

**WELSPUN ENTERPRISES LIMITED**

CIN: L45201GJ1994PLC023920

Regd. Office: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat-370 110

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## NOTICE

NOTICE is hereby given that the 25<sup>th</sup> Annual General Meeting of Welspun Enterprises Limited will be held on Monday, August 12, 2019 at the Registered Office of the Company at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370 110 at 12:30 p.m. to transact the following businesses:

### ORDINARY BUSINESS:

- 1) To receive, consider and adopt the financial statements for the financial year ended March 31, 2019 and the reports of the Board of Directors and the Auditors thereon.
- 2) To consider declaration of dividend on Equity Shares.
- 3) To appoint a director in place of Mr. Sandeep Garg (DIN:00036419), who retires by rotation, and being eligible, offers himself for re-appointment.
- 4) To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** subject to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and based on the recommendation of the Audit Committee, and approval of the Board of Directors, the Company hereby ratifies the appointment of M/s. MGB & Co., LLP, Chartered Accountants (Firm Registration. No. 101169W/W-100035), as the Statutory Auditors of the Company to hold office from the conclusion of the 25<sup>th</sup> Annual General Meeting until the conclusion of the 26<sup>th</sup> Annual General Meeting at a remuneration of Rs. 40,00,000/- (Rupees Forty Lakh only) plus applicable taxes (subject to deduction of tax as may be applicable) and out of pocket expenses as may be authorized by the Board of Directors of the Company.”

**“RESOLVED FURTHER THAT** the Board of Directors 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.”

### SPECIAL BUSINESS:

- 5) To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** Dr. Aruna Sharma (DIN:06515361) who was appointed as an additional director of the Company with effect from January 29, 2019, pursuant to Section 161 of the Companies Act, 2013 and who holds office up to the date of the 25<sup>th</sup> Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of the Director of the Company, be and is hereby elected and appointed as an independent director to hold the office till January 28, 2024, not liable to retire by rotation.”

**“RESOLVED FURTHER THAT** the Board of Directors 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.”

- 6) To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** Mr. Raghav Chandra (DIN:00057760) who was appointed as an additional director of the Company with effect from May 15, 2019, pursuant to Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director of the Company, be and is hereby elected and appointed as an independent director to hold the office till May 14, 2024, not liable to retire by rotation.”

**“RESOLVED FURTHER THAT** the Board of Directors 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.”

- 7) To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit)

Rules, 2014 and based on the recommendation of the Audit Committee and approval of the Board of Directors, the Company hereby ratifies the remuneration of Rs. 2,50,000/- (Rupees Two Lakh Fifty Thousand only) per annum and such travelling and out of pocket expenses as may be approved by the Board to M/s. Kiran J. Mehta & Co., Cost Accountants, the Cost Auditor as appointed by the Company, for the financial year commencing on April 1, 2019.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and take all such steps as may be necessary, desirable or expedient to give effect to this resolution.”

- 8) To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** in supersession of the earlier resolution passed in this regard and pursuant to the provisions of Section 188 and other applicable provisions of the Companies

Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (“the Act”) and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), including any statutory modification(s) or re-enactment thereof for the time being in force, and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, and also pursuant to the approval of the Audit Committee and the Board of Directors vide resolutions passed/to be passed at their respective meetings, consent of the Members 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 of the Board), to approve all the material related party transactions (including any modifications, alterations or amendments thereto) to be entered into by the Company in the ordinary course of business and on arm’s length basis with related party/ies within the meaning of the Act and Listing Regulations, as per the below given framework:

Sr. No.	Particulars	Framework for terms of contract
1.	Name of the Related Party	*Project Special Purpose Vehicles (“Project SPVs”) to be acquired/ incorporated for execution of the projects upto 5 <sup>th</sup> Anniversary of the date of passing of the shareholders resolution approving this proposal or Annual General Meeting to be held in calendar year 2024, whichever is later.
2.	Name of the Project	Projects to be awarded to/acquired by the Company (whether individually or in consortium)
3.	Name of the Director or Key Managerial Personnel who is/ may be related	Mr. Balkrishan Goenka (Chairman – Executive) and Mr. Rajesh Mandawewala (Non-Independent Director) may be considered to be interested in the contract.
4.	Nature of Relationship	<ul style="list-style-type: none"> <li>The Company’s promoter group may hold minority stake (upto 49%) in the Project SPVs.</li> <li>The Project SPVs may fall in the definition of Related Party as per Section 2(76)(iv), (v) or (viii) of the Companies Act, 2013.</li> </ul>
5.	Nature and particulars of the contract / arrangement	Engineering Procurement & Construction (“EPC”) Contract to be executed between the Company and the Project SPVs for execution of Project.
6.	Material terms of the contract / arrangement	The EPC Contract is expected to be executed on back-to-back basis for carrying out the EPC works.
7.	Monetary value of the contract / arrangement	Upto Rs. 10,000 crore for a project and upto Rs. 30,000 crore for all projects upto 5 <sup>th</sup> Anniversary of the date of passing of the shareholders resolution approving this proposal or Annual General Meeting to be held in calendar year 2024, whichever is later.
8.	Duration of the transaction	The Contract is expected to be for a period starting from the date of contract till the date of completion of the project.
9.	The indicative base price or current contracted price and the formula for variation in the price, if any.	The Contract value would be based on cost + mark up of prevailing bank rate which would be derived considering the terms prevalent in the market for comparable contracts.
10.	Any other information relevant or important for the members to take a decision on the proposed resolution	None

\*The above framework has been recommended by the Audit Committee and approved by the Board of Directors of the Company for material related party transactions requiring shareholders’ approval for EPC Contracts entered into / to be entered into by the Company with special purpose vehicle for projects upto 5<sup>th</sup> Anniversary of the date of passing of the shareholders resolution approving this proposal or Annual General Meeting to be held in calendar year 2024, whichever is later.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents and writings, on an ongoing basis, as may be necessary, proper or expedient for the purpose of giving effect to the above resolution.”

- 9) To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** in supersession of the earlier resolution passed in this regard and pursuant to the provisions of Section 180(1) (a) of the Companies Act, 2013 and all other applicable provisions of the Act and any rules made thereunder (including any statutory modification(s) or re-enactment thereof) (“Act”), and all other applicable provisions, if any, and the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (“Board”) (which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this resolution) to exercise its powers, including the powers conferred by this resolution of the Company, to mortgage, hypothecate, pledge and / or charge or create any security interest, in addition to the mortgage, hypothecation, pledge and / or charge already created, in such form, manner and ranking and on such terms as the Board deems fit in the interest of the Company, on all or any of the movable and / or immovable properties of the Company (both present and future) and / or any other assets or properties, either tangible or intangible, of the Company and / or the whole or part of any of the undertaking in favour of the Lender(s), Agent(s), investing agencies and Trustee(s), for securing the borrowing availed or to be availed by the Company, its subsidiary, joint venture, associate company or any other person/body corporate, by way of loans, debentures (comprising fully / partly Convertible Debentures and / or Non-Convertible Debentures or any other securities) or otherwise, in foreign currency or in Indian Rupees, from time to time, for an aggregate amount not exceeding paid up capital plus free reserves plus securities premium plus Rs. 6,000 crore (Rupees Six Thousand Crore only), along with temporary loans, interest, accumulated interest, liquidated charges, commitment charges or costs, expenses and all other monies payable by the Company or the borrowing corporate / person including any increase as a result of devaluation / revaluation / fluctuation in the rate of exchange and the Board be and is hereby authorized to decide all terms and conditions in relation to such creation of charge,

at their absolute discretion and to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required.”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to negotiate with the lending entities and to finalise and execute the documents and deeds as may be applicable for creating the appropriate mortgages, pledge, hypothecation and/or charges or security interest on such of the immovable and/or movable properties of the Company on such terms and conditions as may be decided by the Board and to perform all such acts, deeds and things as may be necessary in this regard.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board may in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.”

- 10) To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** in supersession of the earlier resolution passed in this regard and pursuant to Section 180(1)(c) of the Companies Act, 2013 and other applicable provisions of the Act and any rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) (“Act”) and all other applicable provisions, if any, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (“Board”) (which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this resolution), to borrow from time to time all such sums of money as they may deem necessary for the purpose of business of the Company notwithstanding that moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans (including working capital facilities) obtained from the Company’s bankers/ lenders in the ordinary course of business) (hereinafter referred to as the “Borrowings”) may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say reserves not set apart for any specific purpose provided that the total amount of the Borrowings by the Board of Directors, shall not exceed the aggregate of paid up share capital plus free reserves plus

securities premium plus Rs. 3,500 Crore (Rupees Three Thousand Five Hundred Crore Only)."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to negotiate with the lending entities and to finalise and execute the documents and deeds as may be applicable for borrowing loan and other financial facilities on such terms and conditions as may be decided by the Board and to perform all such acts, deeds and things as may be necessary in this regard."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board may in its absolute discretion deem necessary or desirable and its decision shall be final and binding."

- 11) To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 42 and 71 of the Companies Act, 2013 ("the Act") read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions of the Act and the Rules framed thereunder, as may be applicable, and other applicable Guidelines and Regulations issued by the Securities and Exchange Board of India ("SEBI") or any other law for the time being in force (including any statutory modification(s) or amendment thereto or re-enactment thereof for the time being in force) and in terms of the Articles of Association of the Company,

**EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013 AND THE INFORMATION AS REQUIRED PURSUANT TO THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

**Item No. 3 - Re-appointment of Mr. Sandeep Garg as a director.**

Mr. Sandeep Garg, aged 58 years, is B.E. (Electrical) and a scholar from Harvard Business School. Mr. Garg has long and varied experience of over three decades - in managerial position for over two decades. Mr. Garg 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 and gas pipelines. The Company has flourished under his able leadership and guidance over the years.

approval of the Members 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 thereof) to borrow from time to time by issue of securities viz. Non-Convertible Debentures of an amount upto Rs. 2,000 crore (Rupees Two Thousand Crore only) and Commercial Paper of an amount upto Rs. 500 crore (Rupees Five Hundred Crore only), subject to aggregate thereof not being higher than Rs. 2,000 crore (Rupees Two Thousand Crore only), to be issued on Private Placement basis, in domestic and/or international market, in one or more series/tranches, issuable/ redeemable at discount/par/premium, under one or more shelf disclosure documents provided that the said borrowing shall be within the overall borrowing limits of the Company approved pursuant to Section 180 of the Act by the members and that the limit of Rs. 500 crore (Rupees Five Hundred Crore only) for issuance of Commercial Paper shall be replenished on repayment of Commercial Paper."

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

**By Order of the Board**

**Place : Mumbai**  
**Date : May 15, 2019**

**Priya Pakhare**  
**Company Secretary**  
**FCS - 7805**

Mr. Garg was appointed as the Managing Director of the Company for a period of 5 years in the year 2012 and was reappointed for the term of 5 years from July 16, 2017 to July 15, 2022, liable to retire by rotation in terms of Section 152 of the Companies Act, 2013.

**Details of directorship in other Companies and Membership/Chairpersonship of the Committees of the Board of the Companies are as under:**

**Directorship:** He is also a director in the following companies: (1) ARSS Bus Terminal Private Limited, (2) MSK Projects (Kim Mandvi Corridor) Private Limited, (3) MSK Projects (Himmatnagar Bypass) Private Limited, (4) Welspun Natural Resources Private Limited, (5) Adani Welspun Exploration Limited, (6) Welspun Build-Tech Private Limited and (7) Welspun Financial Services Limited.



## **Membership / Chairmanship of Committees:**

**Membership** - Welspun Enterprises Limited - (1) Share Transfer and Investors' Grievance and Stakeholders Relationship Committee and (2) Corporate Social Responsibility Committee.

**Chairmanship** - Welspun Enterprises Limited - Finance and Administration Committee.

He holds 16,00,000 equity shares in the Company.

There is no relationship between the directors inter-se. Except Mr. Garg, being the appointee herein, none of the key managerial personnel or directors of the Company or their relatives may be deemed to be concerned or interested, financially or otherwise, in this resolution.

The Board recommends passing of the Ordinary Resolution at Item No. 3 of the accompanying Notice for approval by the Members of the Company.

### **Item No. 5 - Appointment of Dr. Aruna Sharma, as an Independent Director.**

The Board of Directors appointed Dr. Aruna Sharma as an additional director pursuant to Section 161 of the Companies Act, 2013. She holds office till the conclusion of the 25<sup>th</sup> Annual General Meeting.

Dr. Sharma (DIN:06515361), 60 years old, has experience of more than 38 years. She holds degree of PhD in Development Economics, Masters in Development Studies, MA in English Literature and B.Sc.

Her areas of specialization are Information Technology and its use in Banking, Big Data & Cyber Security, Steel and Core Sector, Business Models, Convergence of Resources for Outcome and Rural Development.

She is a member of the Audit Committee of Welspun Enterprises Limited.

She does not hold any equity shares in the Company.

In the opinion of the Board, Dr. Sharma fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and she is independent of the management.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Dr. Sharma being eligible and offering herself for appointment is proposed to be appointed as an Independent Director for five consecutive years with effect from January 29, 2019.

Copy of the draft letter for appointment of Dr. Sharma as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of

the Company during normal business hours on any working day, excluding Saturday and Sunday.

Except Dr. Sharma, being the appointee herein, none of the key managerial personnel or directors of the Company or their relatives may be deemed to be concerned or interested in this resolution.

The Board considers that her continued association would benefit the Company and it is therefore desirable to continue to avail services of Dr. Sharma as an Independent Director. Hence, the Board recommends passing of the Special Resolution at Item No. 5 of the accompanying Notice for approval by the Members of the Company.

### **Item No. 6 - Appointment of Mr. Raghav Chandra, as an Independent Director.**

The Board of Directors appointed Mr. Raghav Chandra as an additional director pursuant to Section 161 of the Companies Act, 2013. He holds office till the conclusion of the 25<sup>th</sup> Annual General Meeting.

Mr. Chandra (DIN:00057760), 60 years old, has experience of more than 36 years. He holds degree of Masters of Public Administration and Masters of Mathematics.

His areas of specialization are (1) Industrial Development, (2) Urban Infrastructure, (3) Transport and Mobility and (4) Environment and Sustainability. His articles have been published in a number of journals in India and he is a columnist for an eminent business magazine. He is a life member of the Indian Council of Arbitration. He is an adjunct faculty in the Indian Institute of Corporate Affairs under Ministry of Corporate Affairs, Government of India.

### **Details of directorship in other Companies and Membership/Chairpersonship of the Committees of the Board of the Companies are as under:**

**Directorship:** He is also director in the following companies: (1) The Delhi Golf Club and (2) Vardhman Special Steels Limited.

**Membership / Chairmanship of Committees:** He is neither a member nor chairman of any Committee.

He does not hold any equity shares in the Company.

In the opinion of the Board, Mr. Chandra fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and he is independent of the management.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Chandra being eligible and offering himself for appointment

is proposed to be appointed as an Independent Director for five consecutive years with effect from May 15, 2019.

Copy of the draft letter for appointment of Mr. Chandra as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday and Sunday.

Except Mr. Chandra, being the appointee herein, none of the key managerial personnel or directors of the Company or their relatives may be deemed to be concerned or interested in this resolution.

The Board considers that his continued association would benefit the Company and it is therefore desirable to continue to avail services of Mr. Chandra as an Independent Director. Hence, the Board recommends passing of the Special Resolution at Item No. 6 of the accompanying Notice for approval by the Members of the Company.

**Item No. 7 – Ratification of payment of remuneration to the Cost Auditors.**

Members are hereby informed that pursuant to the recommendation of the Audit Committee, the Board of Directors appointed M/s. Kiran J. Mehta & Co., Cost Accountants as Cost Auditors of the Company for the financial year ending March 31, 2020 for conduct of the Cost Audit of the Company in terms of the requirements under applicable laws at a remuneration as mentioned in the resolution No. 7 of the Notice.

Pursuant to Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration proposed to be paid to the Cost Auditors is required to be ratified by the members.

None of the directors or key managerial personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 7 of the Notice.

The Board recommends Ordinary Resolution at Item No. 7 of the accompanying Notice for ratification by the Members.

**Item No. 8 – Approval for material transactions to be entered into with the related parties.**

Your Company submits proposals/bids/acquires infrastructure projects directly in its own name or in the name of subsidiary, joint venture, associate company or through consortium with other qualified parties which projects, once awarded/acquired, are generally executed through special purpose vehicles (“Project SPVs”) which may be in the form

of subsidiary, joint venture or associate company which would fall in the definition of “Related Parties” under the Companies Act, 2013 (“the Act”) and/or the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

Consortium bidding, grant of award/acquisition, construction, development, operation and maintenance of various infrastructure projects requires the Company to undertake transactions/contracts/arrangements with the Project SPVs. Such transactions are repetitive in nature and considering the business requirement, market practice and distinct nature of each project, entering into such related party transaction with the Project SPVs will be in the best interest of the Company. Also, Promoters of the Company may hold minority interest in any contracting party.

Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 exempts a company from obtaining consent of the Board of Directors and the Members in case the related party transactions entered into by the Company are in the ordinary course of business and on arm’s length basis.

However, Regulation 23 of the Listing Regulations requires approval of the Members through ordinary resolution for all material related party transactions, even if they are entered into in the ordinary course of business and on arm’s length basis, if the same is not exempt under Regulation 23(5) of the Listing Regulations. For this purpose, a transaction with a related party is considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements.

The shareholders had approved resolution mentioned in the Postal Ballot Notice dated January 29, 2019, for entering into Engineering Procurement & Construction (“EPC”) Contract with Project SPVs upto Rs. 5,000 crore for a project and upto Rs. 15,000 crore for all projects taken together in a financial year for next 5 years. In view of the changes in the business scenario, the Company could have opportunity to get EPC contract exceeding the aforesaid threshold and hence, it is now proposed to enhance the threshold of EPC Contract between Project SPVs and the Company for each project from Rs. 5,000 crore to Rs. 10,000 crore and upto Rs. 30,000 crore for all projects upto 5<sup>th</sup> Anniversary of the date of passing of the shareholders resolution approving this proposal or Annual General Meeting to be held in calendar year 2024, whichever is later.

Considering the size of each project, the EPC Contract entered into with Project SPVs may fall

under the definition of material transaction with related party, which would require approval of the shareholders by way of an Ordinary Resolution. All the material related party transactions to be entered into by the Company (for which members approval is being sought) would be on arm's length basis and in the ordinary course of business and approval of the Audit Committee / Board would be obtained, wherever required.

Information required to be given in the explanatory statement pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 forms part of the resolution.

Members' approval by way of an Ordinary Resolution is therefore sought for the resolution set out at Item No. 8 of the Notice in terms of Regulation 23 of the Listing Regulations. Welspun Promoter Group, holding 47.42% equity stake in the Company, is not entitled to vote on the resolution proposed.

Except Mr. Balkrishan Goenka and Mr. Rajesh Mandawewala, none of the directors or key managerial personnel of the Company or their relatives may be concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

**Item Nos: 9 and 10 - Approval for creation of charge on Company's properties/ assets under Section 180(1)(a) of the Companies Act, 2013 and to increase borrowing limits under Section 180(1)(c) of the Companies Act, 2013.**

In terms of the provisions of Section 180(1)(a) of the Companies Act, 2013, the Board of Directors of a company cannot, inter alia, except with the consent of the Company by a Special Resolution, create mortgage, charge, pledge and hypothecation, etc. on assets or undertakings of the Company beyond the limit mentioned in the Section.

The Company as well as its subsidiary/ joint ventures/ associate companies, borrow money for their businesses and such borrowings are required to be secured by mortgage, charge, pledge and/ or hypothecation etc. on all or any of the movable or immovable or any tangible or intangible assets/ properties of the Company (both present and future) in favour of any lender, including the Financial Institutions / Banks / Debenture Trustees, etc. in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender(s).

The mortgage, charge, pledge, hypothecation on any of the movable and / or immovable or any tangible or intangible assets/ properties and/ or the whole or any part the undertaking(s) of the Company may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180(1)(a) of the Act

read with Rules made thereunder. It is proposed to increase the amount for creation of charge on Company's properties/ assets upto aggregate of the paid up capital plus free reserves plus securities premium plus Rs. 6,000 crore and accordingly resolution at Item no 9 has been proposed.

In terms of the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of a company cannot, except with the consent of the Company by a Special Resolution, borrow monies (apart from temporary loans obtained from Company's bankers/ lenders in the ordinary course of business) in excess of the aggregate of the paid-up share capital and free reserves, that is to say, reserves not set apart for any specific purpose. Considering the need of funds for achieving the business growth potential primarily in the present business segment, the limits for borrowing and for creation of mortgage, charge, pledge, hypothecation, etc. should be increased to the aggregate of the paid-up share capital plus free reserves plus securities premium plus Rs. 3,500 crore and accordingly the resolution at Item No. 10 has been proposed.

The Special Resolutions at Item Nos. 9 and 10 of the Notice have been incorporated in the Notice to seek Members' approval for availing the borrowing limits and for disposal of the Company's undertaking(s) by creation of mortgage/charge, etc. thereon and for authorizing the Board (including any Committee thereof authorised for the purpose) to complete all the formalities in connection with the availing borrowing limits and creating charge on the Company's properties respectively.

None of the directors or key managerial personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the Special Resolutions set out at Item Nos. 9 and 10 of the Notice.

The Board recommends passing of the Special Resolutions at Item Nos. 9 and 10 of the accompanying Notice for approval by the Members of the Company.

**Item No. 11 - Authority to raise funds.**

In terms of Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules"), a Company shall not make Private Placement of its Securities unless the proposed offer of Securities or invitation to subscribe to Securities has been previously approved by the Members of the Company by a Special Resolution. In case of an offer or invitation for offer of Non-Convertible Debentures (NCDs) and/ or Commercial Papers (CPs), the Company can pass a Special Resolution once in a year for all the offers or invitations to be made for such NCDs/CPs during the year.

It is proposed to borrow funds upto Rs. 2,000 crore (Rupees Two Thousand Crore only), by way of securities viz. Non-Convertible Debentures of Rs. 2,000 crore (Rupees Two Thousand Crore only) and Commercial Paper of an amount upto Rs. 500 crore (Rupees Five Hundred Crore only), subject to aggregate thereof not being higher than Rs. 2,000 crore (Rupees Two Thousand Crore only), to be issued on Private Placement basis. The issue of Non-Convertible Debentures / Commercial Papers should help in achieving saving in overall cost of borrowing and economical funding in the Company as well as its subsidiaries / joint ventures/ associate companies. Considering the credit rating of the Company, the raising of funds through Non-Convertible Debentures / Commercial Papers would be feasible.

The approval of the Members is sought for borrowing limit (apart from temporary loans obtained from the Company's bankers/lenders in the ordinary course of business) upto "paid-up capital plus free reserves plus securities premium plus Rs. 3,500 crore (Rupees Three Thousand Five Hundred Crore only). The approval sought for offer of securities including but not limited to Non-Convertible Debentures, shall be within the mentioned overall borrowing limits of the Company.

None of the directors or key managerial personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 11 of the Notice.

The Board recommends passing of the Special Resolution at Item No. 11 of the accompanying Notice for approval by the Members of the Company.

## NOTES

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the Meeting.
- Proxy shall not have the right to speak and shall not be entitled to vote except on a poll.
- A proxy can act on behalf of such number of member or members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company. Provided that a member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

- The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, July 27, 2019 to Monday, July 29, 2019 (both days inclusive) for the purpose of determination of shareholders entitled to dividend for the year ended March 31, 2019.
- All the correspondence pertaining to shareholding, transfer of shares, transmission etc. should be lodged at the Company's Share Registrar and Transfer Agent : Link Intime India Private Ltd., Unit: Welspun Enterprises Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083. Tel. No. 022-4918 6270, Fax No. 022-4918 6060, email- [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
- Members are requested to immediately inform about their change of address, change of e-mail address or consolidation of folios, if any, to the Company's Share Registrar and Transfer Agent.
- In terms of the provisions of Section 124(5) of the Act, dividend which remains unpaid/ unclaimed for a period of seven years from the date of declaration will be transferred to the "Investor Education and Protection Fund" (IEPF) i.e. a fund constituted by the Government of India under Section 125 of the Companies Act, 2013. Further, in terms of the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), equity shares in respect of which dividend has not been paid or claimed for seven consecutive years or more from the date of declaration will also be transferred to an account viz. "Investor Education and Protection Fund Authority Ministry of Corporate Affairs", which is operated by the IEPF Authority pursuant to the IEPF Rules.

Shareholders, who have so far not encashed their dividend relating to the financial year 2016-17 and 2017-18 are requested to do so by writing/ contacting the Company's Registrars and Transfer Agent or the Company Secretary at the Corporate Office address.

In compliance with the IEPF Rules, the Company has already transferred equity shares for which dividend remain unpaid/unclaimed for a period of seven years from the date of declaration to the IEPF Authority Ministry of Corporate Affairs, after providing necessary intimations to the relevant shareholders. Details of unpaid/ unclaimed dividend and such equity shares are uploaded on the website of the Company [www.welspunenterprises.com](http://www.welspunenterprises.com).

- As part of the Green Initiative by the Ministry of Corporate Affairs, the Notice and Annual Report



of the Company is being sent to the shareholders at their respective e-mail addresses registered with the Company. **Those shareholders who have not got their email address registered or wish to update a fresh email address may do so by submitting the attached E-mail Registration-Cum Consent Form to the Company or the Registrar and Transfer Agent of the Company consenting to send the Annual Report and other documents in electronic form at the said e-mail address.** However, shareholders requiring a physical copy of the Annual Report and Notice may write to the Company at the Corporate Office at Welspun House, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013. The Annual Report along with the Notice of the Annual General Meeting is available on the website of the Company, [www.welspunenterprises.com](http://www.welspunenterprises.com).

9. The physical copies of the Annual Reports and other documents referred to in the Notice will be available at the Company's Registered Office for inspection during normal business hours on working days till the date of the meeting and copies thereof shall also be available at the Corporate Office of the Company and during the meeting.
10. The shareholders who wish to nominate, any person to whom his securities shall vest in the event of his death may do so by submitting the attached Nomination Form to the Company or the Registrar and Transfer Agent of the Company. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of securities who has made the nomination, by giving a notice of such cancellation or variation.

## 11. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the General Meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

- II. The facility for voting through ballot paper shall be made available at the General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the General Meeting may also attend the General Meeting but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on Friday, August 9, 2019 (9:00 am) and ends on Sunday, August 11, 2019 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, August 5, 2019, may cast their vote by remote e-voting. *A person who is not a member as on the cut-off date should treat this Notice for information purpose only. The remote e-voting module shall be disabled by NSDL for voting thereafter.* Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. How do I vote electronically using NSDL e-Voting system?  
*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*  
 Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>  
 Step 2 : Cast your vote electronically on NSDL e-Voting system.

### Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
  - If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

How to cast your vote electronically on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- After clicking on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- Select "EVEN" of the company for which you wish to cast your vote.
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

6. If you are unable to retrieve or have not received the " initial password" or have forgotten your password:

- Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- [Physical User Reset Password?](#) (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- If you are still unable to get the password by aforesaid two options, you can send a