

BOOK-POST

To,

If undelivered, please return to :
Purva Sharegistry (India) Pvt. Ltd.
Unit No. 9, Shiv Shakti Ind. Estate,
J. R. Boricha Marg,
Opp. Kasturba Hospital Lane,
Lower Parel (East), Mumbai - 400 011.

WELSPUN PROJECTS LIMITED

Registered Office: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370110

NOTICE

NOTICE is hereby given that the Eighteenth Annual General Meeting of the Company will be held on Friday, September 28, 2012 at 11.00 a.m. at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat-370110 to transact the following business:

ORDINARY BUSINESS:

1.

To consider, approve and adopt the Balance Sheet as on 31st March, 2012 and the Profit & Loss Account for the year ended on that date together with the Directors' and Auditor's Report thereon.
2.

To appoint M/s Chandrakant & Sevantilal & J K Shah & Co., Chartered Accountants, as Statutory Auditors of the Company and hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize Board of Directors to fix their remuneration.
3.

To appoint a director in place of Mr. A K Dasgupta who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself, for re-appointment.
4.

To appoint a director in place of Mr. Nirmal Gangwal who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself, for re-appointment.

SPECIAL BUSINESS:

5.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution** :

“RESOLVED THAT Mr. Mohan Tandon who was appointed as an additional director of the Company pursuant to section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice under section 257 of the Companies Act, 1956 from a member, in writing, proposing his candidature for office of director, be and is hereby appointed as a director of the Company.”
6.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution** :

“RESOLVED THAT Mr. Rajesh Mandawewala who was appointed as an additional director of the Company pursuant to section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice under section 257 of the Companies Act, 1956 from a member, in writing, proposing his candidature for office of director, be and is hereby appointed as a director of the Company.”
7.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution** :

“RESOLVED THAT Mr. Sandeep Garg, for whose appointment a notice under Section 257 of the Companies Act, 1956 has been received from a member of the Company, be and is hereby appointed as a director of the Company, liable to retire by rotation.”
8.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution** :

“RESOLVED THAT pursuant to Section 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such consents, approvals and permissions including approval of the Central Government as may be required, approval of the members be and is hereby accorded to the appointment of Mr. Sandeep Garg as the Managing Director of the Company for a period of 5 years w.e.f. July 16, 2012 (“Date of Appointment”) on the terms given below:

1.

Salary and other benefits of INR 20,000,000/- (INR Twenty Million only) per annum equal to INR 1,666,667/- (INR One Million Six hundred Sixty Six thousand Six hundred Sixty Seven) per month for the first year on cost-to-the company (CTC) basis.

2. Grant of Employee Stock Options (“ESOP”) to acquire an equivalent number of equity shares of the Company, constituting in aggregate 3% of the issued and paid up share capital of the Company as on the Date of Appointment, at an exercise price of Rs. NIL per equity share fully paid up in compliance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, with lock in for a period of 4 years from the date of vesting of the Options granted to the Managing Director in the first year; or for the period until early termination of the employment before expiry of the 5 years term of appointment; or for such period as may be provided under applicable laws, whichever is longer.

“RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee, including the Remuneration Committee which may exercise its powers, including the powers, conferred by this resolution) be and is hereby authorized to vary, alter, widen the scope of the remuneration as they may deem fit in the interest of the Company.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable, or expedient for the purpose of giving effect to this resolution.”

9. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution** :

“RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956, SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary including approval of the Central Government and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee, including the Remuneration Committee which may exercise its powers, including the powers, conferred by this resolution), to create, offer, issue and allot at any time to or to the benefit of Mr. Sandeep Garg, Managing Director of the Company, (hereinafter referred to as the “MD”), options exercisable into equivalent number of equity shares of the face value of Rs. 10/- each (hereinafter referred to as the “Options”) under a scheme titled "Welspun Managing Director Stock Option 2012" (hereinafter referred to as the "MD ESOP 2012"), either directly or through an ESOP Trust constituted specifically for this purpose, in one or more tranches, at the exercise price of Rs. NIL per equity share fully paid up on such terms and conditions as may be fixed or determined by the Remuneration Committee in accordance with the provisions of the law or guidelines issued by the relevant Authority and that each option granted would be exercisable for one equity share of the face value of Rs.10/- each fully paid-up, provided that the number of Options to be issued to the MD pursuant to this resolution shall not exceed 3% of the number of equity shares paid up of the Company as on the date of appointment of the MD.”

“RESOLVED FURTHER THAT such equity shares, upon allotment, shall rank pari passu in all respect with the then existing equity shares of the Company.”

“RESOLVED FURTHER THAT the Remuneration Committee be and is hereby authorized to make modifications, changes, variations, alterations or revisions in the said MD ESOP 2012 as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the Companies Act, 1956, the Memorandum and Articles of Association of the Company and any other regulation, guidelines in force for the time being.”

10. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution** :

“RESOLVED THAT Mr. Atul Desai who was appointed as an additional director of the Company pursuant to section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice under section 257 of the Companies Act, 1956 from a member, in writing, proposing his candidature for office of director, be and is hereby appointed as a director of the Company.”

By order of the Board
For **Welspun Projects Limited**

Place: Mumbai
Date: August 13, 2012

Susheela Maheshwari
Company Secretary

WELSPUN PROJECTS LIMITED

Regd. Office: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370110

DP ID*	<input type="text"/>	Master Folio	<input type="text"/>
Client ID*	<input type="text"/>	No. of Shares	<input type="text"/>

PROXY FORM

I/We _____
of _____ in the district of _____ being a member/s
of the above named Company hereby appoint _____ of _____ in the district of _____
or failing him _____ of _____ in the district of _____
as my/our Proxy to vote for me/us on my/our behalf at the 18th ANNUAL GENERAL MEETING of the Company at Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370110 to be held on Friday, September 28, 2012 at 11.00 a.m. and any adjournment(s) thereof.

Signed this _____ day of _____ 2012	Affix Re. 1 Revenue Stamp
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Note : The Proxy form duly signed across the stamp should reach the Company's Registered Office at least 48 hours before the Meeting. Proxy need not be a member of the Company.

* Applicable for Investors holding shares in electronics form only.
..... (TEAR HERE).....

WELSPUN PROJECTS LIMITED

Regd. Office: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370110

DP ID*	<input type="text"/>	Master Folio	<input type="text"/>
Client ID*	<input type="text"/>	No. of Shares	<input type="text"/>

ATTENDANCE SLIP

I hereby record my presence at the 18th ANNUAL GENERAL MEETING of the Company at Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370110 to be held on Friday, September 28, 2012 at 11.00 a.m.

Signature of the Shareholder or Proxy _____

Shareholders/Proxy holders are requested to bring the attendance slip with them, when they come to the Meeting and hand it over at the entrance after signing the same.

Shareholders who come to attend the meeting are requested to bring their copies of Annual Report with them.

Shareholders intending to obtain additional information regarding accounts to be presented at the meeting are requested to inform the Company about the details thereof atleast 7 days in advance.

*Applicable for Investors Holding shares in electronic form only.

Directorship held in other public companies (excluding foreign and section 25 companies)	Welspun India Limited, Himatsingk a Seide Limited, Hotel Leela Venture Limited	Brescon Advisors & Holdings Ltd (Formerly Brescon Corporate Advisors Limited), V I P Industries Limited, Welspun Corp Limited, Remi Metals Gujarat Limited, Windsor Machines Ltd, iTenable India Limited,	Coromandal International Limited, GIC Housing Finance Limited, Welspun Syntex Limited, Sabero Organics Gujarat Limited	Welspun Corp Limited, Welspun Global Brands Limited, Welspun Mercantile Limited, Welspun Fintrade Limited, Welspun Wintex Limited, Krishiraj Trading Limited, Alspun Infrastructure Limited, Welspun Steel Limited, Welspun Syntex Limited, Welspun Zucchi Textiles Limited, Welspun Infratech Limited, MEP Cotton Limited, Welspun India Limited, Welspun Maxsteel Limited, Remi Metals Gujarat Limited	NIL	TCFC Finance Ltd, Jindal South West Holding Ltd, Welspun Syntex Ltd, Akar Tools Ltd, Remi Metals Gujarat Ltd, Welspun Global Brands Ltd, Auchtel Products Ltd, Branee Trading Co. Pvt. Ltd.
Membership / Chairmanships of committees of other public companies (includes only Audit Committee & Shareholders' / Investors' Grievance Committee)	Audit Committee: Welspun India Limited Shareholders / Investors Grievance Committee: *Welspun India Ltd, Himatsingk a Seide Limited	Audit Committee: Windsor Machines Ltd, Shareholders / Investors Grievance Committee: Brescon Advisors & Holdings Ltd	Audit Committee: *GIC Housing Finance Limited, *Coromandal International Limited, Welspun Syntex Limited, *Sabero Organics Gujarat Limited Shareholders / Investors Grievance Committee: *GIC Housing Finance Limited, *Coromandal International Limited	Audit Committee: Welspun Infratech Limited Shareholders / Investors Grievance Committee: Welspun Corp Limited, Welspun India Limited, Welspun Syntex Limited, Welspun Global Brands Limited	NIL	Audit Committee: TCFC Finance Ltd, Welspun Syntex Ltd, *Jindal South West Holdings Ltd, Remi Metals Gujarat Ltd, Welspun Global Brands Ltd. Shareholders / Investors Grievance Committee: TCFC Finance Ltd, Welspun *Welspun Syntex Ltd, *Jindal South West Holdings Ltd, *Remi Metals Gujarat Ltd, *Welspun Global Brands Ltd.
Number of shares held in the Company	Nil	Nil	Nil	Nil	Nil	Nil
Relationship between directors inter-se	None	None	None	None	None	None

* Chairman of the Committee

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY, IN ORDER TO BE EFFECTIVE, SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME OF THE MEETING (FORM ATTACHED HERewith)
2. Members are requested to notify immediately their change of address, if any to their Depository participants (DP's).
3. The Register of Members and Share Transfer books of the Company will be closed from Monday, August 27, 2012 to Thursday, August 30, 2012 (both days inclusive). Members/Proxies should bring the Attendance Slips duly filled in for attending the meeting.
4. Members are requested to bring their copy of Annual Report to the Annual General Meeting.
5. Members desirous of seeking any information/clarification on the accounts or operations of the company are requested to forward his/ her query to the Company Secretary so as to reach at least seven working days prior to the AGM, so that the required information can be made available at the meeting.
6. Members, who hold shares in dematerialized form, are requested to bring their depository account number (Client ID No.) for easy identification and recording of attendance at the meeting.
7. Members are requested to encash their past dividend, since dividend which remains unpaid or unclaimed for a period of seven years from the date they became due for payment will be transferred by the Company to IEPF.
8. Members who wish to make nomination for the shares held in the Company may kindly send the details in the form 2B as prescribed under the Companies Act, 1956 which is available with the Registrar and Share Transfer Agents of the Company, on request.
10. Non-Resident Indian Members are requested to inform the Company's Registrars and Transfer Agent, M/s. Purva Sharegistry (India) Private Limited, immediately of:
 - a) Change in their Residential status on return to India for permanent settlement.
 - b) Particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank, Code Number if not furnished earlier.

By order of the Board
For **Welspun Projects Limited**

Susheela Maheshwari
Company Secretary

Place: Mumbai
Date: August 13, 2012

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 and the information as required under the (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

ITEM NO. 5

Mr. Mohan Tandon has been appointed as an additional director of the Company with effect from January 31, 2012 pursuant to section 260 of the Companies Act (the Act), 1956 and Article 137 of the Articles of Association of the Company.

In terms of section 260 of the Act, Mr. Mohan Tandon holds office upto the date of this Annual General Meeting.

The Company has received notice in writing from a member along with a deposit of Rs. 500/- proposing the candidature of Mr. Mohan Tandon for the office of director pursuant to section 257 of the Act.

Mr. Mohan Tandon is not disqualified from being appointed as a director under section 274(1)(g) of the Act and has complied with the requirement of obtaining the Director Identification Number in terms of section 266A of the Act.

A brief resume of Mr. Mohan Tandon, nature of his expertise in specific functional areas and names of companies in which he holds directorship and chairmanship / membership of committees of the Board and relationship(s), if any with any member of the Board or the Senior Management Team one level below the Board, as stipulated under clause 49 of the Listing Agreement, is provided in Annexure to notice convening this meeting.

Members' approval is sought by way of an ordinary resolution proposed under item no. 5.

None of the Directors except Mr. Mohan Tandon is any way, concerned or interested in the said resolution.

ITEM NO. 6

Mr. Rajesh Mandawewala has been appointed as an additional director of the Company with effect from July 06, 2012 pursuant to section 260 of the Companies Act (the Act), 1956 and Article 137 of the Articles of Association of the Company.

In terms of section 260 of the Act, Mr. Rajesh Mandawewala holds office upto the date of this Annual General Meeting.

The Company has received notice in writing from a member along with a deposit of Rs. 500/- proposing the candidature of Mr. Rajesh Mandawewala for the office of director pursuant to section 257 of the Act.

Mr. Rajesh Mandawewala is not disqualified from being appointed as a director under section 274(1)(g) of the Act and has complied with the requirement of obtaining the Director Identification Number in terms of section 266A of the Act.

A brief resume of Mr. Rajesh Mandawewala, nature of his expertise in specific functional areas and names of companies in which he holds directorship and chairmanship / membership of committees of the Board and relationship(s), if any with any member of the Board or the Senior Management Team one level below the Board, as stipulated under clause 49 of the Listing Agreement, is provided in Annexure to notice convening this meeting.

Members' approval is sought by way of an ordinary resolution proposed under item no. 6.

None of the Directors except Mr. Rajesh Mandawewala is any way, concerned or interested in the said resolution.

ITEM NO. 7 & 8

The Board of Directors of the Company at its meeting held on July 6, 2012 had appointed Mr. Sandeep Garg as an additional director pursuant to section 260 of the Companies Act, 1956 and Article 137 of the Articles of Association of the Company. Based on the recommendation of the Remuneration Committee Mr. Garg had been appointed as the Managing Director of the Company for a period of 5 years w.e.f. July 16, 2012 at a remuneration mentioned in the resolution at Item No. 8, subject to necessary approvals from the members and the Central Government.

In terms of section 260 of the Act, Mr. Garg holds office as an additional director upto the date of this Annual General Meeting.

The Company has received notice in writing from a member along with a deposit of Rs. 500/- proposing the candidature of Mr. Garg for the office of director pursuant to section 257 of the Act.

Mr. Garg is not disqualified from being appointed as a director under section 274(1)(g) of the Act and has complied with the requirement of obtaining the Director Identification Number in terms of section 266A of the Act.

A brief resume of Mr. Garg, nature of his expertise in specific functional areas and names of companies in which he holds directorship and chairmanship / membership of committees of the Board and relationship(s), if any with any member of the Board or the Senior Management Team one level below the Board, as stipulated under clause 49 of the Listing Agreement, is provided in Annexure A to notice convening this meeting.

Members' approval is sought by way of an ordinary resolution proposed under item no. 7 and by way of a special resolution proposed under item no. 8.

Except for Mr. Sandeep Garg, none of the directors of the Company is concerned or interested in the said resolution.

Relevant information is as under:

The Company is engaged, inter alia, in the business of construction, developers and contractors for turnkey and build operate transfer projects. Presently, the Company has participated in various bids for projects for residential townships, industrial projects and infrastructure development projects specially road sector on build-operate and transfer (BOT) basis. The Company through its subsidiary companies / SPV's is also serving and executing industrial projects for various large scales private as well as public sector companies engaged in the business of petrochemical, fertilizers, pharmaceutical, mining etc. Considering the business potentials and the responsibility relating thereto, the Company needed a suitable professional to spearhead the business in the capacity of Managing Director and therefore the Company was in the process of identifying a suitable candidate. Now, the Board of Directors of the Company in its meeting held on 6th July, 2012 on the recommendation of the Remuneration Committee has appointed Mr. Sandeep Garg as the Managing Director of the Company and has decided to obtain requisite approval of shareholders as well as Central Government pursuant to applicable provisions of law. Mr. Garg is a qualified electrical engineer and a senior construction professional with over 32 years of work experience in large Construction & EPC companies in the country.

Annexure 'A'

[Pursuant to clause 49 of Listing Agreement]

Details of Directors seeking appointment or reappointment at the ensuing Annual General Meeting

Particulars	Mr. A K Dasgupta	Mr. Nirmal Gangwal	Mr. M K Tandon	Mr. Rajesh R Mandawewala	Mr. Sandeep Garg	Mr. Atul Desai
Director Identification Number	00043075	00012188	00026460	00007179	00036419	00019443
Date of Birth	02.04.1935	18.09.1956	28.09.1941	05.05.1962	25.05.1960	27.01.1950
Date of Appointment	13.08.2010	30.01.2008	31.01.2012	06.07.2012	16.07.2012	13.08.2012
Expertise in specific areas	Expert knowledge and experience in multi-disciplined project planning and execution in India and third world countries for the last 50 years.	Two decades of experience in Accounting, Taxation, Consultancy, Merchant Banking, Broking, Banking, Financial Restructuring, Industries Revival, Credit Syndication and Business Re-orientation	Comes with Insurance Industry background, he is a former Managing Director of GIC of India, and Chairman & M.D., National Insurance Co. Ltd. He is expert in Organization Restructuring; designing Productivity-oriented Incentive Scheme for the Chief Executive.	He has been associated as promoter from the group's first project in 1985. He has over two decades of experience in industries varying from Textiles to SAW pipes. He has been responsible for operations, marketing and accounts of the group and for implementation of the projects undertaken by the group of companies. His analytical skills clubbed together with his result oriented focus, continues to strengthen Welspun's position.	Prominent figure in the industry with long and varied experience of over three decades. He brings along with him a successful history of achieving key milestones. He has worked with the companies involved in engineering and construction of infrastructure in road, elevated roads, power, irrigation, railways, buildings and oil & gas pipelines.	He is a partner of M/s. Kanga & Co., leading Law firm. Mr. Desai has attended large number of matters relating to mergers, amalgamations, litigations and arbitrations involving commercial disputes.
Qualification	Post Graduate in Civil Engineering	CA, CS & LLB.	M.Com., LLB.	CA.	B.E. (Electrical) and a scholar of Harvard Business School	B.Sc, LLB, Attorney at Law

		the Directors' Report and also the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Directors' Report.
8	Lock-in of equity shares allotted upon exercise of grants vested in MD	For a period of 4 years from the date of vesting of the options granted to the Managing Director in the first year; or for the period until early termination of the employment before expiry of the term of appointment; or for such period as may be provided under applicable laws, whichever is longer, the Managing Director shall not transfer the shares held by him to any person. Provided however that, the Managing Director may directly or indirectly transfer, such number of shares as are required to be transferred in order to meet any liability for payment of exercise price and the taxes arising on account of such exercise of the Options.

As the MD ESOP 2012 provides for issue of shares to be offered to persons other than existing members of the Company, consent of the members is sought pursuant to Section 81(1A) and all other applicable provisions, if any, of the Act and as per clause 6 of the SEBI Guidelines.

None of the directors, except Mr. Sandeep Garg, is any way concerned or interested in the said resolution.

ITEM NO. 10

Mr. Atul Desai has been appointed as an additional director of the Company with effect from August 13, 2012 pursuant to section 260 of the Companies Act (the Act), 1956 and Article 137 of the Articles of Association of the Company.

In terms of section 260 of the Act, Mr. Atul Desai holds office upto the date of this Annual General Meeting.

The Company has received notice in writing from a member along with a deposit of Rs. 500/- proposing the candidature of Mr. Atul Desai for the office of director pursuant to section 257 of the Act.

Mr. Atul Desai is not disqualified from being appointed as a director under section 274(1)(g) of the Act and has complied with the requirement of obtaining the Director Identification Number in terms of section 266A of the Act.

A brief resume of Mr. Atul Desai, nature of his expertise in specific functional areas and names of companies in which he holds directorship and chairmanship / membership of committees of the Board and relationship(s), if any with any member of the Board or the Senior Management Team one level below the Board, as stipulated under clause 49 of the Listing Agreement, is provided in Annexure to notice convening this meeting.

Members' approval is sought by way of an ordinary resolution proposed under item no. 10.

None of the Directors except Mr. Atul Desai is any way, concerned or interested in the said resolution.

Sr.	Particulars					
I.	General Information					
	(1)	Nature of Industry	The Company is engaged in the business of construction, developers and contractors for turnkey and build operate transfer projects.			
	(2)	Date of commencement of business of the Company	27-01-1995			
	(3)	Financial performance of the Company based on given indicators	Rs. In millions except EPS & NAV			
			Particulars	2009-10	2010-11	2011-12
			Total Income	4206.06	2349.32	3169.09
			Profit After Tax	287.48	(328.46)	21.47
			Equity Share Capital	221.28	400	400
			Reserves and Surplus	2762.87	4375.40	4368.67
			Earning/ Per Equity Share (EPS) (Basic) Rs.	12.60	(8.48)	0.54
	(4)	Export performance and net foreign exchange collaborations	Total Exports (Rs. in million) (FoB)	-	-	
			Net Foreign Exchange Collaborations	-	-	
			Income in Foreign Currency (Total)	-	-	
	(5)	Foreign investments	The Company is a listed company and as on March 31, 2012, the foreign equity share holdings in the Company were 528110 shares only.			
II.	Information about the Appointee					
	(1)	Background details	Bachelor of Engineering (Electrical) from the University of Roorkee and a scholar of Harvard Business School. Prominent figure in the industry with long and varied experience of over three decades. He brings along with him a successful history of achieving key milestones. He has worked with the companies involved in engineering and construction of infrastructure in road, elevated roads, power, irrigation, railways, buildings and oil & gas pipelines.			
	(2)	Past Remuneration	Over INR 10 Million per annum.			
	(3)	Job profile and his suitability	Overall responsibility of the Engineering, Procurement and Construction business ("EPC Business") of the Company. He has worked with the companies involved in engineering and construction of infrastructure in road, elevated roads, power, irrigation, railways, buildings and oil & gas pipelines. His past experience in the industry makes him suitable for the spearheading the responsibilities.			
	(4)	Remuneration proposed	As mentioned in the text of the resolution no. 8			

	(5) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Considering the size of the Company's turnover, the remuneration proposed is comparable with the similar position in the industry.
	(6) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	No
III.	Reason for obtaining Central Government approval	Considering the profit of the Company for the last financial year and the remuneration proposed to be paid to Mr. Sandeep Garg, it was advisable for the Company to obtain Central Government approval.
IV.	Remuneration Package and other details	Remuneration Package is as mentioned in the text of the resolution no. 8

INSPECTION

The employment agreement dated July 6, 2012 entered into between Mr. Sandeep Garg and the Company is available for inspection by members at the registered office of the Company between 11.00 a.m. and 1.00 p.m. on any working date.

The above details may be considered as an statement under Section 302 of the Companies Act, 1956.

ITEM NO. 9

In terms of the agreement for appointment of Mr. Sandeep Garg, the Company, subject to necessary approvals, has agreed to grant ESOPs on the terms mentioned in the draft scheme titled "Welspun Managing Director Stock Option 2012" (hereinafter referred to as the "MD ESOP 2012").

The Remuneration Committee will administer the MD ESOP 2012 and formulate the detailed terms and conditions.

The salient features of the MD ESOP 2012 are presented below.

1	Total number of options to be granted	Refer the text of the proposed resolution no. 8
2	Identification of classes of employees entitled to participate in the ESOP	Managing Director of the Company
3	Requirements of vesting and period of vesting	The Employee Stock Options shall vest immediately after expiry of a period of one year from the date of grant. The options would vest only if the Managing Director continues to be in employment of the Company at the time the Options are due to vest.
4	Exercise Price	The Exercise Price shall be Rs. NIL per equity share of Rs. 10 each fully paid up.
5	Exercise Period and the process of Exercise	a) The Employee Stock Options granted shall be capable of being exercised in one or more tranches in multiples of 5000 shares, within a period of three years from the date of vesting of the respective Employee Stock Options.

		<p>b) Payment of the Exercise Price shall be made by a crossed cheque or a demand draft drawn in favour of the Company or in such other manner as the Remuneration Committee may decide.</p> <p>c) In the event of the death of the Managing Director while in the employment with the Company, all the vested and unvested options may be exercised by the Managing Director's nominee immediately after, but in no event later than six months from the date of death.</p> <p>d) In the event of separation of the Managing Director from the Company due to reasons of permanent incapacity, the Managing Director may exercise his vested as well as unvested option immediately after permanent incapacity but in no event later than six months from the date of separation from employment.</p> <p>e) In the event of separation from employment for reasons of normal retirement or a retirement specifically approved by the Company,</p> <p>(I) all vested options should be exercised by the Managing Director immediately after, but in no event later than six months from the date of such Managing Director's retirement, and</p> <p>(ii) all unvested options will stand cancelled as on the date of such retirement, unless otherwise determined by the Remuneration Committee whose determination will be final and binding.</p> <p>f) In the event of separation due to resignation prior to retirement, all unvested options on the date of submission of resignation shall stand cancelled with effect from that date. However, all vested options as on that date shall be exercisable by the Managing Director immediately but not later than one month from the date of submission of resignation, failing which such vested but unexercised options would lapse.</p> <p>g) In the event of abandonment of employment by the Managing Director without the Company's consent, all Employee Stock Options granted to him, including the vested options, which were not exercised at the time of abandonment of employment, shall stand cancelled. The Remuneration Committee, at its sole discretion shall decide the date of cancellation of options and such decision shall be binding on all concerned.</p> <p>h) In the event of termination of the employment of the Managing Director for misconduct or due to breach of the policies or the terms of employment of the Company, all Employee Stock Options granted to the Managing Director, including the vested options which were not exercised at the time of such termination shall stand cancelled with effect from the date of such termination.</p>
6	Disclosure and Accounting Policies	The Company shall comply with the disclosure and the accounting policies prescribed by concerned authorities.
7	Method of option Valuation	To calculate the stock-based compensation, the Company shall use the intrinsic value method for valuation of the options granted. The difference between the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in



WELSPUN



Dare to Commit

www.welspunprojects.com

WELSPUN Projects Ltd.

18th Annual Report
2011-2012

CORPORATE INFORMATION

Board of Directors	
Mr. B. K. Goenka	Mr. A. K. Dasgupta
Mr. R. R. Mandawewala	Mr. Atul Desai
Mr. Sandeep Garg	Mr. M. K. Tandon
Mr. Nirmal Gangwal	

Company Secretary	Audit Committee
Ms. Susheela Maheshwari	Mr. A. K. Dasgupta
	Mr. Atul Desai
	Mr. M. K. Tandon
Statutory Auditor	
Chandrakant & Sevantilal & J.K. Shah & Co.	

Shareholder/Investor Grievance Committee	Remuneration Committee
Mr. B. K. Goenka	Mr. Nirmal Gangwal
Mr. Sandeep Garg	Mr. Shailesh Vaidya
Mr. Atul Desai	Mr. A. K. Dasgupta

Registered Office	Corporate Office
Welspun City, Village Versamedi	Welspun House,
Taluka Anjar, Dist Kutch	3rd Floor, Kamala City,
Gujarat-370110	Senapati Bapat Marg,
Tel : 0283 627 9071/74/41/44	Lower Parel (W), Mumbai 400013
Fax. : 0283 627 9060	Tel.: 022-66136000 Fax: 022-24908020

Stock Exchanges where the Company's securities are listed	
Bombay Stock Exchange Ltd.	Vadodara Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers, Dalal Street,	3rd Floor, Fortune Tower,
Mumbai - 400 051	Sayajigunj, Vadodara - 390005.
National Stock Exchange of India Ltd.	
Exchange Plaza, Bandra Kurla Complex,	
Bandra (E), Mumbai - 400 051	

Registrar and Transfer Agent	Bankers	
Purva Sharegistry (India) Pvt. Ltd.	Bank of Baroda	State Bank of India
Unit No. 9, Shivshakti Industrial Estate,	Bank of India	IDFC
J.R Boricha Marg, Opp Kasturba Hospital Lane,	Corporation Bank	Dena Bank
Lower Parel (E) Mumbai 400 011	HDFC Bank Limited	Axis Bank
	IDBI BANK	Punjab National Bank
	Kotak Mahindra Bank	

KEY MANAGEMENT TEAM



B. K. Goenka
*Chairman



B. R. Jaju
CFO, Welspun Corp Ltd.



Parvez Umrigar
Managing Director & CEO,
Welspun Infratech Ltd.



Deepak Chauhan
President, Legal,
Welspun Infratech Ltd.



Sandeep Garg
Managing Director,
Welspun Projects Ltd.

* Non-Executive Member of the Board of Directors

During FY12, we have executed 10 projects worth Rs 768 crore in sectors like roads & highways, industrial structures, buildings, water supply etc.



My dear fellow stakeholders,

In most Countries, Infrastructure is considered to be a sector of immense strategic importance. Hence, it usually enjoys high priority treatment from administrative bodies. In India, however, the Infrastructure story is somewhat different. Development of this crucial sector has been plagued with issues of implementation. As a result, the pace of growth has simply been much slower than the needs of the economy, especially one that aims at maintaining a sustained growth rate of close to nine per cent.

FY 12 has not been so good for the sector and it has seen a considerable slowdown. The annual performance of the crucial infrastructure sectors, including highways, oil & gas, water, urban infrastructure and others, during the fiscal has been poor. Most of these segments witnessed negative growth. The year also saw contraction in the number of start-ups as well as in the planned investment announced by both the private and public sector. In case of roads, the National Highways Authority of India (NHA) widened/upgraded 2,200 km of highways during 2011-12. This was 10.1 per cent lower than the target of 2,500 km for the period. It was also 29 per cent less than that achieved in the previous year. In India, last year water and real estate sectors have recorded a growth rate of over eight per cent.

Despite the overall picture being grim, it turned out to be a good year for Welspun Projects Ltd (WPL), especially when compared to FY11. We are growing at a decent pace and improving our performance. Our standalone and consolidated revenues increased by 26 per cent and 41 per cent respectively compared to the previous year, which itself is a testimony to our accomplishments as a Civil Contractor.

The 11th Five-Year Plan (2007- 2012) had already identified that inadequate infrastructure was a major constraint on the country's rapid growth. The 12th Plan had, therefore, emphasised the need for massive inflow of funds into the infrastructure sector, based on a combination of public and private investments, the latter through various forms of public-private partnerships (PPP).

During FY12, we have executed 10 projects worth Rs 768 crore in sectors like roads & highways, industrial structures, buildings, water supply etc. Some of these are Non-Plant Building project at Panipat, Residential Building project at Bhilai, Building Work for RIB-I at the Opal Dual Feed Cracker and Associated Units in the Dahej Petro Chemical Complex, Augmentation of Water Supply Scheme at Umargam, Dist. Valsad etc.

These achievements were possible only because of our project management expertise, cutting-edge technology and design innovation. The company is set to play a larger role in the infrastructure space.

In the case of BOT (Build Operate Transfer) road projects, we have received one under our own name i.e. Chirai-Anjar Road project valued at Rs. 260 crore. However, we have successfully completed six BOT (Toll) road projects with a total length of over 500 km and a capital expenditure of over Rs. 1000 Crores. The signature project among these is the 142.6 km long Dewas-Bhopal Corridor linking Bhopal and Dewas on SH 18 in Madhya Pradesh. We have also been awarded the Mohali water supply project valued at Rs. 156 crores.

Other significant achievements are the construction of an 80MW captive power plant and the Memorial Building at Anjar. Both these projects are important because of certain unique features. In the captive power plant at Anjar, we have built a 110m high chimney which also involved erection of coal handling structure at height of 62.5m. Similarly, in the Memorial building at Anjar, we have fabricated and erected a steel dome with a diameter of 40.3m and height of 18.5m.

Looking at the future, we are well poised to play a bigger role in the infrastructure space. Currently WPL is executing projects like the Baramunda Bus terminal, Vapi Buildings and in house Industrial/Building projects in Anjar. All these projects are expected to be completed by 2014.

Our commitment to building India's infrastructure goes beyond business. In such a difficult environment, your Company has worked very hard to deliver results. Careful underwriting, anticipating risks and proactive problem solving have allowed us to protect our asset quality. With your support and encouragement, I can assure you of WPL's strong continued commitment to building sustainable and inclusive infrastructure in India.

- B K Goenka
Chairman