PUBLIC ANNOUNCEMENT ("PA") FOR THE ATTENTION OF SHAREHOLDERS OF

WELSPUN INVESTMENTS AND COMMERCIALS LIMITED

Registered Office: Welspun City, Village Versamedi, Taluka Anjar, Kutch Dist, Gujarat, India-370110
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OPEN OFFER FOR ACQUISITION OF UP TO 9,50,164 (NINE LAKH FIFTY THOUSAND ONE HUNDRED SIXTY FOUR ONLY) EQUITY SHARES OF WELSPUN INVESTMENTS AND COMMERCIALS LIMITED ("WICL"/ "TARGET COMPANY") FROM THE PUBLIC EQUITY SHAREHOLDERS OF THE TARGET COMPANY BY KRISHIRAJ TRADING LIMITED ("ACQUIRER"), ALONG WITH WELSPUN MERCANTILE LIMITED ("WML"/ "PAC 1") AND WELSPUN WINTEX LIMITED ("WWL"/ "PAC 2") AS PERSON ACTING IN CONCERT ("PAC").

Definitions:

For the purposes of this PA, the following terms would have the meaning assigned to them below:

a) "**Equity Shares**" means fully paid-up equity shares of the Target Company of the face value of Rs.10/- (Rupees Ten Only) each.

b) "**Promoters**" means group forming part of the Promoters of the Target Company, as per clause 35 of the listing agreement, including the Acquirer and the PAC. The list of Promoters and the shares held by them in the Target Company, as on date, is as stated below:

Sr. No	Name of the Promoters	No. of Shares	% age holding
1	Welspun Fintrade Private Limited	6,46,956	17.70%
2	Welspun Mercantile Limited	4,53,054	12.40%
3	Welspun Wintex Limited	3,58,978	9.82%
4	Krishiraj Trading Limited	2,17,358	5.95%
5	Dipali Goenka	32,728	0.90%
6	Welspun Finance Limited	24,654	0.67%
7	Radhika Goenka	9,130	0.25%
8	B K Goenka jointly with Dipali Goenka	2,229	0.06%
9	B K Goenka (HUF)	878	0.02%
10	Methodical Investment and Trading Company Private Limited	349	0.01%
11	Welspun Syntex Limited	67	0.00%
12	Welspun Steel Limited	5	0.00%
13	Welspun Zucchi Textiles Limited	5	0.00%
14	Rajesh Mandawewala	1	0.00%
15	Welspun Corp Limited	-	0.00%
	Total	**17,46,392**	**47.79%**

c) "**Public Shareholders**" means the equity shareholder(s) of the Target Company other than the Promoters

1. **Offer Details**

1.1 **Offer Size**: The Acquirer and the PAC hereby make this open offer ("**Offer**") to the Public Shareholders of the Target Company to acquire up to 9,50,164 Equity Shares, representing 26% of the total voting share capital of the Target Company as of 10th working day from the closure of the tendering period under this Offer ("**Offer Size)**, subject to the terms and conditions mentioned in this PA, the Detailed Public Statement that will be published ("**DPS**") and the Letter of Offer ("**LoF**") that will be sent to the Public Shareholders of the Target Company in accordance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 ("**SEBI (SAST) Regulations**").

1.2 **Offer Price and consideration**: The offer price of **Rs. 20**/- (**Rupees Twenty Only**) per fully paid up equity share is calculated in accordance with Regulation 8(2) of SEBI (SAST) Regulations ("**Offer Price**"). Assuming full acceptance, the total consideration payable by the Acquirer and the PAC will be **Rs. 1,90,03,280 (Rupees One Crore Ninety Lakh Three Thousand Two Hundred Eighty Only).**

1.3 **Mode of payment**: The Offer Price is payable in **cash** in accordance with Regulation 9(1)(a) of SEBI (SAST) Regulations.

1.4 **Type of Offer (Triggered, ~~Voluntary/competitive, etc~~)**: The Acquirer and the PAC belong to the Promoters category of the Target Company within the meaning of Regulation 2(1)(s) and Regulation 2(1)(t) of SEBI (SAST) Regulations**.**

As on the date preceding the date of this PA, the Promoters, hold 17,46,392 Equity Shares representing 47.79% of the total voting share capital. As on the date preceding the date of this PA, the Acquirer and the PAC, together hold 10,29,390 Equity Shares representing 28.17% of the total voting share capital.

The Acquirer has acquired 84,690 Equity Shares, representing 2.32% of the total voting share capital of the Target Company, during the financial year 2012-13. On September 18, 2012, the Acquirer proposes to place a purchase order with Prime Broking Company (India) Limited to acquire up to **1,25,000 (One Lakh Twenty Five Thousand Only)** Equity Shares representing up to **3.42%** of the total voting share capital of the Target Company, at a price not exceeding Rs.20/- (Rupees Twenty Only) per equity share of the Target Company.

Pursuant to the abovementioned intent of the Acquirer to acquire Equity Shares entitling the Acquirer to gain control over more than 5% of the total voting share capital in one financial year, this mandatory Offer is being made by the Acquirer, along with the PAC, in compliance with Regulation 3(2) and other applicable provisions of SEBI (SAST) Regulations.

2. **Transaction which has triggered the open offer obligations (Underlying Transaction)**

Details of underlying transaction							
Type of Transaction (direct/ ~~indirect~~)	**Mode of Transaction (~~Agreement/ Allotment/~~ Market Purchase)**	**Shares ~~/ Voting rights acquired~~/ proposed to be acquired**		**Total Consideration for shares /Voting Rights (VR) proposed to be acquired (Rs.)**	**Mode of payment (Cash/ ~~securities~~)**	**Regulation which has triggered**
		Number	**% vis a vis total Equity / voting capital**			
Direct	Market Purchase through purchase order	Up to 1,25,000	3.42% of the total voting share capital	Rs. 25,00,000	Cash	Regulation 3 (2) of SEBI (SAST) Regulations

3. **Acquirer(s) / PAC**

Details	**Acquirer**	**PAC1**	**PAC2**	**Total**
Name of Acquirer(s) / PAC(s)	Krishiraj Trading Limited	Welspun Mercantile Limited	Welspun Wintex Limited	-
Address	Survey No. 76, Village Morai, Vapi, Gujarat – 396 191	Welspun City, Village Versamedi, Taluka Anjar, Gujarat – 370 110	Welspun City, Village Versamedi, Taluka Anjar, Gujarat – 370 110	-
Name(s) of persons in control /promoters of acquirers/ PACs where Acquirers/ PAC are companies	Mrs. Dipali Goenka holding 4,400 equity shares, representing 88.0% of the voting share capital of the Acquirer, is person in control of the	Mrs. Dipali Goenka holding 8,000 equity shares, representing 49.86% of the voting share capital of the PAC 1, is person in control of PAC 1. In addition,	Mrs. Dipali Goenka holding 8,360 equity shares, representing 67.53% of the voting share capital of the PAC 2, is person in control of PAC 2. In addition, Mrs. Dipali Goenka is acting as	-

	Acquirer. In addition, Mrs. Dipali Goenka is acting as a guardian of Ms. Vanshika Goenka, who holds 25 shares representing 0.05% of the voting share capital of the Acquirer	Mrs. Dipali Goenka is acting as a guardian of Ms. Vanshika Goenka, who holds 4,019 shares representing 25.05% of the voting share capital of the PAC 1	a guardian of Ms. Vanshika Goenka, who holds 475 shares representing 3.84% of the voting share capital of the PAC 2	
Name of the Group, if any, to which the Acquirer/PAC belongs to	Welspun Group	Welspun Group	Welspun Group	-
Pre Transaction shareholding • Number • % of total share capital	• 2,17,358 Equity Shares • 5.95% of the total voting share capital.	• 4,53,054 Equity Shares • 12.40% of the total voting share capital.	• 3,58,978 Equity Shares • 9.82% of the total voting share capital.	• 10,29,390 Equity Shares • 28.17% of the total voting share capital.
Proposed shareholding after the acquisition of shares which triggered the Open Offer	• 3,42,358 Equity Shares • 9.37% of the total voting share capital.	• 4,53,054 Equity Shares • 12.40% of the total voting share capital.	• 3,58,978 Equity Shares • 9.82% of the total voting share capital.	• 11,54,390 Equity Shares • 31.59% of the total voting share capital.
Any other interest in the TC	Mr. L.T. Hotwani, Director, Krishiraj Trading Limited holds the position of Director in the Target Company. Also, Mr. Raj Kumar Jain, Statutory	Mr. L.T. Hotwani, Director, Welspun Mercantile Limited holds the position of Director in the Target Company. Also, Mr. Raj Kumar Jain, Statutory	Mr. Raj Kumar Jain, Statutory Auditor of the PAC 2, holds the position of Director in the Target Company	

	Auditor of the Acquirer, holds the position of Director in the Target Company	Auditor of the PAC 1, holds the position of Director in the Target Company [		

4. **Details of selling shareholders:** Not Applicable
5. **Target Company**
   5.1 **Name**: Welspun Investments and Commercials Limited.
   5.2 **Registered Office**: Welspun City, Village Versamedi, Taluka Anjar, Kutch Dist, Gujarat 370110, India.
   5.3 **Exchanges where listed with the scrip code**: The Equity Shares of the Target Company are listed on Bombay Stock Exchange Limited (Scrip Code: 533252) and National Stock Exchange of India Limited (Scrip Code: WELINV).
6. **Other details**
   6.1 This is to inform to all the shareholders of the Target Company that the details of the Offer would be published shortly in the newspapers in terms of the provisions of Regulation 14 (3) of SEBI (SAST) Regulations, vide a DPS by September 26, 2012.
   6.2 The Acquirer has adequate financial resources and has made firm financial arrangements for financing the acquisition of Equity Shares under the Offer, in terms of Regulation 25(1) of SEBI (SAST) Regulations.
   6.3 The Offer is not conditional upon any minimum level of acceptance in terms of regulation 19(1) of the SEBI (SAST) Regulations, 2011.
   6.4 The Acquirer and the PAC belong to the Promoters category in the Target Company as per SEBI (SAST) Regulations. The Acquirer and the PAC undertake that, if pursuant to the closure of this Offer (assuming 100% tendering in the Offer), the public shareholding in the Target Company falls below 25% of the voting rights/ paid-up capital, the Promoters, will bring down the non-public shareholding to the levels specified (i.e. 75% of the voting share capital) within a period of 12 (Twelve) months from the date of completion of Offer as specified in Securities Contract (Regulation) Rules, 1957 and in accordance with such directions as may be issued by the stock exchanges on which shares of the Target Company are listed.
   6.5 The Acquirer and the PAC undertake that they are aware of and will comply with the obligations under the SEBI (SAST) Regulations, 2011.
   6.6 This is not a Competitive Bid.

Issued by Manager to the Offer,

Prime Securities Limited
SEBI Registration Number: INM000000750

On behalf of Krishiraj Trading Limited, Welspun Mercantile Limited and Welspun Wintex Limited

Place: Mumbai

Date: September 18, 2012