCOUNT.

15.1 As a consequence of the De-merger and Transfer of the Undertaking-I and Undertaking-II, Share Premium Accounts of the company is proposed to be utilized to

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adjust / write off the amount representing the surplus of the assets over the liabilities of the Undertakings being transferred to the Resulting Companies as envisaged in Clause 10.

15.2 It is proposed that the amount not exceeding Rs. 75 Crore standing to the credit balance of Share Premium Account shall be so utilized for the said adjustment


15.3 The same amounts to reduction of capital under sec. 78 and 100 of the Companies Act. However, the same is consequential in nature and is proposed to be effected as an integral part of the Scheme. The approval of the members and creditors of WIL to the proposed Scheme, shall be deemed to be their approval under the provisions of Sections 78, 100 and all other applicable provisions of the Act to such reduction of capital of the De-merged Company and the De-merged Company shall not be required to undertake any separate proceedings for the same. The order of the Honorable High Court sanctioning the Scheme shall be deemed to be an Order under Section 102 of the Act. In view of the same, the Resulting Companies shall not be required to separately comply with Sec. 100 or any other provisions of Companies Act, 1956. The De-merged Company shall not be required to add "And Reduced" after its name.

PART- IV RESTRUCTURE OF CAPITAL OF WGBL AND WINL

16.1 Upon the Scheme becoming effective, the investments made by the De-merged Company in the shares of the Resulting Companies are proposed to be transferred and vested in the respective Resulting Company. Since both the Resulting Companies are wholly owned subsidiaries of the De-merged Company, upon the Scheme becoming effective, the shares held by the De-merged Company in both the Resulting Companies shall stand cancelled. This shall amount to consequential reduction of initial capital of both the Resulting Companies. However, since both the Resulting Companies shall issue shares to the shareholders of the De-merged Company as the consideration of such transfer and vesting of the respective Undertakings, as per the share exchange ratio provided in clause 8.1 and 8.2 for respective Resulting Company, there will not be any net reduction of share capital.

16.2 Thus, the cancellation of the initial share capital of the Resulting Companies is consequential and there is no net reduction of share capital of these Resulting Companies. Further this capital restructure is proposed as an integral part of the

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Scheme. In view of the same, the Resulting Companies shall not be required to separately comply with Sec. 100 or any other provisions of Companies Act, 1956.

PART V – OTHER TERMS AND CONDITIONS

17. APPLICATIONS TO HIGH COURT

The De-merged Company and the Resulting Companies shall with all reasonable dispatch, make applications to the High Court of Gujarat for sanctioning the Scheme of Arrangement under Section 391 read with Sec. 78 and 100 of the Companies Act, 1956 and for an order under Section 394 of the Companies Act, 1956 and for carrying the Scheme into effect.

18. MODIFICATIONS/AMENDMENTS TO THE SCHEME

For the purpose of giving effect to this Scheme, the Board of Directors of the De-merged Company and also the Board of Directors of the Resulting Companies, shall be entitled to give such directions as may be deemed necessary or desirable by them to settle any questions of doubt or difficulty of whatsoever nature. The respective Board of Directors of the De-merged Company and Resulting Companies may consent to any modification or amendment of the Scheme, which may either be required by the courts or any other authority or which in the exercise of the discretion by such directors may be considered necessary, desirable or appropriate by them in the best interest of the shareholders.

19. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS

This Scheme is conditional upon and subject to the following provisions-

19.1 to the approval of and agreement to the Scheme by the requisite majorities of such classes of shareholders and creditors of the De-merged Company and the Resulting Companies as may be directed by the High Court of Gujarat on the applications made for directions under Section 391 of the Act, for calling meeting and necessary resolutions being passed under the Act for the purpose.

19.2 The sanction of the Scheme by the High Court of Gujarat and to the necessary order or orders being obtained under Section 391, 394 and other applicable provisions of the Companies Act, 1956 by the De-merged Company and the Resulting Companies

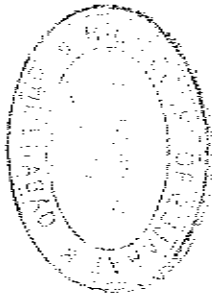
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19.3 The approvals, sanctions and permissions, if any, of the other concerned authorities as may be required.

19.4 The De-merged Company and the Resulting Companies, shall obtain such other consent or approval as may be required under any statute or contract not specifically referred to in this Scheme.

20. MISCELLANEOUS


20.1 The Scheme, although operative from the Appointed Date, shall take effect upon and from the date on which the last of the confirmations, sanctions and approvals or orders are finally obtained and the certified copies of the order(s) of the competent courts under Section 394 of the Companies Act, 1956 are filed with the Registrar of Companies, which date shall be the effective date for the purpose of the Scheme. Provided, however, that in the event of the aforesaid sanctions, approvals, or orders, for any reason not being obtained on or before 31.05.2009 or within such further period or periods as may be mutually agreed upon between the De-merged Company and the Resulting Companies, through their respective Board of Directors, this Scheme shall become null and void and in that event no rights and liabilities shall accrue to or be incurred inter-se by the parties in terms of this Scheme and both the parties will be absolved from the effect of any action/inaction taken by them in response of the Scheme.



20.2 Till the event of this Scheme becoming effective all the De-merged Company, the Resulting Company shall continue to hold their Annual General Meeting and other meetings in accordance with the relevant laws and shall continue to comply with all their statutory obligations in the same manner, as if this Scheme is not existing.

20.3 All costs, charges and expenses in relation to or in connection with this Scheme and its implementation and of carrying out and completing the terms and provisions of this Scheme and of and incidental to completion of the arrangement under this Scheme, if identifiable with respective companies shall be borne and paid by the respective company and if common and non-identifiable with respective companies shall be borne and paid in equal proportion by the respective companies.

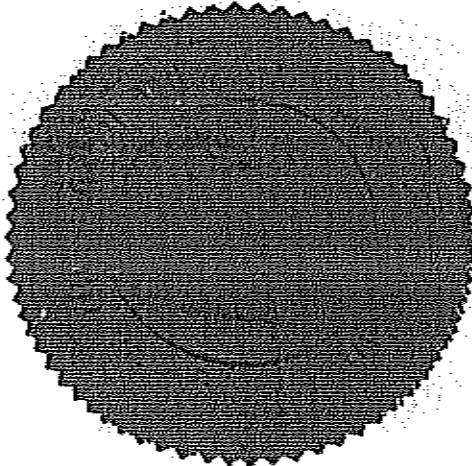
TRUE COPY


Advocate

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Dated this 19th day of January 2011.

Witness Sudhanshu Jyoti Mukhopadhaya Esquire,
The Chief Justice at Ahmedabad
aforesaid this Nineteenth day of January Two Thousand Eleven.



By the order of the Court

ell - M. M. Shukh
Additional Registrar (Judicial)
This *21st* day of February 2011

ell - W. P. Tekani
Sealer

This *21st* day of February 2011

Handwritten signature/initials
21/2/11

Order drawn by:

Swati Soparkar
(Swati Saurabh Soparkar)
Advocate

301, Shivalik-10, Opp. SBI Zonal
Office, Near Excise Chowky, S.M.
Road, Ahmedabad 380 015.



TRUE COPY

Handwritten signature
REGISTRAR
THIS 21st DAY 09/2011