LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a shareholder of MSK Projects (India) Limited. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or the Manager / Registrar to the Offer. In case you have recently sold your equity shares in MSK Projects (India) Limited, please hand over this Letter of Offer, the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed to the member of the stock exchange through whom the said sale was effected.

Welspun Infratech Limited
Regd. Office: 9th Floor, Trade World - B Wing, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.
(Tel: +91-22 -66136000, Fax: +91-22-24908020)
(HEREINAFTER REFERRED TO AS 'WELSPUN' OR 'ACQUIRER')
ALONG WITH
Welspun Corp Limited (formerly known as Welspun Gujarat Stahl Rohren Limited)
Regd. Office: Welspun City, Taluka Anjar, District Kutch, Gujarat 370 110.
(Tel: +91-2641-256281 , Fax:+91-2641-256285)
(HEREINAFTER REFERRED TO AS 'PERSON ACTING IN CONCERT WITH ACQUIRER' OR 'PAC')
MAKE A CASH OFFER AT Rs. 130.50 (RUPEES ONE HUNDRED AND THIRTY AND PAISE FIFTY ONLY) PER FULLY PAID-UP EQUITY SHARE OF FACE VALUE OF RUPEES 10/- (TEN) EACH
pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (the 'SEBI (SAST) Regulations, 1997' or 'the Regulations')
TO ACQUIRE 80,00,000 FULLY PAID-UP EQUITY SHARES
representing 20.00% of the post Preferential Issue, fully expanded, voting equity capital of
MSK PROJECTS (INDIA) LIMITED ('Target Company' or 'MSK Projects')
Registered Office: 707-708 Sterling Centre, R. C. Dutt Road, Alkapuri, Vadodara 390 005.
(Tel: +91-265-2344756, Fax:+91- 265-2341642)

Please Note:
a) This Offer is being made pursuant to regulation 10 and regulation 12 and other applicable provisions of the Regulations.
b) The Offer is not subject to a minimum level of acceptance by the shareholders of the Target Company.
c) The Offer is subject to the approval of the Reserve Bank of India under the Foreign Exchange Management Act, 1999 for acquiring the shares tendered by non-resident persons under the Offer. The Acquirer has made an application on March 31, 2010 to Reserve Bank of India for an approval to acquire shares from non-resident persons. Please refer to Para 8 of this Letter of Offer for details.
d) If the aggregate of the valid response exceeds 80,00,000 Equity Shares, the Acquirer shall accept shares equal to 80,00,000 Equity Shares, on a proportionate basis, in consultation with the Manager to the Offer, in accordance with Regulation 21(6) of SEBI (SAST) Regulations, 1997.
e) The Acquirer can revise the Offer Price upto 7 (seven) working days prior to the date of closure of the Offer.
f) If there is any upward revision in the Offer Price by the Acquirer till the last date of revision or withdrawal of the Offer in terms of the SEBI (SAST) Regulations, 1997, i.e. June 4, 2010 the same would be informed by way of a public announcement in the same newspapers where the original Public Announcement published on March 20, 2010 had appeared. Such revised offer price would be payable for all the equity shares of the Target Company, tendered anytime during the Offer and accepted under the Offer.
g) The procedure for acceptance is set out in Para 9 of this Letter of Offer. A Form of Acceptance-cum-Acknowledgement and a Form of Withdrawal is enclosed with this Letter of Offer.
h) This is not a competitive bid.
i) The Public Announcement, Letter of Offer, Form of Acceptance-cum-Acknowledgement and Form of Withdrawal would also be available on the website of Securities and Exchange Board of India ('SEBI') http://www.sebi.gov.in
J) Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the date of closure of the Offer. Requests for such withdrawals should reach the Registrar to the Offer before the close of business hours on June 10, 2010.
k) There is no competitive bid for this Offer.
l) As the offer price cannot be revised during the period after June 4, 2010, it would therefore be in the interest of shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.

All future correspondence, if any, should be addressed to the Manager to the Offer/ Registrar to the Offer at the addresses mentioned

Collins Stewart Inga

Manager to the Offer
Collins Stewart Inga Private Limited
A-404, Neelam Centre, 4th Floor,
Hind Cycle Road, Worli, Mumbai 400 030
Tel.: +91-22-2498 2919 / 2498 2937
Fax: +91-22-2498 2956
Email: mskopenoffer@csinga.com
Contact Person : Mr. Mihir Pandhi

LINK INTIME INDIA PVT LTD (Formerly INTIME SPECTRUM REGISTRY LTD)

Registrar to the Offer
Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West), Mumbai - 400 078
Tel.: +91-22-25960320
Fax.: +91-22-25960329
Email : msk.offer@linkintime.co.in
Contact Person : Mr. Nilesh Chalke

OFFER OPENS: May 27, 2010 (Thursday)

OFFER CLOSES: June 15, 2010 (Tuesday)

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

Activity Schedule	Original Schedule Date and Day	Revised Schedule Date and Day
Public Announcement Date	March 20, 2010, Saturday	March 20, 2010, Saturday
Addendum to Public Announcement	---	April 29, 2010, Thursday
Corrigendum to Public Announcement	---	May 20,2010, Thursday
Specified Date *	March 26, 2010, Friday	March 26, 2010, Friday
Last date for a competitive bid	April 10, 2010, Saturday	April 10, 2010, Saturday
Date by which Letter of Offer to be dispatched to shareholders	April 27, 2010, Tuesday	May 21,2010, Friday
Date of opening of the Offer	May 6, 2010, Thursday	May 27, 2010, Thursday
Last date for revising the Offer Price / Offer Size	May 14, 2010, Friday	June 4, 2010, Friday
Last date for withdrawing acceptance from the Offer	May 20, 2010, Thursday	June 10, 2010, Thursday
Last date of closing of the Offer	May 25, 2010, Tuesday	June 15, 2010, Tuesday
Last date of communicating rejection/ acceptance under the Offer would intimated and the corresponding payment for the acquired equity shares and /or the unaccepted demat shares / Share Certificate(s) will be credited / dispatched.	June 8, 2010, Tuesday	June 30, 2010, Wednesday

* Specified date is only for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer would be sent.

RISK FACTORS

Given below are the risks related to the transaction, the proposed offer and the risks involved in getting associated with the Acquirer:

i. Transfer of equity shares received from Non Resident shareholders, as mentioned in Para 8, under the Offer is subject to receipt of RBI approval for the same.

ii. In the event that either (a) a regulatory approval is not received in time, (b) there is any litigation leading to a stay on the Offer, or (c) SEBI instructing the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities as indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders of the Target Company whose equity shares have been accepted in the Offer as well as the return of the shares not accepted by the Acquirer may be delayed. In case of delay, due to non-receipt of statutory approvals, as per Regulation 22(12) of the SEBI (SAST) Regulations, 1997, SEBI may, if satisfied that the non receipt of approvals was not due to any willful default or negligence on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders, as may be specified by SEBI. Further, shareholders should note that after the last date of withdrawal i.e. June 10, 2010 shareholders who have lodged their acceptances would not be able to withdraw them even if the acceptance of shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.

iii. The Acquirer makes no assurance with respect to the market price of the shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer.

iv. The Acquirer makes no assurance with respect to the financial performance of the Target Company. The Acquirer also makes no assurance with respect to their investment / divestment decisions relating to their proposed shareholding in the Target Company.

v. Welspun Corp Limited, (formerly known as Welspun Gujarat Stahl Rohren Limited) PAC is involved in various litigations, summary of same are given below:

No.	Particulars	No. of cases / disputes	Amount involved where quantifiable
LITIGATION BY AND AGAINST PAC			
Litigation filed by PAC			
1.	Civil Proceeding	1	US$13,350,000
2.	Arbitration proceedings	4	1) US$ 4.37 million 2) US$ 320,463.18 3) US$ 322,882.80 and GB£ 55,031.37
3.	Tax related Proceedings	2	1) Rs. 56.1 crores. 2) Rs. 635.43 lakhs
Litigation against PAC			
1.	Civil Proceeding	2	1) Claim of US$ 66 Million filed in USA. 2) Rs.5.30 crores third party claim with respect to land at Anjar.
2.	Criminal proceeding	12	Amount cannot be quantified.
3.	Arbitration proceedings	1	US$ 602,799
4.	Labour related Proceedings	14	Amount cannot be quantified.
5.	Tax related Proceedings	2	1) Rs. 40.9 million and Rs. 18.1 million along with any penalty and/or interest thereon under two show cause notices from Excise Authority. 2) Rs. 1,41,19,062, as sales tax, an amount of Rs. 24,56,779, as CENVAT, and a penalty of Rs. 146.20 lakhs, plus interest under order of Preventive Officer, Ahmedabad.
6.	Foreign Exchange related Proceedings	1	Amount cannot be quantified.

For details of the litigations, please refer to para 4.2.13 titled "Details of Pending Litigations" on page 25 of this Letter of Offer

The risk factors set forth above pertain to the acquisition and the Offer and not in relation to the present or future business or operations of the Target Company or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, for further risks with respect to their participation in the Offer.

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1. DEFINITION

Acquirer	Welspun Infratech Ltd.
BSE	Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
DP	Depository Participant
ICDR Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009
FEMA	Foreign Exchange Management Act, 1999
EGM	Extra Ordinary General Meeting
FII(s)	Foreign Institutional Investor(s)
Form of Acceptance/ FOA	Form of Acceptance-cum- Acknowledgement
FOW	Form of Withdrawal
FY	Financial Year
Manager/ Manager to the Offer	Collins Stewart Inga Private Limited
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Bodies
Offer / Open Offer	Offer for the acquisition of 80,00,000 fully paid up equity shares of the face value of Rs. 10/- each of the Target Company at a price of Rs. 130.50 per fully paid up equity share
Offer price	Rs. 130.50 (Rupees One Hundred Thirty Paise Fifty only) per fully paid up share of Rs. 10/- each
Offer size	Rs. 104,40,00,000 (Rupees One Hundred Four Crores Forty Lakhs only)
PAC	Person Acting in Concert with the Acquirer namely Welspun Corp Limited (formerly known as Welspun Gujarat Stahl Rohren Limited)
Persons Eligible to participate in the Offer	All owners (registered and unregistered) of shares of the Target Company except parties to the SPAs, Subscription Agreement and PAC
RBI	Reserve Bank of India
Registrar to the Offer	Link Intime India Private Limited
SEBI	Securities & Exchange Board of India
SEBI Act	Securities & Exchange Board of India Act, 1992
Regulations or SEBI (SAST) Regulations, 1997	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto.
VSE	Vadodara Stock Exchange Limited

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF MSK PROJECTS (INDIA) LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, PAC OR THE COMPANY WHOSE SHARES / CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT, WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY, AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY.

IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, COLLINS STEWART INGA PRIVATE LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MARCH 30, 2010 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3 DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This offer is being made by Acquirer alongwith PAC to the shareholders of Target Company in terms of regulation 10, regulation 12 and other applicable provision of SEBI (SAST) Regulations, 1997, for proposed substantial acquisition of equity shares and consequent change in control of the Target Company.

3.1.2 The Acquirer has entered into:

(i) a Share Purchase Agreement dated March 18, 2010 ("SPA 1") with the promoters of the Target Company namely Mr. Ashok Madhavdas Khurana, Mr. Amit Ashok Khurana, Ms. Neelakshi Khurana and Ms. Manju Ashok Khurana (together referred to as "Sellers 1") for the acquisition of 47,52,345 fully paid-up equity shares ("Sale Shares 1") of Rs 10/- each representing 20.82% of the then issued equity share capital of the Target Company for a consideration aggregating to Rs. 62,01,81,022.50 (Rupees Sixty Two Crores One Lakh Eighty One Thousand Twenty Two Paise Fifty Only) payable in cash. The details of SPA 1 are as under:

Sr. No.	Name of the shareholder	No. 0f shares	% of then paid-up capital	Purchase price payable (Rs.)	Price per share (Rs.)
1.	Ashok Madhavdas Khurana Add.: 1, Vikram Society, Gotri Road, Vadodara-390007 Tel.: +91-265-2372162 Fax No.: +91-265-2341642	3,050	0.01	3,98,025.00	130.50
2.	Amit Ashok Khurana Add.: 1, Vikram Society, Gotri Road, Vadodara-390007 Tel.: +91-265-2372162. Fax No.: +91-265-2341642	4,845	0.02	6,32,272.50	130.50
3.	Neelakshi Khurana Add.: 1, Vikram Society, Gotri Road, Vadodara-390007 Tel.: +91-265-2372162. Fax No.: +91-265-2341642	47,42,684	20.78	61,89,20,262.00	130.50
4.	Manju Ashok Khurana Add.: 1, Vikram Society, Gotri Road, Vadodara-390007 Tel.: +91-265-2372162. Fax No.: +91-265-2341642	1,766	0.01	2,30,463.00	130.50
	TOTAL	**47,52,345**	**20.82**	**62,01,81,022.50**	

(ii) a Share Purchase Agreement dated March 18, 2010 ("SPA 2") with Aaheli Construction Private Limited, Classic Inns Private Limited and D.A. Finvest Private Limited (referred to as "Sellers 2") for the acquisition of 5,27,093 fully paid-up equity shares ("Sale Shares 2") of Rs 10/- each representing 2.31% of the then issued equity share capital of the Target Company for consideration aggregating to Rs. 6,87,85,636.50 (Rupees Six Crores Eighty Seven Lakhs Eighty Five Thousand Six Hundred Thirty Six Paise Fifty Only) payable in cash. Details of SPA 2 are as under:

Sr. No.	Name of the shareholder	No. 0f shares	% of then paid-up capital	Purchase price payable (Rs.)	Price per share (Rs.)
1.	Aaheli Construction Private Limited Add. : 24, Laxmi Chambers, Navjeevan Press Road, Opp. Old Gujarat High Court Road, Ahemdabad - 380 014 . Tel. : +91-79-27542407. Fax No. : +91-79-27542407.	150,000	0.66	1,95,75,000	130.50
2.	Classic Inns Private Limited Add. : 88, Neelam Apartment, Sampat Rao Colony, Alkapuri, Vadodara - 390 005. Tel. : +91-265-2362131. Fax No. : +91-265-2362131	186,400	0.82	2,43,25,200	130.50
3.	D.A. Finvest Private Limited Add. : 65 Mahavir Centre, 4th floor, Sector No. 17, DBC, Vashi, Navi Mumbai - (400 703). Tel. :_+91-265-2362131. Fax No. : +91-265-2362131	190,693	0.83	2,48,85,436.50	130.50
	TOTAL	**5,27,093**	**2.31**	**6,87,85,636.50**	

The SPA 1 and SPA 2 are collectively referred to as **"SPAs"**, the "Sellers 1" and "Sellers 2" are collectively referred to as **"Sellers"**, the Sale Shares 1and Sale Shares 2 are collectively referred to as **"Sale Shares"**.

(iii) a subscription agreement dated March 18, 2010 ("Subscription Agreement") with the promoters of the Target Company namely Mr. Ashok Madhavdas Khurana, Mr. Amit Ashok Khurana, Ms. Neelakshi Khurana, Ms. Manju Ashok Khurana and Ashok Khurana HUF and the Target Company to subscribe to a preferential allotment of 1,71,78,888 equity shares of the Target Company.

a. resultantly, Board of Directors of the Target Company, at their meeting held on March 18, 2010 has agreed to issue and allot 1,71,78,888 fully paid-up equity shares of Rs. 10/- each on preferential basis to Acquirer, representing 42.95% of the post preferential issue equity share capital of the Target Company for cash at a price of Rs. 123/- per share (including premium of Rs. 113/- per share) aggregating to Rs. 211,30,03,224/- (Rupees Two Hundred Eleven Crores Thirty Lakhs Three Thousand Two Hundred Twenty Four only), ('Preferential Issue') in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('ICDR Regulations').

b. also, subscription and allotment of shares under the Preferential Issue is subject to various conditions precedent being fulfilled. including approval of the shareholders. Consequently, the Board of Directors of the Target Company in its meeting held on March 18, 2010 decided to convene an Extraordinary General Meeting ('EGM') of its shareholders on April 13, 2010 to approve the Preferential Issue by way of Special Resolution under section 81(1A) of the Companies Act, 1956, regulation 23(1)(b) of the Regulations and other applicable provisions.

3.1.3 The key terms of the SPAs are as follows:

a) The transfer of the Sale Shares from the Sellers to the Acquirer shall occur on a spot delivery basis, free from all encumbrances or other restrictions whatsoever at the Share Sale Closing Date (as defined in the SPAs), such that the Acquirer will, upon transfer of the Sale Shares in its name receive full legal and beneficial ownership and all shareholder rights relating thereto.

b) Each of the Sellers 1 and Sellers 2 and the Acquirer have agreed to enter into an escrow agreement with Standard Chartered Bank for the purpose of securing the due performance by them of their obligations under the SPA 1 and SPA 2.

c) The Sellers 1 and the Acquirer have agreed that on and from the Share Sale Closing Date (as defined in SPA 1), the Board of Directors of the Target Company will be reconstituted to comprise of the nominees of the Acquirer and the resignations of the nominees of the Sellers 1 shall take effect from the Share Sale Closing Date as set out in SPA 1.

d) The Acquirer shall have the obligation to acquire the Sale Shares of the Sellers subject to its satisfaction of certain conditions precedent as detailed in the SPAs including inter alia:

a. the Sellers being in compliance with all the representations and warranties given by them and not in material breach or default under any agreements, covenants, conditions and obligations contained in the SPA;

b. the Acquirer having complied with the provisions of the SEBI (SAST) Regulations, 1997 in relation to the Open Offer;

c. there having been no material adverse change in the reasonable opinion of the Acquirer.

3.1.4 The key terms of the Subscription Agreement are as follows:

a) the Acquirer agrees to subscribe to and the Company agrees to issue and allot to the Acquirer, 1,71,78,888 (One Crore Seventy One Lakhs Seventy Eight Thousand Eight Hundred Eighty Eight) Shares for an amount of Rs. 123/- (Rupees One Twenty Three Only) per Share, for an aggregate consideration of Rs. 211,30,03,224/- (Rupees Two Hundred Eleven Crores Thirty Lakhs Three Thousand Two Hundred Twenty Four Only).

b) The Acquirer shall have the obligation to subscribe to the equity shares of the Target Company subject to its satisfaction of certain conditions precedent as detailed in the Subscription Agreement including inter alia:

a. the promoters of the Target Company being in compliance with all the representations and warranties given by them and not in breach or default under any agreements, covenants, conditions and obligations contained in the Subscription Agreement;

b. the receipt of all necessary corporate approvals and third party (including lenders) approvals as set out in the Subscription Agreement, in form and substance satisfactory to the Acquirer;

c. there having been no material adverse change in the business, agreements, operations, properties, prospects, assets or condition of the Target Company since March 31, 2009 and no event has occurred or circumstance exists that is likely to result in a material adverse change.

d. the acquirer has the right to appoint after 21(twenty one) days from the date of the Public Announcement in compliance with regulation 22(7) of the Regulation, two nominees as directors on the Board of Directors of the Target Company.

For some of the above terms more specifically defined in SPAs & Subscription Agreement and other details of the SPAs & Subscription Agreement, shareholders of the Target Company may refer SPAs & Subscription Agreement which would be available to them for inspection during the period between the Offer opening date and the Offer closing date at the registered office of the Acquirer / Target Company.

3.1.5 The Board of Directors of the Target Company at their meeting held on April 27, 2010 had issued and allotted 1,71,78,888 fully paid-up equity shares of face value of Rs. 10/- each, representing 42.95% of the equity share capital of the Target Company to the Acquirer for cash at a price of Rs. 123/-per equity share (including premium of Rs. 113/- per equity share). The aforesaid allotment was made, pursuant to the special resolution passed by shareholders of the Target Company under section 81(1A) of the Companies Act, 1956, regulation 23(1)(b) of the Regulations and other applicable provisions of the Regulations at the Extraordinary General Meeting held on April 13, 2010 and receipt of in-principal approvals for issue and allotment of equity shares from BSE vide its letter reference no. DCS/PREF/NP/PRE/1696/ 10-11 dated April 7, 2010, NSE vide its letter reference no. NSE/List/ 134620-L dated April 06, 2010 and VSE vide its letter reference no. VSE/ LISTING/2010/24 dated April 13, 2010.

3.1.6 The Acquirer, PAC, Sellers and Target Company have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the Securities Exchange Board of India Act, 1992 as amended (the "SEBI Act") or under any other regulation made under the SEBI Act.

3.1.7 In terms of SPA 1, Acquirer is entitled to reconstitute the Board of Directors of the Target Company. Further, as on the date of Public Announcement Mr. Nirmal Gangwal a director on Board of Directors of the Target Company is also a director on Board of Directors of PAC. Also, in terms of the Subscription Agreement, the Acquirer is entitled to appoint after 21(twenty one) days from the date of the Public Announcement in compliance with regulation 22(7) of the Regulation, two nominees as directors on the Board of Directors of the Target Company.

Pursuant to above having deposited 100% of the maximum consideration payable under the Offer in Escrow Account with Standard Chartered Bank, the Acquirer sought appointment of 2 persons as Directors on the Board of Target Company. Consequently, the Board of Directors of Target Company at their Meeting held on April 27, 2010, appointed Mr. Balkrishan Goenka and Mr. Yogesh Verma, as directors of the Target Company.

The above named Directors recluse themselves and have not / will not participate in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer in terms of regulation 22(9) of the Regulations.

3.2 Details of the Offer

3.2.1 The Public Announcement ("PA") dated March 19, 2010 was made in the following newspapers on March 20, 2010 in accordance with regulation 15 of the SEBI (SAST) Regulations, 1997. The Addendum to Public Announcement dated April 28, 2010 and Corrigendum to Public Announcement dated May 19, 2010 was made in the following news papers on April 29, 2010 and May 20, 2010 respectively

News Paper	Language	Edition
Free Press Journal	English	All Editions
Jan Satta	Hindi	All Editions
Western Times	Gujarati	All Editions
Navshakti	Marathi	Mumbai Edition

(The Public Announcement, Addendum to Public Announcement and Corrigendum to Public Announcement are available on SEBI website : http://www.sebi.gov.in)

3.2.2 The Acquirer hereby makes this Offer to shareholders of the Target Company (other than the parties to the SPAs, Subcription Agremment and PAC) to acquire up to 80,00,000 equity shares ("Shares") of the Target Company of face value of Rs. 10/- each representing in aggregate 20% of the post Preferential Issue equity share capital and voting capital of the Target Company at a price of Rs. 130.50 (Rupees One Hundred Thirty Paise Fifty Only) per fully paid up equity share ("Offer Price") payable in cash subject to the terms and conditions mentioned hereinafter.

3.2.3 There are no partly paid-up shares of the Target Company.

3.2.4 This not a Competitive Bid.

3.2.5 This is not a Conditional Offer. The Offer is not subject to any minimum level of acceptance. The Acquirer will acquire all the shares that are validly tendered as per the terms of the Offer, upto a maximum of 80,00,000 equity shares at the Offer Price.

3.2.6 The Acquirer and PAC does not hold any equity shares in the Target Company as on the date of this Letter of Offer save and except those agreed to be acquired under the SPAs and Acquired under Subscription Agreement as stated in para 3.1.2 & para 3.1.5 above.

3.2.7 The Manager to the Offer does not hold any equity shares in the Target Company, on the date of the PA and has not acquired any equity shares of the Target Company since the date of PA upto the date of this Letter of Offer.

3.3 Object and purpose of the Acquisition / Offer

3.3.1 The Offer is being made pursuant to the SPAs and the Subscription Agreement entered amongst the Acquirer & the Sellers and Acquirer, Target Company and its Promoters, respectively, as described in para 3.1.2 above, whereby the Acquirer intends to acquire 23.13% of the then issued share capital of the Target Company from the Sellers and intends to subscribe to 42.95% of the post Preferential Issue share capital of the Target Company. This has resulted in substantial acquisition of shares and change in control of the Target Company in terms of the SEBI (SAST) Regulations, 1997. Hence, this open offer is being made in compliance with regulation 10 and regulation 12 read with other applicable provisions of the SEBI (SAST) Regulations, 1997.

3.3.2 The Acquirer believes that the acquisition of construction business is step towards growing the financial footprints.

This move of acquiring a majority stake and management control of Target Company will strategically strengthen the position of the Welspun Group as leading infrastructure developer in the Country. The Acquirer also believes that acquisition of a majority stake in Target Company is in line with business strategy.

3.3.3 The Acquirer is authorized by its Memorandum of Association to carry business similar to business of the Target Company. However, Acquirer is yet to commence commercial operations.

4 BACKGROUND OF THE ACQUIRER AND PAC

4.1 Welspun Infratech Limited - Acquirer

4.1.1 The Acquirer is a part of the Welspun Group, incorporated on April 26, 2007 under the Companies Act, 1956 as a public limited company. The registered office of the company is situated at 9th Floor, Trade World - B Wing, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.

4.1.2 Acquirer is promoted by and is a wholly owned subsidiary of Welspun Corp Limited (formerly known as Welspun Gujarat Stahl Rohren Limited) ('PAC').

4.1.3 The Acquirer and PAC had not entered into any Agreement with regard to this open offer / acquisition of Shares.

4.1.4 Acquirer's main object is to carry out construction and infrastructure development activity. The Acquirer is yet to commence its business operations.

4.1.5 Details of earlier acquisition and status of compliance under Chapter II of Regulations :

Date	Mode of Acquisition	Shares Acquired Number & (%)	Shares Sold Number & (%)	Cumulative shares Number & (%)	Status of Compliance
Opening	Nil	Nil	Nil	Nil	
April 27, 2010	Preferential issue	1,71,78,888 (42.95%)	Nil	1,71,78,888 (42.95%)	Complied with regulation 7 of Regulations

4.1.6 The Shareholding Pattern of the Acquirer is as follows:

Shareholder Category	No of shares held	Percentage
Promoters Welspun Corp Limited and its 6 nominees (6 nominees holding 10 shares each with Welspun Corp Limited as beneficial owner).	2,47,50,000	100%
FII/Mutual Funds/Banks/FI	---	---
Public	---	---
Total Paid up Capital	**2,47,50,000**	**100%**

4.1.7 Details of Board of Directors of the Acquirer are as follows:

Sr. No.	Name of Director	Date of Appointment	Residential Address
1.	Mrs. Dipali B. Goenka	26/04/2007	Rocky Isle, 46/C, Bhulabhai Desai Road, Breach Candy, Mumbai-400 026
2.	Mr. Murarilal Mittal	01/07/2008	1601, Marathon Heights, P B Marg, Jai Bharat Oil Mills Compound, Lower Parel, Mumbai - 400 013
3	Mr. Devendra Patil	26/04/2007	B/13, Yojna Co-operative Housing Society Ltd., Natwar Nagar Road No.5, Jogeshwari (East), Mumbai - 400 060

None of the above is on the Board of Directors of the Target Company.

4.1.8 The experience and qualifications of the Directors of Acquirer is given below :

Mrs. Dipali B. Goenka aged 40 years is an arts graduate with over 20 years of experience in the field of retail and marketing.

Mr. Murarilal Mittal aged 53 years is a chartered accountant with over 25 years of experience in the field of finance and accounting.

Mr. Devendra Patil aged 51 years is a commerce and law graduate. He is also qualified company secretary with over 28 years of experience in secretarial and legal field.

4.1.9 Total paid-up capital of Acquirer is Rs. 24,75,00,000/- (Rupees Twenty Four Crores Seventy Five Lakhs Only) divided into 2,47,50,000 equity shares of Rs. 10/- each. Equity shares of the Acquirer are not listed on any stock exchange.

4.1.10 The financial details of the Acquirer are as under:

(Rs. in Lakhs)

Particulars	**March 31, 2010 Audited**	**March 31, 2009 Audited**	**March 31, 2008 Audited**
Months	**12**	**12**	**12**
Income Statement			
Income from operations	—	—	—
Other Income	—	—	—
Total Income	**—**	**—**	**—**
Total Expenditure	—	—	
Profit Before Depreciation Interest and Tax	—	—	—
Depreciation	—	—	—
Interest	—	—	—
Profit / (Loss) Before Tax	—	—	—
Provision for Tax	—	—	—
Profit / (Loss) After Tax	**—**	**—**	**—**

Balance Sheet	**March 31, 2010**	**March 31, 2009**	**March 31, 2008**
Sources of funds			
Paid up Equity share capital	2,475.00	5.00	5.00
Reserves and Surplus (excl revaluation reserves)	7,533.50	—	—
Share Application Money	7,798.50	—	—
Secured Loans	—	—	—
Unsecured Loans	—	—	—
Total Debt	—	—	—
Total	***17,807.00***	***5.00***	***5.00***

Balance Sheet	**March 31,** 2010	**March 31,** 2009	**March 31,** 2008
Uses of funds			
Net fixed assets	1.68		
Capital WIP	—	—	—
Investments	—	4.40	—
Net current assets	17,548.60	0.31	4.74
Total miscellaneous expenditure not written off including pre-operative expenses	256.72	0.29	0.26
Total	**17,807.00**	**5.00**	**5.00**
Other Financial Data			
Dividend (%)	—-	—	—
Networth	17,550.48	4.71	4.74
Earning Per Share (Rs.) (annualized)	—-	—	—
Return on Networth (%)	—-	—	—
Book Value Per Share (Rs.)	70.91	9.42	9.48

Source: Annual Accounts for the years 2007-2008, 2008-2009, 2009-2010.

4.1.11 Acquirer has not commenced its operations, therefore, reasons for fall / rise in Total Income and Profit After Tax is not available.

4.1.12 Significant Accounting policies of Welspun Infratech Limited (Acquirer) as follows :

1. The Financial Statements are prepared under the historical cost conversion on going concern basis.
2. The Company generally follows the system of accounting and recognizes income and expenditure on accrual basis except its significant uncertainties.
3. Investments are considered as long term and are stated cost.
4. Preliminary expenses will be written off in five annual installments commencing from the year of starting of commercial operations.

4.1.13 The Acquirer has not promoted any company.

4.2 Welspun Corp Limited (formerly known as Welspun Gujarat Stahl Rohren Limited) - PAC

4.2.1 PAC is a flagship company of the Welspun Group, incorporated as Welspun Stahl Rohren Limited on April 26, 1995 under the Companies Act, 1956 as a public company. Subsequently, the name of the Company was changed to Welspun Gujarat Stahl Rohren Limited on February 26, 1997. Further, the name of the Company was changed to Welspun Corp Limited with effect from April 27, 2010, the Certificate of Incorporation consequent to change of name was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Registered office of the Company is situated at Welspun City, Taluka Anjar, District Kutch, Gujarat 370 110.

4.2.2 PAC is a comprehensive provider for state of the art pipes and related niche products for the transportation of Oil and Gas globally.

4.2.3 List of Promoter and promoter group of PAC is as follows :

Sr. No	**Name of the Promoter / Promoter Group**
1.	Mr. Balkrishan K. Goenka
2.	Mrs. Dipali B Goenka
3.	Mr. Rajesh R Mandawewala

4.2.4 Provisions of Chapter II of SEBI (SAST) Regulations, 1997 are not applicable as PAC does not hold any shares of Target Company.

4.2.5 Shareholding Pattern of PAC is as follows:

Particulars	No. of Shares held	Percentage
Promoter's Holding (A)		
Indian Promoters	6,78,23,108	33.20%
Foreign Promoters	1,48,65,523	7.28%
Total Promoter's Holding	**8,26,88,631**	**40.48%**
Non- Promoters Holding (B)		
Institutional Investors	75,03,832	3.67%
Mutual Funds and UTI	1,26,58,458	6.20%
Banks, FIs, Insurance Co.	1,97,56,493	9.67%
FIIs	3,57,99,480	17.53%
Sub Total (a)	**7,57,18,263**	**37.07%**
Others		
Indian Public	4,47,77,621	21.92%
NRI / OCBs	10,72,895	0.53%
Any Other - Clearing Members	–	–
Sub Total (b)	**4,58,50,516**	**22.45%**
Total Non- Promoters Holding (a + b)	**12,15,68,779**	**59.52%**
GRAND TOTAL (A) + (B)	**20,42,57,410**	**100.00%**

4.2.6 Details of the Board of Directors of PAC are as follows :

Sr. No.	Name of Director	Date of Appointment	Residential Address
1.	Mr. Balkrishan Goenka	26/04/1995	Rocky Isle, 46/C, Bhulabhai Desai Road, Breach Candy, Mumbai-400026
2.	Mr. Rajesh Mandawewala	26/04/1995	Flat No.171, B-Wing, 17th Floor, Tanna Residency, Bay View, 392, V S Marg, Prabhadevi, Mumbai - 400 025
3.	Mr. Murarilal Mittal	07/06/1997	1601, Marathon Heights, P B Marg, Jai Bharat Oil Mills Compound, Lower Parel, Mumbai - 400013
4.	Mr. Asim Chakraborty	20/04/2009	Welspun Inn, Welspun City, Post Box No.21, Anjar (Kutch), Gujarat - 370110
5.	Mr. K H Viswanathan	28/10/2002	Flat No.4, Kalyani Uttam Society. St Antony Road, Chembur, Mumbai - 400 071,
6.	Mr. Rajkumar Jain	30/07/2002	1A/42, Manali, Evershine Nagar, Malad (West), Mumbai - 400 064
7.	Mr. Ram Gopal Sharma	30/10/2004	E-707, Lok Sarita, Military Road, Off Marol Maroshi Road, Andheri (East), Mumbai - 400 059
8.	Mr. Nirmal Gangwal	26/12/2005	701/702, Krishnabaug, 8/11th Road, Khar (West), Mumbai - 400 052
9.	Mr. Narayanaswami Shankar (Nominee of Exim Bank)	28/09/2006	1602, Wallace Apartments I, Sleater Road, Grant Road, (West), Mumbai - 400 008

Mr. Balkrishan Goenka and Mr. Nirmal Gangwal are also on the Board of Directors of the Target Company. They shall not participate in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer in terms of regulation 22(9) of the SEBI (SAST) Regulations, 1997.

4.2.7 The experience and qualifications of the Directors of PAC is given below :

Mr. Balkrishan Goenka aged 44 years is a commerce graduate with over 23 years of experience in the field of textiles, retail and steel industry.

Mr. Rajesh Mandawewala aged 47 years is a chartered accountant with over 26 years of experience in the field of finance and administration.

Mr. Murarilal Mittal aged 53 years is a chartered accountant with over 30 years of experience in the field of finance and accounting.

Mr. Asim Chakraborty aged 49 years is a civil engineer with about 25 years of experience in the field of civil engineering and project implementation.

Mr. K H Viswanathan aged 47 years is a cost and works accountant with over 25 years of experience in the field accounting and finance sector.

Mr. Rajkumar Jain aged 53 years is a chartered accountant with over 30 years of experience in the field of finance and accounts.

Mr. Ram Gopal Sharma aged 69 years is a commerce graduate with post graduation in arts with over 40 years of experience in the field of life insurance, mutual funds and finance sector.

Mr. Nirmal Gangwal aged 53 years is a chartered accountant, company secretary and law graduate with over 22 years of experience in the field of merchant banking, financial restructuring, private equity placements and mergers & acquisitions.

Mr. Narayanaswami Shankar aged 53 years is a chartered financial analyst with over 30 years of experience in the banking industry.

4.2.8 Total paid-up capital of PAC is Rs. 1,02,12,87,050/-divided into 20,42,57,410 equity shares of Rs. 5/- each. The equity shares of the PAC are listed on BSE and NSE. The closing market price as on the date of PA was Rs. 283.05 on BSE and Rs. 282.85 on NSE.

4.2.9 The financial details of the PAC are as under:

(Rs. in Lakhs)

Particulars (Standalone financials)	**March 31, 2010 Audited**	**March 31, 2009 Audited**	**March 31, 2008 Audited**	**March 31, 2007 Audited**
Months	**12**	**12**	**12**	**12**
Income Statement				
Income from operations	661,393.50	5,87,831.40	4,01,045.40	2,68,344.40
Other Income	1,277.40	1,787.90	1,073.50	1,209.50
Total Income	**662,670.90**	**5,89,619.30**	**4,02,118.90**	**2,69,553.90**
Total Expenditure before Depreciation & Interest	**550,409.50**	**5,24,367.10**	**3,34,968.40**	**2,35,491.60**
Profit Before Depreciation Interest and Tax	112,261.40	65,252.20	67,151.50	34,062.30
Depreciation	14,792.00	12,541.90	5,715.00	4,755.50
Interest	16,617.00	17,349.60	8,015.70	7,396.00
Profit / (Loss) Before Tax	80,852.40	35,360.80	53,420.80	21,910.80
Provision for Tax (Including FBT)	26,832.90	12,004.10	18,278.50	7,652.20
Profit / (Loss) After Tax	**54,019.50**	**23,356.70**	**35,142.30**	**14,258.60**

Particulars	**March 31, 2010 Audited**	**March 31, 2009 Audited**	**March 31, 2008 Audited**	**March 31, 2007 Audited**
Months	**12**	**12**	**12**	**12**
Balance Sheet				
Sources of funds				
Paid up Equity share capital	10,216.10	9,324.60	8,887.70	6,991.00
Reserves and Surplus (excl revaluation reserves)	2,63,660.00	1,48,655.30	1,40,058.90	57,677.40
Share Application Money	---	---	8,869.00	684.50
Net worth (Including Share Application money)	2,73,876.10	1,57,979.90	1,57,815.60	65,352.90
Secured Loans	1,29,711.20	2,16,340.20	168,938.50	1,16,350.80
Unsecured Loans	68,184.60	1,034.10	1,064.50	35,111.50
Total Debt	**1,97,895.80**	**2,17,374.30**	**1,70,003.00**	**1,51,462.30**
Foreign Currency Monetary Item Translation Difference A/c (Net)	754.20	_	_	_
Deferred Tax Liabilities (Net)	29,546.80	24,876.30	17,378.80	7,939.50
Total	**5,02,072.90**	**4,00,230.50**	**3,45,197.40**	**2,24,754.70**
Uses of funds				
Net fixed assets	2,46,343.10	2,29,103.40	1,99,571.90	72,346.50
Capital WIP	40,111.60	38,031.50	42,496.60	92,136.50
Investments	27,961.50	17,183.70	39,046.70	2,562.90
Foreign Currency Monetary Item Translation Difference A/c	---	3,549.80	–	–
Net current assets	1,87,656.70	1,12,362.10	64,082.20	57,708.80
Total	**5,02,072.90**	**4,00,230.50**	**3,45,197.40**	**2,24,754.70**

Particulars	**March 31, 2010 Audited**	**March 31, 2009 Audited**	**March 31, 2008 Audited**	**March 31, 2007 Audited**
Months	**12**	**12**	**12**	**12**
Other Financial Data				
Dividend (%)	40%	30%	30%	20%
Earning Per Share (Rs.) (annualized) (Basic)	28.04	12.59	21.53	10.68
Return on Net worth (%)	20	14.78	22.27	21.82
Book Value Per Share (Rs.)	134.04	84.71	88.76	46.74

Source: Annual Report for the years 2006-2007, 2007-2008, 2008-2009, 2009-2010.

4.2.10 Reasons for rise / fall in total income and PAT for the Last Four years is given as under :

Financial year ended March 31, 2010

Income for the financial year ended 31st March, 2010 is Rs. 662,670.90 Lacs as against Rs. 589,619.30 Lacs for the financial year 31st March, 2009. Profit after Tax (PAT) for the financial year ended 31st March, 2010 is Rs. 54,019.50 Lacs as against the PAT for previous financial year ended 31st March, 2009 of Rs. 23,356.70 Lacs.

Results of Financial Year 2010 compared to Financial Year 2009

Income: Our total income increased by 12.39 per cent to Rs. 662,670.90 Lacs in Fiscal 2010 from Rs. 589,619.30 Lacs in Fiscal 2009. Out of Rs. 662,670.90 Lacs of our total income, Rs. 661,393.50 Lacs was attributable to revenue from operations, whilst Rs. 1,277.40 Lacs was attributable to other income.

Revenue from Operations: Our revenue from operations increased by 12.51 per cent to Rs. 661,393.50 Lacs in Fiscal 2010 primarily due an increase in sales volume, improved sales price realization mainly from plate & pipe sales and income coming from the Welspun Pipes Inc. and Welspun Tubular LLC.

Profit After Tax: Profit after tax increased by 131.28 per cent. to Rs. 54,019.50 Lacs in Fiscal 2010 from Rs. 23,356.70 Lacs in Fiscal 2009 mainly on account of increase in sales volume, improved realization, plate sales and income coming from the Welspun Pipes Inc. and Welspun Tubular LLC.

Financial year ended March 31, 2009

Income for the financial year ended on 31st March, 2009 was Rs. 5,89,619.30 Lakhs as against Rs. 4,02,118.90 Lakhs for the financial year ended on 31st March, 2008. Profit after Tax (PAT) for the financial year ended 31st March, 2009 is Rs. 23,356.70 Lakhs as against the PAT for previous financial year ended 31st March, 2008 of Rs.35,142.30 Lakhs.

Results of Financial Year 2009 compared to Financial Year 2008

Income. Total income increased by 46.63 per cent to Rs. 5,89,619.30 Lakhs in FY 2009 from Rs. 4,02,118.90 Lakhs in FY 2008. Out of Rs. 5,89,619.30 Lakhs of total income, Rs. 5,87,831.40 Lakhs was attributable to revenue from operations, whilst Rs. 1,787.90 Lakhs was attributable to other income.

Revenue from operations increased by 46.57 per cent. to Rs. 5,87,831.40 Lakhs in FY 2009 from Rs. 4,01,045.40 Lakhs in FY 2008 primarily due an increase in sales volume, improved realization, plate sales and income coming from the Welspun Pipes Inc., Welspun Tubular LLC. and Welspun Global Trade LLC.

Profit After Tax declined by 33.54 per cent to Rs. 23,356.70 Lakhs in FY 2009 from Rs. 35,142.30 Lakhs in FY 2008 mainly on account of lower volume for the plate mill, foreign exchange provisions, inventory write down, higher interest cost and higher depreciation for the year.

Financial year ended March 31, 2008_

Income for the financial year ended 31st March, 2008 is Rs. 4,02,118.90 Lakhs as against Rs.2,69,553.90 Lakhs for the financial year ended 31st March, 2007. Profit after Tax (PAT) for the financial year ended 31st March, 2008 is Rs. 35,142.30 Lakhs as against the PAT for previous financial year ended 31st March, 2007 of Rs. 14,258.60 Lakhs.

Results of Financial Year 2008 compared to Financial Year 2007

Income: Total income increased by 49.18 percent to Rs. 4,02,118.90 Lakhs in FY 2008 from Rs. 2,69,553.90 Lakhs in FY 2007. Out of Rs. 4,02,118.90 Lakhs of total income, Rs. 4,01,045.40 Lakhs was attributable to revenue from operations, whilst Rs. 1,073.50 Lakhs was attributable to other income.

Revenue from Operations: Revenue from operations increased by 49.45 percent. to Rs. 4,01,045.40 Lakhs in FY 2008 from Rs. 2,68,344.40 Lakhs in FY 2007 primarily due an increase in sales volume coupled with high realization per tonne. Capacity utilization also increased from 54 percent to 67 percent during FY 2008.

Profit After Tax: Profit after tax increased by 146.46 percent to Rs. 35,142.30 Lakhs in FY 2008 from Rs. 14,258.60 Lakhs in FY 2007 mainly on account of higher sales and improved margins.

Financial year ended March 31, 2007

Income for the financial year ended 31st March, 2007 is Rs. 2,69,553.90 Lakhs as against Rs. 1,83,167.70 Lakhs for the financial year ended 31st March, 2006. Profit after Tax (PAT) for the financial year ended 31st March, 2007 is Rs. 14,258.60 Lakhs as against the PAT for previous financial year ended 31st March, 2006 of Rs. 6,137.20 Lakhs.

Results of Financial Year 2007 Compared to Financial Year 2006

Income: Total income increased by 47.16 percent to Rs. 2,69,553.90 Lakhs in FY 2007 from Rs. 1,83,167.70 Lakhs in FY 2006. Out of Rs. 2,69,553.90 Lakhs of total income, Rs. 2,68,344.40 Lakhs was attributable to revenue from operations, whilst Rs.1209.50 Lakhs was attributable to other income.

Revenue from Operations: Revenue from operations increased by 46.66 percent to Rs. 2,68,344.40 Lakhs in FY 2007 from Rs. 1,82,976.60 Lakhs in FY 2006 primarily due an increase in sales volume coupled with high realization per tonne and due to higher capacity utilization during FY 2007.

Profit After Tax Profit: after tax increased by 132.33 per cent. to Rs. 14,258.60 Lakhs in FY 2007 from Rs.6,137.20 Lakhs in FY 2006 mainly on account of higher sales and improved margins.

4.2.11 **Significant Accounting policies of PAC are as follows :**

1. Basis of Accounting

The financial statements have been prepared under the Historical Cost Convention on accrual basis and in accordance with the accounting standards referred to in Section 211(3C) of the Companies Act 1956.

Pursuant to the announcement of the Institute of Chartered Accountants of India (ICAI) on "Accounting for Derivatives" on the early adoption of Accounting Standard (AS-30) "Financial Instruments: Recognition and Measurement", the Company has early adopted the standard during the previous year, to the extent that the adoption does not conflict with the existing mandatory accounting and other authoritative pronouncements, Company Law and other regulatory requirements.

2. Use of Estimates

The preparation of the financial statements in accordance with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amount of revenue and expenses of the year. Actual results could differ from those estimates. Any revision of such accounting estimate is recognized prospectively in current and future periods.

3. Fixed Assets

(a) Fixed assets are stated at original cost of acquisition / installation (net of cenvat credit availed) net off accumulated depreciation, amortization and impairment losses except land which is carried at cost. The cost of fixed assets includes cost of acquisition, taxes, duties, freight, other incidental expenses related to the acquisition, construction and installation including trial run expenses (net of revenue) and borrowing cost incurred during preoperational period.

(b) Capital Work-In-Progress is stated at the amount expended upto the date of Balance Sheet including preoperative expenditure and advances on capital account.

(c) Cost of Software includes license fees, cost of implementation and system integration and capitalized as intangible assets in the year in which the relevant software is put to use.

4. Borrowing Costs

Borrowing Costs attributable to the acquisition or construction of qualifying assets are capitalized as part of cost of such assets. All other borrowing costs are charged to revenue.

5. Depreciation

Depreciation on fixed assets is provided on Straight Line Method at the rates prescribed in Schedule XIV to the Companies Act, 1956 except for certain Plant and Machinery which are depreciated on the basis of estimated useful lives of 13 - 15 years. The rates of depreciation derived from these estimated useful lives are higher than those given in Schedule XIV to the Companies Act, 1956.

For determining the appropriate rate of depreciation on Plant and Machinery, continuous process plant has been identified on the basis of technical opinion by the Company / Expert.

Software is amortized over a period of five years from the date of its use based on Management's estimate of useful life.

6. Investments

Investments intended to be held for more than a year, from the date of acquisition, are classified as long-term and are stated at cost. Provision for diminution in value of investments is made to recognize a decline other than temporary. Current Investments are stated at cost or fair value which ever is lower.

7. Revenue Recognition

(a) Sale of goods is recognized when the risks and rewards of ownership are passed on to the customers, which is generally on dispatch. Export Sales are accounted for on the basis of date of bill of lading. Gross Sales include excise duty, value added tax incentive, adjustments for price variation, quality claims, liquidated damages and exchange rate variations related to export realization.

(b) Export benefits: Duty entitlement pass book (DEPB) and Focus market are accounted on accrual basis. Target plus /Duty free entitlement certificate scheme of EXIM policy are recognized when utilized.

(c) Revenue from Services is recognized when the services are completed.

(d) Dividend income is recognized when the right to receive the dividend is unconditional.

8. Inventories

Inventories are valued at lower of cost or net realizable value. The basis of determining cost for various categories of inventories:-

(i) Raw Material Stores and Spares - Moving weighted Average basis.

(ii) Work / Goods in Process and Finished Goods - Cost of Direct Material, Labour and other manufacturing expenses.

9. (i) Foreign Currency Transactions

(a) Foreign exchange transactions are converted into Indian Rupees at the prevailing rate on the date of the transactions. Current monetary assets and liabilities are translated at the exchange rate prevailing on the last day of the year. Non monetary items which are carried at cost.

(b) Gains or losses arising out of remittance / translations at the year- end are credited / debited to the profit and loss account for the year and in cases where it relates to acquisition of fixed assets till put to use, are adjusted to the carrying cost of such assets except as per amendment to AS-11 (Refer note no 5 (b)).

(c) Premium / discount on forward exchange contracts not relating to firm commitments or highly probable forecast transactions and not intended for trading or speculation purpose is amortized as income or expense over the life of the contract.

(ii) Derivative Instruments and Hedge Accounting

The Company uses foreign currency forward contracts to hedge its risk associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The Company designates these hedging instruments as cash flow hedges and applying the recognition and measurement principles set out in Accounting Standard 30 "Financial Instruments: Recognition and Measurement" (AS 30). The gain or loss on the effective hedges is recorded in "Hedging Reserve Account" until the transaction is complete. The gain or loss is accounted in Profit and Loss Account upon completion of the transaction or when the hedge instrument expires or terminates or ceases to qualify for hedge accounting.

10. Employee Benefits

a) Short term employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss account of the year in which the related service is rendered.

b) Post employment and other long term benefits are recognized as an expense in the profit and loss account of the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long-term benefits are charged to the Profit and Loss account.

c) Payments to defined contribution retirement benefit schemes are charged as expenses as and when they fall due.

11. Employees Stock Option Scheme

In respect of stock options granted pursuant to the Company's Stock Option Scheme, the intrinsic value of the options is treated as discount and accounted as employee compensation cost over the vesting period.

12. Accounting for Taxes on Income

(a) Current tax is determined as the amount of tax payable in respect of taxable income of the year computed as per Income Tax Act, 1961. Fringe Benefit tax is provided for on the estimated value of fringe benefits as per the provisions of the Income Tax Act, 1961.

(b) Deferred tax is recognized subject to consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and measured using prevailing enacted or substantively enacted tax rates.

13. Operating Lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognized as an expense on accrual basis in accordance with the respective lease agreements.

14. Research and Development

Capital expenditure on Research and Development is treated in the same manner as Fixed Assets. The revenue expenditure on research and development is charged to Profit and Loss Account.

15. Impairment of Assets

At each Balance Sheet date, the Company reviews the carrying amount of fixed assets to determine whether there is any indication that those assets suffered impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

4.2.12 Details of Contingent Liability

(Rs. In Lakhs)

Particulars	**March 31, 2009**
Performance Guarantee / Bid Bond given by banks to company's customers / government authorities etc.	136483.50
Corporate Guarantees given by the Company (includes Rs. 41311.70 Lakhs (Rs. 3,7105.80 Lakhs) for loans taken by the subsidiaries. Loans / Liabilities outstanding against these guarantees are Rs. 4,1311.70 Lakhs (Rs. 37105.80 Lakhs)	6,9540.20
Letters of Credit outstanding (net of Liability provided) for company's sourcing	46837.50
Claims against the Company not acknowledged as debts	147.90
Custom duty on pending export obligation against import of Raw Material	1,0117.60
Disputed service tax/ sales tax/ excise duty liabilities	923.70

(Source : Annual Report 2008-2009)

4.2.13 Details of Pending Litigation:

Following are the details of litigation pending by and / or against are as under:

A. Criminal Proceedings:

Material criminal proceedings initiated against PAC:

1. Criminal Proceedings in connection with facility at Anjar: Factory inspector, Anjar, has filed 3 (three) criminal complaints under section 7A of the Factories Act, 1948, before the Court of the Judicial Magistrate, First Class, Anjar. The aforementioned proceedings are pending hearing and disposal.
2. Criminal Proceedings in connection with facility at Dahej: 9 (nine) criminal proceedings have been initiated

against PAC in connection with various alleged violations of and/or non compliance with the provisions of the Factories Act, 1948, with respect to factory at Dahej, Gujarat. The aforesaid proceedings are pending hearing and disposal.

B. Arbitration Proceedings:

Material arbitration proceedings initiated against PAC:

Navalmar Limited ("Claimant"), has initiated arbitration proceedings against PAC, in London, United Kingdom, in connection with the delayed discharge and arrest of a vessel carrying cargo. The Claimants have alleged that PAC is liable to indemnify them in connection with any judgment passed by the courts in Yemen against the Claimant by the receivers of PAC's cargo and the time lost due to the arrest and detention of the vessel. The Claimants have inter alia also claimed unpaid hire of an amount of approximately USD 602,799. The Claimants have been provided with a bank guarantee of an amount of USD 1,600,427.86. The aforementioned proceeding is pending final determination by the arbitral tribunal.

Material arbitration proceedings initiated by PAC:

1. PAC has initiated arbitration proceedings on August 25, 2009 before the American Arbitration Association against Gulf South Company L.P. claiming approximately US$ 4.37 million for an alleged breach of a contractual obligation by Gulf South Company L.P. ("Gulf South"). PAC had supplied pipes under 3 different purchase orders to Gulf South and presented various invoices for amounts due under those purchase orders. Gulf South allegedly failed to make payments to PAC on fourteen invoices allegedly raised by PAC on Gulf South amounting to US$4.37 million. PAC has adjusted certain amount out of the above invoices towards non-dispatch of certain quantity of steel pipes and untimely delivery of pipes. Gulf South in its response has stated that it seeks to off set the unpaid amounts to PAC against alleged harms Gulf South has suffered as a result of alleged deficiencies in steel pipes supplied by PAC.

   Gulf South further claimed that certain pipes supplied by PAC allegedly did not meet the required specifications, which allegedly resulted in deformation during testing. The aforementioned proceedings are pending final adjudication and disposal.

2. PAC has initiated 2 (two) separate arbitration proceedings against one Tibbi Gazlar Istihsal Endustrisi A.S., and Kroman Celik Sanayii A.S., respectively, in connection with the detention of a vessel carrying goods at a port at Aden. PAC have claimed damages aggregating to approximately USD 320,463.18 in connection with an alleged detention and in the discharge of the vessel carrying cargo at Aden, due to the alleged refusal on the part of the cargo receivers to take delivery of PAC's cargo on account of an alleged absence of the original bills of lading or a suitable letter of indemnity. The aforementioned proceedings are pending determination.

3. PAC has initiated arbitration proceedings against Hindalco Industries Limited and AXA Corporate Solutions Limited ("Respondents"), claiming under an indemnity dated December 13, 2004. PAC has claimed USD 322,882.80 and GB£ 55,031.37 in connection with amounts allegedly payable by PAC pursuant to an award passed in relation to arbitration proceedings initiated by one Tsavliris Russ (Worldwide Salvage and Towage) Limited in relation to a charter party dated September 16, 2004. The parties have agreed on the name of the sole Arbitrator. The proceedings are pending final determination.

C. Labour related proceedings:

Material Labour related proceedings in connection with facility at Dahej: PAC is currently a party to 14 (fourteen) labour related proceedings, (barring the criminal proceedings under Factories Act, 1948 as detailed hereinabove), in connection with its manufacturing facilities at Baruch, Gujarat. The said proceedings inter alia relate to alleged termination of or and/or suspension services of workmen and claims under the Workmen's Compensation Act, 1923.

D. Tax related proceedings:

1. The Commissioner of Central Excise and Customs, Vadodara ("Excise Authority"), has issued 2 (two) show cause notices dated January 27, 2009, and May 18, 2009, pursuant to which, based on the report of the central excise receipt audit, the Excise Authority has inter alia disallowed cenvat credit of service

tax paid on export of goods, on the alleged grounds that the same is an item covered under post manufacturing services. Under the said proceedings PAC is allegedly liable to pay approximately an amount of Rs. 40.9 million and Rs. 18.1 million, respectively along with any penalty and/or interest thereon, which may be imposed by the Excise Authority. Show Cause Notices were issued but no hearing has been fixed by the Commissioner in the matter.

2. PAC had filed for rebate claims in respect of exports of goods manufactured and removed on payment of excise duty, which claims were rejected by the Assistant Commissioner and the Commissioner (Appeals). A Revision Application was filed to the Joint Secretary, Government of India, against the orders passed by the Commissioner (Appeals) ("Revision Application"). While the Revision Application was pending, the Parliament enacted the Finance Act, 2008 whereby pursuant to Section 88 read with the Sixth Schedule thereto, rebate claims were allowed for the period up to 7 December 2006. Pursuant thereto, PAC withdrew the Revision Application subject to the sanction of the rebates by the relevant authorities. Accordingly, by letter dated August 22, 2008, the Joint Secretary allowed the withdrawal of the Revision Application. The Commissioner of Central Excise, however, reviewed the refund orders and alleged that the Assistant Commissioner, Central Excise had erred in re-visiting his own orders suo moto in connection with the sanction of the rebate claims and directed the Assistant Commissioner to file an application/ appeal to the Commissioner of Central Excise (Appeals) Rajkot who, by an Order dated 9 January 2009 held that since the Revision Application was withdrawn, the earlier orders passed by the Commissioner (Appeals) had attended finality and therefore, set aside the refund orders passed by the Assistant Commissioner. Immediately upon receipt of the Review Applications, PAC requested the Joint Secretary to restore the Revision Application, which was rejected. Writ Petitions were filed in the Honourable Gujarat High Court challenging the rejection of the application for restoration of the Revision Application and also the Order dated January 9, 2009 passed by the Commissioner (Appeals). The Honourable High Court by an Order dated September 23, 2009 allowed the Writ Petitions by setting aside the said letter dated 31 October 2008 restoring the Revision Application before the Joint Secretary and also set aside the Order dated January 9, 2009 with a direction to the Commissioner (Appeals) not to decide the Review Applications until the disposal of the Revision Applications by the Joint Secretary in accordance with law. The refund claim amounts to Rs. 56.1 crores.

In view of the above, the refund orders passed by the Assistant Commissioner, in terms of the provision of the Section 88 of the Finance Act, 2008, have not been stayed or set aside. The refunds, are therefore, presently in order and subject to the orders to be passed in the Revision Application and thereafter in the Review Applications. In similar circumstances, the Joint Secretary has allowed the Revision Applications including in the case of Welspun India Limited. In view of the binding precedents, as well as the expressed provisions of Section 88 of the Finance Act, 2008, which also contains an overriding clause in respect of an order or a decision of any authority, PAC is confident that it will be entitled to the rebate claims in respect of export of goods removed by availing the benefit of the amendment to the Central Excise Rules, 2002, for the period up to December 7, 2006, which is the cut-off date as per Section 88 read with the Sixth Schedule to the Finance Act, 2008. Although the first order of Commissioner (Appeals) is under challenge in the Revision Application before the Joint Secretary, the fact remains that, such orders are invalid on account of the provisions of Section 88 of the Finance Act, 2008, and also held to be so by Joint Secretary in number of orders, which are holding the field and are binding on the Department. At the same time, the Assistant Commissioner's order granting refund is also in force and therefore, in PAC's opinion, the issue raised in the Revision Applications is no longer res intega and stands settled. In other words, PAC believes that it is entitled to the rebate claims and the refunds of the amounts sanctioned to PAC, have been correctly done so, in accordance with law. PAC has applied for a personal hearing in the aforesaid matter matter before Joint Secretary, Revision, New Delhi. Abiding by the order of Hon'ble High Court, our appeals were restored by Jt Secretary Revision and personal hearing was fixed on 18.01.2010. After hearing, Jt Secretary Revision vide its order dated 16.02.010 allowed the appeal in favour of PAC . Jt Secretary Revision while setting aside the orders-in original and Orders-in-Appeals of Commissioner (A) held that PAC is entitled to get the rebate Claims upto 07.12.06 in view of the amendment made in Rule 18 of Central Excise Rules, 2002, through the Finance Act 2008.

Another set of revision applications in the same matter against the order of the Commissioner (A) dated 09.01.2009 is pending before the Jt Secretary (Revision). We have made an application dtd 12.02.10 to the Jt Secretary (Revision) requesting for deciding the revision application on the ground that since the Hon'ble High Court vide order dated 23.09.09 set aside the order of the Commissioner (A) dated 09.01.09, revision application has become infructuous and therefore the application may be disposed of in accordance with the law. Date of hearing is yet to be fixed.

3. PAC has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal ("CESTAT"), Ahmedabad, (Appeal No. ST/179/06), against an Order in original dated February 21, 2006 ("Impugned Order"), issued in favour of the Central Excise Commissionerate. PAC had availed itself of CENVAT credit of service tax paid by PAC including service tax paid on outward transportation of finished goods from the place of removal. The Preventive Officer, Vadodara II, had observed that PAC was allegedly not entitled to avail of credit on service tax paid on outward transportation of finished goods and that PAC was allegedly receiving services of commission agents from various service providers who did not have an office in India. Subsequently, a show cause notice dated January 20, 2006 was issued to PAC by the relevant service tax authorities and the Impugned Order was passed in favour of the Central Excise Commissionerate in connection with the aforesaid matter. The aforesaid appeal filed by PAC was admitted by the CESTAT and waiver was granted for pre-deposit during the pendency of the matter on September 15, 2006. Thereafter, a stay extension was granted on April 12, 2007, October 16, 2007, April 29, 2008, November 5, 2008 and 28 May 2009 by the CESTAT. The matter is pending final hearing and disposal before CESTAT and the next date of hearing in connection with the matter has been fixed for December 7, 2009. Under the said proceedings, PAC is allegedly liable to pay approximately an amount of Rs. 1,41,19,062, as sales tax, an amount of Rs. 24,56,779, as CENVAT, and a penalty of Rs. 146.20 lakhs, plus interest. Next date of hearing is fixed in July 10 . No decision is being taken by the CESTAT in view of fling of appeal by the Department in the High Court against the order of CESTAT Larger bench in similar other case in Banglore.

4. PAC is engaged in a dispute with the Commercial Tax Authority, Bharuch relating to the claim of remission of tax on sales and refund of input tax credit by PAC. In pursuance of the provisions of Rule 18B of the Gujarat Value Added Tax Rules, 2006, PAC claimed remission of tax on sales and refund of input tax credit. The Commercial Tax Authority at Bharuch objected to the calculation of refund of input tax credit on the ground that no input tax credit is available on export sales and recovered the amount of Rs.635.43 lakhs. PAC has filed a first appeal on July 27, 2009 before the Deputy Commissioner of Commercial Taxes, Appeals-4, Baroda against the order to pay the disputed amount of Rs.635.43 lakhs. The hearing of the first appeal took place on September 2, 2009, wherein the appellate authority was of the opinion that that the appeal was not maintainable in the absence of any order. PAC, in response has submitted written contentions with decided matters and requested the Deputy Commissioner of Commercial Taxes to entertain the appeal and grant an opportunity of hearing on merits. The aforementioned appeal is pending hearing and final disposal before the Deputy Commissioner of Commercial Taxes. PAC has filed an appeal before VAT Tribunal Ahmedabad against the order of Dy commissioner (A) Vadodara. Case was heard finally on 22nd March, 2010 by the VAT Tribunal Ahmedabad. The Decision is awaited.

E. Foreign exchange related proceedings:

PAC currently engaged in proceedings pending before the Enforcement Dirctorate, Ministry of Finance, Government of India, ("Enforcement Directorate"), in connection with an alleged violation of certain provisions of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) (Amendment) Regulations, 2000, ("FEMA Overseas Direct Investment Regulations"), on the grounds of allegedly having issued a guarantee on behalf of Red Lebondal Limited, ("Overseas JV"), in which PAC had made an overseas direct investment, prior to remittance of the amount invested by PAC in the capital of the Overseas JV. PAC has received a notice dated December 15, 2008 from the RBI in connection with the aforesaid alleged violation of the FEMA Overseas Direct Investment. Subsequently, the RBI referred the aforesaid proceedings to the Enforcement Directorate. The Enforcement Directorate pursuant to a letter dated May 19, 2009 sought certain clarifications from PAC. PAC responded to the aforesaid letter issued by the Enforcement Directorate, pursuant to a letter dated May 26, 2009. PAC has been given an opportunity of being heard by the Enforcement Directorate on June 11, 2009, and is currently awaiting receipt of further communication therefrom.

F. Civil Proceedings

1. On August 24, 2009, one of PAC's customers from prior financial years (the "Customer") filed a petition in the United States of America against PAC for breach of contract and sought damages and common law remedies amounting to USD66 million. The said claim relates to a contract entered into between the Customer and PAC around September 2006 for the total contract value of USD20 million to supply pipes of specified steel quality.

   In its petition, the Customer alleged that the pipes (the "Pipes") supplied by PAC did not meet the required technical qualifications on account of the steel being one grade lower than specified. It was alleged by the Customer that they expanded at pressures less than what would expand of the pipes of the steel grade as prescribed in technical specifications by the Customer.

   PAC has, without prejudice to its rights and conditions in the matter, already replaced some of the Pipes supplied to the Customer and this pipe line is now fully operational.

   PAC have also issued letters on March 16, 2009, August 13, 2009 and September 11, 2009 to steel supplier which is one of the largest steel companies in the world (the "Suppliers") for the Pipes in question and their related companies to (i) notify them of the claims by the Customer in relation to the Pipes manufactured from steel plates supplied by them, (ii) reserve PAC's rights to hold the Suppliers and their affiliated entities responsible for all damages or losses incurred by PAC and or any of PAC's affiliated entities in relation to such Pipes, and (iii) request for the Suppliers and their related companies to indicate their willingness to accept responsibility for the claims asserted against PAC by the Customer.

2. With respect to the land at Village Varasamedi, Anjar District on which PAC's factory for manufacturing of steel plates and coils is situated, third party claims have been made with respect to properties bearing Survey No. 661 and Survey No. 658, each admeasuring acres 16 and gunthas 6 or thereabouts. The Collector has raised a demand on PAC to pay premium on new tenure for the aforesaid properties, which we have agreed to pay and accordingly, we have filed an application for determination of the premium amount. The final order is yet to be received. PAC estimates the premium amount payable to be in the range of Rs. 5.30 crores.

3. On October 20, 2009 PAC has filed a petition in the United States of America, against one of the customers, ("Impugned Customer"), alleging that the Impugned Customer has failed to pay amounts owed to PAC pursuant to a purchase order agreement executed in September 2006 between PAC and the Impugned Customer. Pursuant to the said petition PAC has sought damages of approximately US$13,350,000, plus attorneys' fees, costs, and interest. The Impugned Customer has not responded to the petition. The said petition is pending final adjudication and disposal.

4.2.14 Welspun Corp Limited has duly complied with the various requirements of Clause 49 relating to corporate governance under the Listing Agreement with the Stock Exchanges from time to time.

4.2.15 There are no merger / demerger, spin off of the PAC during last 3 years.

4.2.16 Details of the Compliance Officer of PAC :

Name : Mr. Pradeep Joshi
Address : Welspun House, 7th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013
Tel.: +91-22-66136410
Fax : +91-22- 24908020
E mail : CompanySecretary_WGSRL@welspun.com

4.2.17 Information in respect of Companies promoted by PAC:

(i) Name of the Company: - Welspun Global Trade LLC.

   a) Date of Incorporation : - 28.09.2007

   b) Registered Office address: - Corporation Trust Center, 1209, Orange Street, City of Wilmington, County of New Castle, Delaware 19801, USA.

   c) Nature of Business: - Marketing Support Services (including Securing orders for holding & associate companies for India and USA operations).

d) The Company is not a sick industrial company.

e) Brief financials based on audited accounts for the last three years are given below:

(Rs. In Lakhs)

Period for the year ended	**MARCH 31, 2007**	**MARCH 31, 2008**	**MARCH 31, 2009**
Months	**12**	**12**	**12**
Type	Audited	Audited	Audited
Paid-up Equity Share Capital	Nil	Nil	Nil
Reserves (excl. revaluation reserves)	---	(64.68)	(44.92)
Earning per share (Rs. per share)	---	---	---
Total Income	---	---	556.01
Profit After Tax (PAT)	---	(64.68)	36.95
NAV per share in Rs. (Equity Shares of Rs. Each)	---	---	---

The Financial statements have been converted into Indian Rupees at 1 USD = INR 43.51 for 2006-2007, INR 40.075 for 2007-2008 and INR 50.72 for 2008-2009.

(ii) Name of the Company: - Welspun Natural Resources Pvt. Ltd.

a) Date of Incorporation : - 07.09.2006

b) Registered Office address : - B Wing, 9th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

c) Nature of Business : - Oil & Gas exploration.

d) The Company is not a sick industrial company

e) Brief financials based on audited accounts for the last three years are given below:

(Rs. In Lakhs)

Period for the year ended	**MARCH 31, 2007**	**MARCH 31, 2008**	**MARCH 31, 2009**
Months	**12**	**12**	**12**
Type	Audited	Audited	Audited
Paid-up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	NIL	NIL	NIL
Earning per share (Rs. per share)	--		
Total Income			
Profit After Tax (PAT)			
NAV per share in Rs. (Equity Shares of Rs.10 Each)	10/-	10/-	10/-

The Company is yet to commence business operations therefore, profit & loss account for the financial years ended March 31, 2007, 2008 and 2009 is not prepared.

(iii) Name of the Company: - Welspun Pipes Limited.

a) Date of Incorporation : - 20.06.2007

b) Registered Office address : - B Wing, 9th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

c) Nature of Business: - Manufacturing of Steel Pipes.

d) The Company is not a sick industrial company.

e) Brief financials based on audited accounts for the last three years are given below:

(Rs. In Lakhs)

Period for the year ended	**MARCH 31, 2007**	**MARCH 31, 2008**	**MARCH 31, 2009**
Months	**12**	**12**	**12**
Type	Audited	Audited	Audited
Paid-up Equity Share Capital	5.00	5.00	5.00
Reserves (excl. revaluation reserves)	Nil	Nil	Nil
Earning per share (Rs. per share)	--	--	–
Total Income	--	--	–
Profit After Tax (PAT)	--	--	–
NAV per share in Rs. (Equity Shares of Rs.10 Each)	10/-	10/-	10/-

The Company is yet to commence business operations therefore, profit & loss account for the financial years ended March 31, 2007, 2008 and 2009 is not prepared.

(iv) Name of the Company: - Welspun Pipes Inc.

a) Date of Incorporation : - 14.08.2006

b) Registered Office address : - 2711, Centerville Road, Suit 400, Wilmington, Delaware 19808, County of New Castle, USA

c) Nature of Business: - Special Purpose Vehicle (SPV) for investment (In Steel Pipes business in USA, through 100% Subsidiary-Welspun Tubular LLC).

d) The Company is not a sick industrial undertaking.

e) Brief financials based on audited accounts for the last three years are given below:

(Rs. In Lakhs)

Period for the year ended	**MARCH 31, 2007**	**MARCH 31, 2008**	**MARCH 31, 2009**
Months	**12**	**12**	**12**
Type	Audited	Audited	Audited
Paid-up Equity Share Capital	4.35	4.01	5.07
Reserves (excl. revaluation reserves)	---	(659.33)	273.89
Earning per share (Rs. per share)	---	---	---
Total Income	---	2470.19	12,691.18
Profit After Tax (PAT)	---	(659.33)	1,108.36
NAV per share in Rs. (Equity Shares of Rs. Each)	---	---	---

The Financial statements have been converted into Indian Rupees at 1 USD = INR 43.51 for 2006-2007, INR 40.075 for 2007-2008 and INR 50.72 for 2008-2009.

(v) Name of the Company: - Welspun Plastics Limited.

a) Date of Incorporation : - 19.04.1982

b) The Company was originally incorporated as Shree MPT Plastic and Industries Pvt. Ltd. The name was changed to Jaycee Plastic Industries Pvt. Ltd. pursuant to a Special Resolution and approval of the Registrar of Companies dated 14.09.1987. The name was further changed to Jaycee Plastics Pvt. Ltd. pursuant to a special resolution and approval of the Registrar of Companies dated 13.11.2006.

c) Registered Office address : - B Wing, 9th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.

d) Nature of Business: - Oil & Gas Exploration

e) The Company is not a sick industrial undertaking.

f) Brief financials based on audited accounts for the last three years are given below:

(Rs. In Lakhs)

Period for the year ended	**MARCH 31, 2007**	**MARCH 31, 2008**	**MARCH 31, 2009**
Months	**12**	**12**	**12**
Type	Audited	Audited	Audited
Paid-up Equity Share Capital	1.00	1.00	1.00
Reserves (excl. revaluation reserves)	45.83	47.98	49.98
Earning per share (Rs. per share)	409.28	21.50	20.01
Total Income	41.01	2.20	2.08
Profit After Tax (PAT)	40.92	2.15	2.00
NAV per share in Rs. (Equity Shares of Rs.10/- Each)	468.30	489.80	509.80

(vi) Name of the Company: - Welspun Tubular LLC.

a) Date of Incorporation : - 19.12.2006

b) The Company was originally incorporated as Welspun-Lone Star Tubular LLC. The name was changed to Welspun Tubular LLC w.e.f. 02.08.2007.

c) Registered Office address : - Corporation Trust Center, 1209, Orange Street, City of Wilmington, County of New Castle, Delaware 19801, USA.

d) Nature of Business: - Manufacturing of steel pipes and coating.

e) The Company is not a sick industrial undertaking.

f) Brief financials based on audited accounts for the last three years are given below:

(Rs. In Lakhs)

Period for the year ended	**MARCH 31, 2007***	**MARCH 31, 2008***	**MARCH 31, 2009***
Months	**12**	**12**	**12**
Type	Audited	Audited	Audited
Paid-up Equity Share Capital	Nil	Nil	Nil
Reserves (excl. revaluation reserves)	---	---	---
Earning per share (Rs. per share)	---	---	---
Total Income	---	---	9,238.20
Profit After Tax (PAT)	---	---	(1,569.80)
NAV per share in Rs. (Equity Shares of Rs. Each)	---	---	---

* The Company was in the project stage during first 2 years (FY-2006-07 & FY-2007-08) and commissioned its production/operations in the last quarter of FY-2008-09.

The Financial statements have been converted into Indian Rupees at 1 USD = INR 43.51 for 2006-2007, INR 40.075 for 2007-2008 and INR 50.72 for 2008-2009.

4.3 Disclosures in terms of Regulation 16(ix) of the SEBI (SAST) Regulations, 1997 and Acquirer's future plans for the Target Company

4.3.1 The Acquirer believes that the acquisition of construction business is step towards growing the financial footprints. This move of acquiring a majority stake in Target Company will strategically strengthen the position of the Welspun Group as leading infrastructure developer in the Country. The Acquirer also believes that acquisition of a majority stake in Target Company is in line with business strategy.

4.3.2 To the extent required and to optimize the value to all shareholders, the Acquirer may, subject to applicable shareholder's consent, enter into any compromise or arrangement, reconstruction, restructuring, merger, rationalizing and/or streamlining of various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. Notwithstanding, the immediately preceding, the Board of Directors of Target Company will take appropriate decisions in these matters in line with the requirements of the business and opportunities from time to time. The Acquirer does not have any plan to dispose off or otherwise encumber any asset of the Target Company in the next two years except in the ordinary course of business of Target Companyand except to the extent mentioned above.

4.3.3 The Acquirer undertakes that it shall not sell, dispose off or otherwise encumber any substantial assets of Target Company, other than in the ordinary course, except with the prior approval of the shareholders of Target Company. An undertaking to this effect has been provided to the Manager to the Offer.

4.3.4 The Acquirer has no specific plan and the Acquirer will evolve specific plans in due course of time after assuming control of Target Company and hence there is no specific implementation framework.

5 OPTION IN TERMS OF REGULATION 21(2), IF APPLICABLE

Upon completion of the Offer, assuming full acceptances in the Offer, the Acquirer will hold 3,04,58,326 shares constituting 76.15% of the post Preferential Issue equity share capital of the Target Company. As per Clause 40A of the Listing Agreement with the BSE, NSE and VSE, the Target Company is required to maintain at least 25% public shareholding on a continuous basis. In the event that the acquisition made in pursuance to the Offer results in the public shareholding of the Target Company falling below such minimum level, the Acquirer undertakes to take necessary steps to bring back public shareholding of at least 25% as required under the Listing Agreements, within the time period mentioned therein or in accordance with such other directions as may be provided by the relevant stock exchanges, in accordance with the provisions of Regulation 21(2) of the SEBI (SAST) Regulations, 1997.

6 BACKGROUND OF THE TARGET COMPANY

6.1 The Target Company, incorporated on December 20, 1994 as MSK Projects (India) Limited, by conversion of the partnership firm M.S. Khurana into a public limited company, under Section 566 of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli and issued a Certificate of Incorporation bearing number 04-23920 of 1994-95 and CIN Number U24230GJ2005PLC23920 and having its registered office and corporate office at 707-708, Sterling Centre, R.C. Dutt Road, Alkapuri, Vadodara-390005 Tel: +91-265-2344756, Fax: +91-265-2341642.

6.2 The Target Company is currently engaged inter alia in the business of construction, acting as land developers and contractors for turnkey and build operate transfer projects. Presently, Target Company has been undertaking the projects for residential township, industrial projects and infrastructure development projects specially road sector on build-operate and transfer (BOT) basis. Target Company is also serving and executing industrial projects for various large scale private as well as public sector companies engaged in the business of petrochemical, fertilizers, pharmaceutical, mining etc.

Target Company has also ventured into water distribution projects and other surface transport projects involving construction of public utilities. Target Company is presently implementing a project which is arguably the second project in the country involving construction of dedicated water supply infrastructure from a perennial source to medium and large scale industries in a industrial area in Dewas in Madhya Pradesh.

6.3 Target Company also has three subsidiaries, namely, (a) MSK Projects (Himatnagar Bypass) Private Limited; (b) Super Infrastructure and Toll Bridge Private Limited; and (c) MSK Projects (Kim Mandvi Corridor) Private Limited. In addition to the subsidiaries, the Target Company has two integrated joint ventures, namely (a) Dewas Bhopal Corridor

Limited; and (b) Bull MSK Infrastructure Projects Private Limited. Further, Mansha Textiles Private Limited is an associated concern of the Target Company.

6.4 The share capital structure of Target Company is as follows:

Paid up Equity shares of Target Company	No. of Equity shares / Voting Rights	% of Equity shares / Voting Rights
Fully paid up equity capital	40,000,000	100%
Partly paid-up equity capital	Nil	Nil
Total issued and paid up equity capital	**40,000,000**	**100%**

6.5 Build up of the Capital Structure of Target Company

Date of allotment	No of shares issued	% of shares issued**	Cumulative Number of shares	Mode of allotment	Consideration	Identity of allottees	Status of compliance
20.12.94	932,886	100.00%	932,886	Allotted to partners of firm M.S. Khurana under part IX of the Companies Act, 1956	other than cash	Promoters and Promoter Group	Complied with provisions of Companies Act, 1956
01.01.95	797,060	46.07%	1,729,946	Allotted to Shareholders of M.S. Khurana (Eng. Constructions Pvt. Ltd.)	other than cash	Promoters and Promoter Group	Complied with provisions of Companies Act, 1956
01.01.95	140,165	7.50%	1,870,111	Preferential issue	other than cash	Promoters and Promoter Group	Complied with provisions of Companies Act, 1956
01.04.95	4,220	0.23%	1,874,331	Preferential issue	other than cash	Promoters and Promoter Group	Complied with provisions of Companies Act, 1956
03.09.96	720,897	46.07%	2,595,228	Bonus Issue	---	Promoters and Promoter Group	Complied with provisions of Companies Act, 1956
03.03.99	1,454,645	46.07%	4,049,873	Bonus issue	---	Promoters and Promoter Group	Complied with provisions of Companies Act, 1956

31.03.99	780,000	16.15%	4,829,873	Preferential issue	Cash	Promoter Group	Complied with provisions of Companies Act, 1956
10.07.00	1,235,547	46.07%	6,065,420	Bonus issue	---	Promoters and Promoter Group	Complied with provisions of Companies Act, 1956
10.07.00	41,400	0.68%	6,106,820	Preferential issue	Cash	Promoters and Promoter Group	Complied with provisions of Companies Act, 1956
27.10.04	6,010,958	49.60%	12,117,778	Initial Public Offering (IPO)	Cash	Public	Complied with DIP Guidelines, 2000 and Companies Act, 1956
29.08.05	2,500,000	17.10%	14,617,778	Preferential issue	Cash	Body corporates	Complied with DIP Guidelines, 2000 and Companies Act, 1956 u/r. 7 of the Regulations
29.07.06	1,399,566	8.74%	16,017,344	Conversion of FCCB Series 'A'	Converted at Rs. 45.15 = 1 USD	FII	Complied with FEMA Act, 1999 and FCCB and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 u/r. 7 of the Regulations
20.10.07	1,883,015	10.52%	17,900,359	Conversion of FCCB Series 'B' worth USD 4 Mn.	Converted at Rs. 45.15 = 1 USD	Foreign Body corporate	Complied with FEMA Act, 1999 and FCCB and Ordinary Shares (through Depository Receipt

20. 10.07	4,450,000	19.91%	22,350,359	Preferential issue	Cash	Body corporates	Complied with DIP Guidelines, 2000 and Companies Act, 1956 u/r. 7 of the Regulations
03.12.07	470,753	2.06%	22,821,112	Conversion of FCCB Series 'B' worth USD 1 Mn.	Converted at Rs. 45.15 = 1 USD	Foreign Body Corporate	Complied with FEMA Act, 1999 and FCCB and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 u/r. 7 of the Regulations
27.04.10	17,178,888	42.95%	40,000,000	Preferential issue	Cash	Body corporate – Acquirer	Complied with ICDR Regulations, 2009 and Companies Act, 1956 u/r. 7 of the Regulations
Total	**40,000,000**						

** Percentage of shares is calculated on the basis of capital as on the date issue.

6.6 There has been no suspension of trading of the equity shares of Target Company on BSE, NSE and VSE.

6.7 All the equity shares of Target Company are currently listed on BSE, NSE and VSE except 17,178,888 Equity Share Issued and alotted on perferancel basisic on april 27, 2010.

6.8 There are no partly paid-up equity shares of the Target Company. There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures, etc. which are convertible into equity shares at any later date as on the date of this Letter of Offer.

6.9 Chapter II Compliance :

- Except for acknowledged copy / dispatch proof for the submission of the disclosures required to be filed under Chapter II of the Regulations for the year 2005 which were not available for verification, the Target Company has complied with the applicable provisions of Chapter II of the Regulations within the stipulated time
- Disclosure with the Stock Exchanges under regulation 8(3) of SEBI (SAST) Regulations, 1997 was filed with a delay of 27 days for the year 2005 by the Target Company. The Target Company had filed an 'application for consent order' with SEBI on February 9, 2008 for the said delay. The Consent order No. CO/EFD/DRA-II/487/46/2008 dated September 22, 2008 was passed by SEBI. Target Company has paid Rs. 50,000/- towards the settlement charges
- All the major shareholders have complied with the provisions of Chapter II of the Regulations within stipulated time.

6.10 Target Company is in compliance with the listing agreements entered into with the Stock Exchanges. No penal action has been initiated by Stock Exchanges against the Target Company. Further, no investigations, proceedings, or inquiries are pending against Target Company by the Securities and Exchange Board of India, any recognized stock exchange, or any other regulatory authority, in relation to the securities of Target Company or trading therein or otherwise.

6.11 The Board of Directors of the Target Company as on the date is as under :

Name (Designation)	Date of Birth	Date of appointment	Qualification	Experience	Residential Address
Ashok M. Khurana (Managing Director)	23/11/1943	1/1/1995	B.Com	41 years experience in the construction line.	1, Vikram Society, Gotri Road, Vadodara
Amit A. Khurana (Executive Director)	23/12/1979	10/8/2001	B.B.A	10 years experience in the field of construction	1, Vikram Society, Gotri Road, Vadodara
Manju A. Khurana (Executive Director)	19/09/1951	1/01/1995	Sociology	26 years experience in the field of construction	1, Vikram Society, Gotri Road, Vadodara
Mohanan S. Choran (Executive Director)	18/05/1951	20/12/1994	B.Com	22 years of experience in the construction line. Mainly into accounts and finance of the Company	1122, Dutt Nagar, Gotri Road, Vododara
Mayur R. Parikh (Director)	13/11/1959	7/10/2004	B.Com , L.L.B. , F.C.A	He is a practicing Chartered Accountant	H/62, Management Enclave, Vastrapur, Ahmedabad : 52
Dipti Shah (Director)	14/07/1960	27/10/2004	B.Com ,F.C.S	Fellow member of Institute of Company Secretaries of India	601, Shailraj Tower, Vastrapur, Ahmedabad- 15
Ashok Gandhi (Director)	04/12/1939	27/10/2004	B.Com, LLB	He is a renowned lawyer and practising at Ahmedabad .	2, Prabhat Society, Paldi, Ahmedabad – 380007
Sanjay Mehta (Director)	03/02/1966	15/03/2005	B.com , FCA	He is a practicing Chartered Accountant	47, Manish Puri – Indore – 452001 Madhya Pradesh
Nirmal Gangwal (Director)	18/09/1956	30/01/2008	LL.B.(GEN.),FCA,FCS	He has over 22 years of experience in the field of merchant banking, financial restructuring, private equity placements and mergers & acquisitions	701/702, Krishnabaug, 8/11th Road, Khar (West), Mumbai – 400 052
Mr. Balkrishan K. Goenka	15/08/1966	27/04/2010	B.com	He has over 23 years experience in textiles, retail and steel	Rocky Isle, 46/C, Bhulabhai Desai Road, Breach Candy, Mumbai-400026
Mr. Yogesh Verma	28/09/1957	27/04/2010	B.E. (Hons.), M.E.	He has over 30 years of experience in manufacturing, marketing, real estate and infrastructure development	201, Mon Repos, D'monte Park Road, Bandra (West), Mumbai – 400 050

Mr. Balkrishan K. Goenka & Mr. Nirmal Gangawal are also on the Board of Directors of the PAC.

6.12 There are no merger /de-merger, spin off during last 3 years involving the Target Company.

6.13 The audited financials of Target Company for the last three years and certified financials for half year ended on September 30, 2009 are as follows: (Rs. in Lakhs)

Profit and Loss statement (For the year ended)	**Dec.31, 2009 (Certified)**	**March 31,2009 (Audited)**	**March 31, 2008 (Audited)**	**March 31,2007 (Audited)**
Months	9	12	12	12
Income Statement				
Income from operations	31,189.38	3,6591.76	24,411.85	15,701.06
Other Income	233.22	439.48	299.20	450.94
Change in WIP	(1,029.36)	814.40	287.08	56.18
Total Income	**30,393.24**	**37,845.64**	**24,998.13**	**16,208.18**
Total Expenditure	**23,225.35**	**30,075.49**	**19757.64**	**12,961.15**
PBDIT	7,167.89	7,770.15	5240.49	3,247.03
Depreciation (including amortization)	2,054.28	2,412.27	1217.26	886.94
Interest (incl. Bank Charges)	2,309.24	2,721.42	2,023.94	1,164.27
Profit before Tax	**2,804.37**	**2,636.46**	**1999.29**	**1,195.82**
Extra Ordinary Income	Nil	Nil	40.57	Nil
Prior Yr Income/Expenses	Nil	102.39	7.81	Nil
Provision for Tax	440.00	380.00	315.44	190.00
Provision for FBT	Nil	4.20	4.85	2.84
Deferred tax	Nil	(14.77)	12.25	(19.80)
Profit/(Loss) After Tax	**2,364.37**	**2,369.42**	**1,715.13**	**1,022.78**

Balance Sheet as at	**Dec.31, 2009 (Certified)**	**March 31,2009 (Audited)**	**March 31, 2008 (Audited)**	**March 31,2007 (Audited)**
Paid up Equity Share Capital	2,282.11	2,282.11	2,282.11	1,601.73
Reserves & Surplus (excl. Revaluation Reserves)	27,676.63	25,312.61	23,210.18	16,575.92
Sub Total	**29,958.74**	**27,594.72**	**25,492.29**	**18,177.65**
Secured Loans	21,605.00	23,276.41	17,362.53	13,221.83
Unsecured Loans	Nil	1,300.00	1,300.00	2,297.30
Sub Total	**21,605.00**	**24,576.41**	**18,662.53**	**15,519.13**
Deferred Tax Liability	95.89	95.89	110.66	98.41
Total	**51,659.63**	**52,267.02**	**44,265.48**	**33,795.19**
Uses of funds				
Net Fixed Assets	6,031.77	6,723.78	4,068.58	1,664.89
BOT Project Expenses	27,053.82	28,273.80	28,435.00	23,640.49
Investments	6,309.24	6,309.24	5,723.23	864.50
Net Current Assets	12,264.80	10,960.20	6,038.67	7,623.44
Miscellaneous Expenditure not written off	Nil	Nil	Nil	1.87
Total	**51,659.63**	**52,267.02**	**44,265.48**	**33,795.19**

Other Financial Data	**Dec. 31, 2009 (Certified)**	**March 31,2009 (Audited)**	**March 31, 2008 (Audited)**	**March 31, 2007 (Audited)**
Dividend (%)	---	10	10	10
Networth (Rs. Lakhs)	29,958.74	27,594.72	25,492.29	18,177.65
Earnings per Share (Rs.)	10.36	10.38	7.51	6.57**
Return on Networth (%)	7.89	8.59	6.73	5.63
Book Value per share (Rs.)***	94.55	120.92	111.70	113.48

** Calculated on the basis of weighted average number of equity shares
***Reserve & Surplus includes cash subsidy of Rs. 8380.00 Lakhs received against BOT Projects and the same is not considered in calculation of the Book Value.

Source: Annual Report of Target Company for the years 2006-2007, 2007-2008, 2008-2009 and certified accounts for the Nine months ended on December 31, 2009 by the statutory auditors of the Target Company.

6.14 Reasons for rise and fall in Income and Profit after Tax during the last three years

Financial year ended March 31, 2009

Total Income for the financial year ended on 31st March, 2009 is Rs. 37,845.64 Lakhs as against Rs. 24,998.13 Lakhs for the financial year ended 31st March, 2008. Profit after Tax (PAT) for the financial year ended March 31, 2009 is Rs. 2,369.42 Lakhs as against Rs. 1,715.13 Lakhs for previous financial year ended 31st March, 2008. The income has increased in the financial year 2008-2009 as compared to previous financial year 2007-2008 due to increase in gross toll collection by Rs. 1,118.72 Lakhs from the projects on BOT Basis. The contract receipt has increased by 91.66% compared to previous financial year hence the profit has increased for the financial year 2008-2009 as compare to previous financial year 2007-2008.

Financial year ended March 31, 2008

Total Income for the financial year ended on 31st March, 2008 is Rs. 24,998.13 Lakhs as against Rs. 16,208.18 Lakhs for the financial year ended 31st March 2007. Profit after Tax (PAT) for the financial year ended March 31, 2008 is Rs. 1,715.13 Lakhs as against the PAT for previous financial year ended 31st March, 2007 of Rs. 1,022.78 Lakhs. . The income has increased in the financial year 2007-2008 as compared to previous financial year 2006-2007 due to increase in gross toll collection by Rs. 491.03 Lakhs from the projects on BOT Basis the rise in income is mainly attributable to increase in contract receipt by 143 %. Rise in profit is mainly due to reduction in the material cost as well as reduction in site cost and other cost compared to previous year.

Financial year ended March 31, 2007

Total Income for the financial year ended on 31st March, 2007 is Rs. 16,208.18 Lakhs as against Rs. 8,255.31 Lakhs for the financial year ended 31st March, 2006. Profit after Tax (PAT) for the financial year ended March 31, 2007 is Rs. 1,022.78 Lakhs as against Rs. 780.75 Lakhs for previous financial year ended 31st March, 2006. The income has increased in the financial year 2006-2007 as compared to previous financial year 2005-2006 due to increase in the gross toll collection by Rs. 1,427.40 Lakhs from the projects on BOT Basis. The contract receipt has decreased by 8.34 % compared to previous financial year hence the profit has increased for the financial year 2006-2007 as compared to previous financial year 2005-2006.

6.15 Pre and Post offer shareholding pattern of Target Company is as follows :

Sr. No.	Shareholder Category	Shareholding / voting rights prior to the SPAs & Preferential Issue		Shares / voting rights to be acquired through SPAs		Shares / voting rights acquired through Preferential Issue #		Shares / voting rights post SPAs and Preferential Issue		Shares/ voting rights to be acquired in the Open offer (Assuming full acceptance)		Shareholding /voting rights after acquisition and Open Offer	
		A	%	B	%	C	%*	D	%*	E	%*	F=D+E	%*
1)	**Promoter Group**												
a.	Parties to the Agreement (SPA1)	4,862,345	21.31	(4,752,345)	(20.82)	-	-	110,000	0.28	-	-	Refer Note No.1	-
b.	Promoters other than (a) Above	86,150	0.38	-	-	-	-	86,150	0.22	-	-		-
	Total (1)	**4,948,495**	21.68	**(4,752,345)**	**(20.82)**	-	-	**196,150**	**0.49**	-	-	-	-
2)	**Acquirer and PAC**												
a.	**Acquirer**												
	Welspun Infratech Ltd.	-	-	5,279,438	23.13	17,178,888	42.95	22,458,326	56.15	8,000,000	20.00	30,458,326	76.15
b.	**PAC**												
	Welspun Gujarat Stahl Rohren Ltd.	-	-			-	-			-	-	-	-
	Total (2)	**-**	**-**	**5,279,438**	**23.13**	**17,178,888**	**42.95**	**22,458,326**	**56.15**	**8,000,000**	**20.00**	**30,458,326**	**76.15**
3)	**Parties to the Agreement other than (1) & (2) (SPA 2)**	**527,093**	**2.31**	**(527,093)**	(2.31)	-	-	-	-	-	-	-	-
4)	**Public (other than parties to agreement)**												
a	Fis/MFs/FIIs/Banks, SFIs	568,271	2.49	-	-	-	-	568,271	1.42	(8,000,000)	(20.00)	9,541,674	23.85
b	Others	16777253	73.52	-	-	-	-	16,777,253	41.94				
	Total (4)	**17,345,524**	**76.01**	-	-	-	-	**17,345,524**	**43.36**	**(8,000,000)**	**(20.00)**	**9,541,674**	**23.85**
	Grand Total (1+2+3)	**22,821,112**	**100.00**	-	-	**17,178,888**	**42.95**	**40,000,000**	**100.00**	-	-	**40,000,000**	**100.00**

Notes :

1. The Holding of erstwhile promoter group will be included in the public category after the completion of the offer formalities due to change in control
2. # Acquirer has not acquired any equity shares in the Target Company after the Public Announcement except shares issued and allotted on preferential basis
3. Shareholding pattern as on March 19, 2010 is as per the data provided by the Target Company.
4. * Percentage calculated based on the post issue share capital.
5. As on the Specified Date (March 26, 2010) the total number of shareholders of Target Company is 8787.

6.16 Details of shares acquired / sold by Promoters from the month of Listing of shares of the Target Company on the Stock Exchanges are given below:

Period / Year	Mode of acquisition	*Shares acquired Number & (%)	*Shares sold Number & (%)	*Cumulative shares Number & (%)	Compliance
Opening as on 31st October, 2004	--	--	--	48,94,649 (40.39%)	NA
31st October 2004 - 2005	--	--	--	48,94,649 (40.39%)	NA
2005-2006	Off Market Purchase	36,400 (0.25%)	--	49,31,049 (33. 73%)	NA
2006-2007	Market Purchase	17,446 (0.11%)	--	49,48,495 (30.89%)	NA
2007-2008	--	--	--	49,48,495 (21.68%)	NA
2008-2009	--	--	--	49,48,495 (21.68%)	NA
2009- till the date of PA	Market Purchase / Sale	226,284 (0.99%)	226,284 (0.99%)	49,48,495 (21.68%)	Complied under regulation 3(3), 3(4) 7(1), 7(1A)
	Interse Transfer	4,480,000 (19.63%)	4,480,000 (19.63%)		

*Percentages have been computed based on the issued and paid-up capital as on the date of acquisition.

6.17 The Promoters have complied with the applicable provisions of Chapter II of the SEBI (SAST) Regulations, 1997 without any delay.

6.18 A date wise detail of acquisition / sale of the equity shares of Target Company by the Promoters is as follows:

Date	Opening Balance of Promoter group	Opening Capital	Opening % holding - promoter group	Name of the Promoter	No. of Shares Acquired	Mode of Acquisition (Memorandum/IPO/ FPO/Market Purchases Preferential Allotment/Rights Issue/Bonus Shares/ Inter-se-transfer etc.,)	No. of Shares sold	Closing Capital	Closing holding promoter group	Closing % holding promoter group	Increase / Decease in percentage holding Promoter group (+/- %)	Compliance Status
31.10.2004	4,894,649	12,117,778	40.39%		0		0	12,117,778	4,894,649	40.39%	0.00%	
14.03.2006	4,894,649	14,617,778	33.48%	Neelakshi Khurana	36,400	Off Market	-	14,617,778	4,931,049	33.73%	0.25%	N.A.
05.03.2007	4,931,049	16,017,344	30.79%	Ashok Khurana	1,000	Market Purchase	-					N.A.
05.03.2007				Amit Khurana	2,500	Market Purchase	-	16,017,344	4,934,549	30.81%	0.02%	N.A.
07.03.2007	4,934,549	16,017,344	30.81%	Ashok Khurana	4,500	Market Purchase	-	16,017,344	4,939,049	30.84%	0.03%	N.A.
09.03.2007	4,939,049	16,017,344	30.84%	Ashok Khurana	1,389	Market Purchase	-	16,017,344	4,940,438	30.84%	0.01%	N.A.
15.03.2007	4,940,438	16,017,344	30.84%	Ashok Khurana	4,557	Market Purchase	-	16,017,344	4,944,995	30.87%	0.03%	N.A.
16.03.2007	4,944,995	16,017,344	30.87%	Ashok Khurana	3,500	Market Purchase	-	16,017,344	4,948,495	30.89%	0.02%	N.A.
16.03.2010	4,948,495	22,821,112	21.68%	Mohan S. Choran	-	Market sale	30,924					N.A.
16.03.2010				Bindiya Khurana	-	Market sale	40,843					N.A.
16.03.2010				Surendra Choran	-	Market Sale	20,046					N.A.
16.03.2010				C.Rameshan	-	Market Sale	4,611					N.A.
16.03.2010				C. Ravindran	-	Market Sale	4,610					N.A.
16.03.2010				C. Mohan (HUF)	-	Market Sale	43,149					N.A.
16.03.2010				M. S. Khurana (HUF)	-	Market Sale	36,186					N.A.
16.03.2010				Neelakshi Khurana	180,369	Market Purchase	-	22,821,112	4,948,495	21.68%	0.00%	N.A.
17.03.2010	4,948,495	22,821,112	21.68%	Rashika Khurana	-	Market Sale	45,915	22,821,112				N.A.
17.03.2010				Neelakshi Khurana	45,915	Market Purchase	-	22,821,112				U/r. 7(1) of the Regulations
17.03.2010				Ashok Khurana	-	interse transfer	2,330,000	22,821,112				U/r. 7(1A) of the Regulations
17.03.2010				Amit Khurana	-	interse transfer	1,385,000	22,821,112				U/r. 7(1A) of the Regulations
17.03.2010				Manju Khurana	-	interse transfer	765,000	22,821,112				U/r. 7(1A) of the Regulations
17.03.2010				Neelakshi Khurana	4,480,000	interse transfer	-	22,821,112	4,948,495	21.68%	0.00%	U/r.7(1), U/r. 3(3) & 3(4) of the Regulations

Note :

Upto August 28, 2005 Equity Shares.	12,117,778	At the time of IPO
August 29, 2005 to July 28, 2006 Equity Shares.	14,617,778	Preferential Issue
July 29, 2006 to October 20, 2007 Equity Shares.	16,017,344	Conversion of FCCB Series 'A'
October 20, 2007 onwards on Equity Shares	22,350,359	Conversion of FCCB Series 'B' worth USD 4 Mn and Preferential Issue
December 3, 2007 onwards on Equity Shares	22,821,112	conversion of FCB Series 'B' worth USD 1 Mn

*Percentages have been computed based on the issued and paid-up capital as on the date of acquisition.

6.19 Target Company has duly complied with the various requirements of Clause 49 relating to corporate governance under the Listing Agreement with the Stock Exchanges from time to time.

6.20 Following are the details of litigation pending by and / or against Target Company. :

A. Court Cases (Civil & Criminal): Filed by Target Company

Sr. No.	Respondent	Brief facts	Case Number / Court	Status
1	Shrinivas Plates & Structures Co. Ltd & others	For recovery of amounts Rs. 8.42 Lacs.	Special Civil Suit No. 35/2003 Civil Judge, Senior Division, Baroda	Service for Notice 23.06.2010
2	Shrinivas Plates & Structures Co. Ltd & others	For recovery of amounts Rs. 9.32 Lacs	Special Civil Suit No. 38/2003 Civil Judge, Senior Division, Baroda	Date of hearing awaited (Transfer_Court)
3	Sun Earth Ceramics Ltd & others	For recovery of amounts to Rs.428.46 Lacs	Summary Suit No. 398/2005 Civil Judge, Senior Division, Baroda	Date of hearing awaited (Transfer_Court)
4	Savana Ceramics ltd & others	For recovery of amounts money Rs. 709.56 Lacs.	Special Civil Suit No. 17/2004 Civil Judge, Senior Division, Bharuch	Further Evidence of Plaintiff 21.06.2010
5	Chem Star	For recovery of amounts Rs.30.60	Special Civil Suit No. 337/2002 Civil Judge, Senior Division, Baroda	Date of hearing awaited (Transfer_Court)
6	Vadodara Municipal Corporation (VMC)	For restraining imposing of tax against Vadodara Municipal Corporation.	Case No. 8/2007 Main Civil Court, Senior Division, Baroda	Pending for reply from VMC 23.06.2010
7	Vadodara Municipal Corporation (VMC)	For restraining imposing of tax against Vadodara Municipal Corporation.	Case No. 12/2007 Main Civil Court, Senior Division, Baroda	Pending for reply from VMC 24.06.2010
8	UP Jal Nigam ltd & others	Suit for restraining invoking of Bank Guarantee of Rs. 14,00,000/-	RCS. No.1151/2009 Civil Judge, Senior Division, Baroda	Pending for filing the rejoinder 15.06.2010

9	Municipal Corporation Jalandhar	For restraining from removing the commercial advertisement boards.	Jalandhar Civil Court	Pending for hearing 04.08.2010
10	Director State Transport Jalandhar & others	Appeal for restraining the recovery of amount of House Tax in respect of Jalandhar Bus Terminal	Punjab Infrastructure Regulatory Authority ('PIRA')	Awaited for Final Order
11	Punjab State Electricity Board	Appeal for restraining the recovery of amount of additional bill.	Ludhiana District Court	Pending for hearing 02.08.2010
12	Director State Transport , Punjab & others	Appeal for restraining the recovery of amount of House Tax in respect of Ludhiana Bus Terminal	Punjab Infrastructure Regulatory Authority ('PIRA')	Pending for hearing 06.07.2010
13	Director State Transport , Punjab & others	Application for restraining the recovery amount of Sewer Bill in respect of Jallandhar Bus Terminal	Punjab Infrastructure Regulatory Authority ('PIRA')	Pending for Reply 06.07.2010
14	CICON Environment Technologies Ltd	Special Leave to Appeal against the order of the Gujarat High Court (Original Complaint under Sec. 138 of Negotiable Instruments Act) (Cheques amounts Rs. 24.77 Lac & Rs.39.72 Lac)	Special Leave Petition (Criminal) No. 4227/2007 & 4228/2007 Supreme Court New Delhi	Date of hearing awaited
15	Sun Earth Ceramics ltd & others	Complaints under Sec.138 of Negotiable Instruments Act (Cheques amounts Rs. 150.00 lacs)	Criminal Complaint: 4806/2002 4874/2002 1581/2003 1582/2003 1583/2003 Chief Judicial Magistrate Court, Baroda	Date of hearing awaited
16	Shrinivas Plates & Structures (SPS) Co. Ltd & others	Complaint against Sec.138 of Negotiable Instruments Act (Cheque amounts Rs. 5.40 lac)	Criminal Complaint No. 3799 / 2000 Chief Judicial Magistrate Court, Baroda	Date of hearing awaited

B. Cases (Civil & Criminal): filed against Target Company

Sr. No.	Party Name	Brief of the Case	Case Number / Court	Status
1	Amar Builder	Suit for recovery of Money. Disputed amount Rs.50,000/-	Money suit No. No. 923/2003 Small Causes Court, Baroda	Pending for service for notice _ Plaintiff 05.07.2010
2	Vikram Cement	Suit for recovery of Money. Disputed amount Rs.93327/-	Money suit No. No. 327/2000 Small Causes Court, Baroda	Pending for service for notice _ Plaintiff 05.07.2010
3	Shivsamarth Engineer	Suit for recovery of Money. Disputed amount Rs.55490	Regular Civil suit No. 77/2005/C Civil Court Junior Division Panji	Pending for evidence (matter will be in June)
4	Shivsamarth Engineer	Suit for recovery of Money. Disputed amount aprrx. Rs.1,17,087	Regular Civil suit No. 69/2005/A Civil Court Junior Division Panji	Pending for evidence (matter will be in June)
4	Mr. Kantilal Sharma	MSK issued Cheque to party of Rs. 4,38,500/ as collateral security for using its land. Party has filed compliant disputing the nature of payment from Madhya Pradesh	Criminal Complaint No. 542/2005 Harda Chief Judicial Magistrate Court	Hearing in progress (matter will be in June)
5	Sangeeta Prithiraj Khandekar (Thana)	Appeal against Award of Labour Court, Thane dated 17.02.2009 matter of Workmens' Compensation Application No. 321/B – 81 of 2002. (Compensation awarded Rs.2,99,000)	CAF (Delay Condoned Appliction) / 3203/2009 CAF (Stay Application) / 3204/2009 FAST (First Appeal) /18320/2009 Workmen Compensation Act Bombay High court	The Application for Condonation of Delay is allowed on 22.04.2010 Matter may be listed after vacation. (in June)
6	Jagdishsingh Bhadoriya	The Application of Execution of Award Rs. 97,603.00, passed by the Commissioner of the Workmen Compensation , Bhopal	W.C.Case No. 3 /10 (Misc) Bhopal Labour Court	Reply
7	ROC (Ahmedabad)	Complain for the violation of Section 58 (A) of Companies Act & rules of the Companies (Acceptance of Deposit) Rules 1975	Criminal Complain No. 2589/2010 Chief Judicial Magistrate, Baroda	29.06.2010 For reply

C. Court Cases (Motor Vehicle Accident cases): filed against Target Company

Sr. No.	Party Name	Brief of the Case	Case Number / Court	Status
1	Khumsinh Chenna Bhilala V/s Ratilal Chaudhary MSK Projects United India Insurance Company	Claim for injury in the Accident caused by Company's Vehicle . claim amount Rs. 2,00,000/-	MACT No. No. 22/2005 Jobat (MP) MACT Court	Awaited the date
2	Shishir Parida V/s Deepak Sharma MSK Projects Bajaj Alienz General Insurance Company	Claim for injury in the Accident caused by Company's Vehicle. claim amount of Rs. 5,00,000/-	MACT No. No. 93/2009 Kannaud (Dist. Dewas) (MP) MACT Court	Reply from Insurance Company & others pending
3	ICICI Lombard General Insurance v/s. Mr.Raju & Rajendra & others	Insurance Company filed Appeal against Award Rs. 4,62,000.00 passed by M.A.C.T , Harda (M.P.) dated 13.07.2009	Misc. Appeal No. 5126/2009 High Court of MP, Jabalpur	For appearing 16.04.2010
4	Kashuben Chaudhary V/s Madan Suryavansi MSK Projects United India Insurance Co.	Claim for death in the Accident caused by Company's Vehicle . claim amount Rs. 4,00,000/-	MACT No. No. 26/2010 Vyara (Dist. Surat) MACT Court	Pending for Reply

D. Labour Court Cases: Against the Target Company

Sr. No.	Party Name	Case Matter	Place	Status
1	Labour Officer , Hausangabad (M.P.)	Application No. 01/ERA/04 (Bareli Pipariya Project) is filed under the provision of Minimum Wages Act 1948	Hausangabad Labour Court (JMFC)	Pending for reply of MSK Matter in June
2	Labour Officer , Hausangabad (M.P.)	Application No. 15/06 (Hausangabad & Harda Road Project) is filed under the provision of Minimum Wages Act 1948	Hausangabad Labour Court (JMFC)	Pending for reply of MSK Matter in June
3	Labour Officer , Hausangabad (M.P.)	App. No. 17/06 (Hausangabad & Harda Road Project) is filed under the provision of Minimum Wages Act 1948	Hausangabad Labour Court (JMFC)	Pending for reply of MSK Matter In June
4	Factory Inspector Indore	Application is filed under the provision of Section 105, Factory Act 1948	Chief Judicial Magistrate Court, Dewas	Pending for reply of MSK (last Week of May)
5	Labour Officer Indore	App. No. 14/2007 is filed under the provision of Minimum Wages Act	Labour Officer (Central) Indore	Pending for reply of MSK
6	Labour Officer Indore	App. No. 19/2009 filed under the provision of Minimum Wages Act 1948	Labour Officer (Central) Indore	Pending for reply of MSK
7	Labour Officer Dhar	App. 611/2006 Sec. 23 & 24 CL Act	J.M.F.C., Dhar Labour Court, Dhar	Pending for hearing 11.06.2010

E. Details of pending Arbitration matters:

Sr.No	Party Name	Claim / Counter-claim	Status
1	M/s. MSK Projects (India) Ltd & M/s. SVC Superchem Ltd	Rs. 805.131 lakh is filed against the SVC Superchem Ltd, in respect of Construction of TA/PTA Plant at Chhata, Mathura Counter claim filed against MSK Rs.141.51 Crores	Matter is pending on Cross Examination of Claimant Witness 30th May 2010
2	M/s. MSK Projects (India) Ltd & Shree Sanwaliyaji Mandir Mandal, Mandphiya, Dist. Chittorgarh	Claim for Rs. 259.08 lakh is filed by MSK Counter Claim for Rs. 152.45 Lacs is filed by Shree Sanwaliyaji Mandir Mandal, Mandphiya, Dist. Chittorgarh Matter pertains to Construction of 250 bedded Shree Sanwaliyaji Govt. Hospital at Chitorgarh	Award is awaited
3	M/s. MSK Projects (India) Ltd & State of Punjab, Director State Transport	(i) prayer for extending the Concession Period & (ii) Claim for amount of Rs. 10,35,000/- for Bill amounts for construction of terminal building and Rs. 7,50,000 for remuneration for services. Matter pertains to construction of Bus Terminal on BOT basis at Jalandhar	Matter on Argument 03.06.2010 & 04.06.2010
4	M/s. MSK Projects (India) Ltd & CICON Environment Technologies Ltd	Rs. 336.90 Lacs is claimed by the MSK Matter pertains to Construction of Waste to Energy Project at Bhandewadi, Nagpur	Award is waited.
5	Modern Thread India Ltd v/s MSk Projects (India) Ltd	The Arbitral Tribunal had passed the award for Rs. 47,00,000.00 in favour of MSK. The appeal is filed by the party against the award of the arbitrator	Matter on final hearing in District Court Jaipur 19.05.2010

F. Details of pending litigation under Income Tax Act, 1956

Details	2007-08	2006-07	2005-06	2004-05
Petitioner	MSK Projects (I) Ltd	MSK Projects (I) Ltd	ACIT, Cir-4, Baroda	ACIT, Cir-4, Baroda
Respondent	ACIT-Circle-4. Baroda	ACIT-Circle-4. Baroda	MSK Projects (I) Ltd.	MSK Projects (I) Ltd.
Jurisdiction	CIT-(A)-Vadodara	CIT-(A)-Ahmedabad	ITAT-Ahmedabad	ITAT-Ahmedabad
Brief of the case	Original Order Passed by ACIT-Circle-4, Baroda u/s 143 (3) For Rs. 3467524/-	Original Order Passed by ACIT-Circle-4, Baroda u/s 143 (3) For Rs. 4116317/-	Original Order Passed by ACIT-Circle-4, Baroda u/s 143 (3) For Rs. 1919476/-	Original Order Passed by Dy.CIT-Cen.Cir-1(2), Ahmedabad u/s 143 (3) For Rs. 6481720/-
Present Status	Appeal File with CIT (Appeal) BRD	Partly Allowed by CIT (Appeal)-III, BRD But We File an Appeal to ITAT in response to CIT(Appeal)-III, BRD's Order	allowed in CIT (Appeal - Ahmedabad) But ACIT Filed Appeal in ITAT, Decision is Pending	allowed in CIT (Appeal - Ahmedabad) But ACIT Filed Appeal in ITAT, Decision is Pending

G. Details of pending litigation under Income Tax Act, 1956

Details	2003-04	2002-03	2001-02	2000-2001	Block Period
Petitioner	MSK Projects (I) Ltd	ACIT-C.C. 1(2)	MSK Projects (I) Ltd	MSK Projects (I) Ltd	MSK Projects (I) Ltd
Respondent	ACIT-C.C. 1(2)	MSK Projects (I) Ltd	ACIT-C.C. 1(2)	ACIT-C.C. 1(2)	ACIT-C.C. 1(2)
Jurisdiction	ITAT-Ahmedabad	ITAT-Ahmedabad	ITAT-Ahmedabad	ITAT-Ahmedabad	ITAT-Ahmedabad
Brief of the case	Original Order Passed by ACIT-Cen.Cir-1(2), Ahmedabad u/s 143 (3) For Rs. 5437267/- & Panelty U/S 271 (C) For Rs. 3344550/-	Original Order Passed by Dy.CIT-Cen.Cir-1(2), Ahmedabad u/s 143 (3) For Rs. 8835971/- & Panelty U/S 271 (C) For Rs. 877700/-	Original Order Passed by ACIT-Cen.Cir-1(2), Ahmedabad u/s 143 (3) For Rs. 101874/- & Panelty U/S 271 (C) For Rs. 503900/-	Original Order Passed by Dy.CIT-Cen.Cir-1(2), Ahmedabad u/s 143 (3) For Rs. 5204767/- & Panelty U/S 271 (C) For Rs. 2421594/-	Original Order Passed by ACIT-Cen.Cir-1(2), Ahmedabad u/s 158(BC) For Rs. 33333781/-
Present Status	Appeal Filed with ITAT and hearing Pending	Allowed by CIT (Appeal)-I but the same filed with ITATby ACIT-C.C.-1(2), Ahmedabad	u/s 271 (1) (C) Amount of Rs. 503900/- allowed by ITAT, Subject to Produce before A.O. (BRD) and other disallowances U/S 143 (3) has allowed	Partly allowed by ITAT 143 (3), Details submit for 271 (C) to ITAT hearing fixed on 18.02.09 Decision is pending	hearing held on 31.12.2009 Decision is pending

6.21 Details of the Compliance Officer of Target Company:

Name	:	Ms. Susheela Maheshwari
Address	:	707-708 Sterling Centre, R. C. Dutt Road, Alkapuri, Vadodara 390 005.
Telephone	:	+91- 265 – 2344756,
Fax	:	+91- 265 – 2341642
Email I'd	:	csmsk@mskprojects.com

6.22 Additional information regarding earlier open offer announced in the year 2007 with regard to Target Company made by Subhkam Ventures (I) Pvt. Ltd. along with Subhkam Securities Private Limited and Mrs. Arti R. Kathotia

In the year 2007, Subhkam Ventures (I) Pvt. Ltd. along with Subhkam Securities Private Limited and Mrs. Arti R. Kathotia made an Open Offer to the shareholders of MSK Projects (India) Limited under regulation 10 of the Regulations. SEBI in terms of regulation 18(2) of the Regulations, besides giving general observations, directed Subhkam Ventures (I) Pvt. Ltd. to make an offer under regulation 10 and regulation 12 (change in control) instead of regulation 10 (mandatory offer) of the Regulations and revise the letter of offer accordingly. Being aggrieved by SEBI's direction, Subhkam Ventures (I) Pvt. Ltd. filed an appeal with Securities Appellant Tribunal (the "SAT"). SAT, vide its order dated January 15, 2010, allowed the appeal and set aside the direction of SEBI to make an offer under regulation 12 (change in control)(the "said SAT Order").

Pursuant, to the said SAT Order, Subhkam Ventures (I) Pvt. Ltd proceeded with the offer under regulation 10 and completed the open offer formalities and all its obligations under the Regulations on February 23, 2010. SEBI aggrieved by the said SAT Order, in terms of Section 15Z of the SEBI Act, 1992, has preferred an appeal against the said SAT Order with Hon'ble Supreme Court of India on March 19, 2010, which is pending for disposal before the Hon'ble Supreme Court.

(For details of earlier offer made by M/s. Subhkam Ventures (I) Pvt. Ltd. please refer Letter of Offer dated January 28, 2010 which is available on SEBI website http//:www.sebi.gov.in)

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

7.1.1 The Equity Shares of Target Company are currently listed on Bombay Stock Exchange Limited ('BSE'), National Stock Exchange of India Limited ('NSE') and Vadodara Stock Exchange Limited ('VSE').

7.1.2 The annualized trading turnover in the shares of Target Company on BSE and NSE based on trading volume during September 2009 to February 2010 (six calendar months preceding the month in which the PA is made) is as given below:

Stock Exchange	Total No. of Shares traded during 6 calendar months prior to the month in which the PA is made	Total No. of Listed shares	Annualized Trading Turnover (as % of Total Shares Listed)
NSE	3,05,74,584	2,28,21,112	267.95%
BSE	2,25,77,912	2,28,21,112	197.87%
VSE	Nil	2,28,21,112	Nil

(Source:www.bseindia.com; www.nseindia.com)

7.1.3 Based on the above information, the Equity Shares of MSK are frequently traded on BSE, NSE and are infrequently traded on VSE within the meaning of explanation (i) to regulation 20(5) of the Regulations. The Offer Price of Rs. 130.50/- (Rupees One Thirty Paise Fifty Only) per fully paid up equity share is justified in terms of Regulation 20(4) and 20(5) of the SEBI (SAST) Regulations, 1997 being the highest of the following:

(a)	Negotiated price payable under the SPA	Rs. 130.50
(b)	Proposed acquisition price under the Subscription Agreement (Preferential Issue)	Rs. 123.00
(c)	Highest price paid by the Acquirer for acquisitions including by way of allotment in a public or rights or preferential issue during the 26 weeks prior to the date of Public Announcement.	Not Applicable
(d)	The average of the weekly high and low of closing prices of the shares on NSE of the Target Company for the 26 weeks preceding the date of the Public Announcement	Rs 105.65 per share
(e)	The average of the daily high and low prices of the shares on NSE of the Target Company for the (2) two weeks preceding the date of the Public Announcement	Rs. 127.01 per share
(f)	The average of weekly high and low of closing prices of the shares on NSE of the Target Company for the 26 (twenty six) weeks preceding the date of the Board meeting dated March 18, 2010 where the Preferential Issue was proposed	Rs 104.65 per share
(g)	The average of daily high and low of closing prices of the shares on NSE of the Target Company for the (2) two weeks preceding the date of the Board meeting dated March 18, 2010 where the Preferential Issue was proposed	Rs 124.57 per share
	Other parameters with reference to the Target Company for	Year ended March 31, 2009
	Return on Net worth (%)	8.59
	Book Value (Rs.)	120.92
	Earnings Per Share (Rs.)	10.38
	Price / Earnings (PE) Ratio based on Offer Price	12.57

Mr. Suresh Sureka (Membership No. 34132) of M/s. Sureka Associates, Chartered Accountants, Mumbai, Tel: 022 2430 6150 Fax: 022 2432 7608 vide report dated March 18, 2010, has stated that based on the decision of the Hon'ble Supreme Court of India in the case of Hindustan Lever Employees Union Vs Hindustan Lever Limited, 1995 (83 Com case 30), the fair value of the equity shares of the Target Company is Rs. 64.79 per share.

7.1.4 The computation of average price in terms of regulation 20 (4) (c) of the Regulations is as below:

Table 1: The average of the weekly high and low of closing prices of the shares on NSE of the Target Company for the 26 weeks preceding the date of the Public Announcement (dated March 19, 2010 published on March 20, 2010) is shown in table below:

Week	From	To	Closing price at NSE		Average Price (Rs.)	Volume Shares
			High (Rs.)	Low (Rs.)		
1	19-Sep-2009	25-Sep-2009	92.85	90.10	91.48	411028
2	26-Sep-2009	02-Oct-2009	99.80	92.60	96.20	1205116
3	03-Oct-2009	09-Oct-2009	94.05	91.05	92.55	763372
4	10-Oct-2009	16-Oct-2009	103.65	99.05	101.35	1695805
5	17-Oct-2009	23-Oct-2009	104.05	97.55	100.80	399872
6	24-Oct-2009	30-Oct-2009	93.70	85.15	89.43	291682
7	31-Oct-2009	06-Nov-2009	86.15	77.60	81.88	296342
8	07-Nov-2009	13-Nov-2009	99.95	91.60	95.78	551914
9	14-Nov-2009	20-Nov-2009	104.70	96.60	100.65	856919

Week	From	To	Closing price at NSE		Average Price (Rs.)	Volume Shares
			High (Rs.)	Low (Rs.)		
10	21-Nov-2009	27-Nov-2009	100.60	92.95	96.78	255096
11	28-Nov-2009	04-Dec-2009	98.60	95.30	96.95	280410
12	05-Dec-2009	11-Dec-2009	97.60	94.65	96.13	1454819
13	12-Dec-2009	18-Dec-2009	97.15	90.25	93.70	710015
14	19-Dec-2009	25-Dec-2009	103.40	99.25	101.33	1224455
15	26-Dec-2009	01-Jan-2010	107.85	106.35	107.10	1569827
16	02-Jan-2010	08-Jan-2010	114.55	107.90	111.23	1835029
17	09-Jan-2010	15-Jan-2010	124.90	112.65	118.78	8217318
18	16-Jan-2010	22-Jan-2010	124.15	115.70	119.93	1924342
19	23-Jan-2010	29-Jan-2010	119.45	104.60	112.03	677979
20	30-Jan-2010	05-Feb-2010	116.85	111.95	114.40	1865625
21	06-Feb-2010	12-Feb-2010	116.60	112.35	114.48	364092
22	13-Feb-2010	19-Feb-2010	119.85	114.80	117.33	760036
23	20-Feb-2010	26-Feb-2010	114.95	111.25	113.10	440761
24	27-Feb-2010	05-Mar-2010	125.40	117.35	121.36	1724178
25	06-Mar-2010	12-Mar-2010	123.75	121.40	122.58	1154622
26	13-Mar-2010	19-Mar-2010	152.45	126.70	139.58	20014192
	Average				**105.65**	

Table 2: The average of the daily high and low prices of the shares on NSE of the Target Company for the (2) two weeks preceding the date of the Public Announcement (dated March 19, 2010 published on March 20, 2010) is shown in table below:

Day	Date	Closing Price at NSE		Average Price (Rs.)	Volume Shares
		High (Rs.)	Low (Rs.)		
1	8-Mar-2010	128.50	121.55	125.025	423742
2	9-Mar-2010	124.00	119.25	121.625	145911
3	10-Mar-2010	125.35	121.00	123.175	253580
4	11-Mar-2010	125.00	121.10	123.05	168288
5	12-Mar-2010	124.20	121.50	122.85	163101
6	15-Mar-2010	129.25	122.65	125.95	888101
7	16-Mar-2010	130.10	125.00	127.55	955293
8	17-Mar-2010	133.50	126.25	129.88	3008844
9	18-Mar-2010	130.80	127.00	128.90	567903
10	19-Mar-2010	153.75	130.50	142.13	14594051
	Average			**127.01**	

(***Source : www.nseindia.com***)

Table 3: The average of weekly high and low of closing prices of the shares on NSE of the Target Company for the 26 (twenty six) weeks preceding the date of the Board meeting dated March 18, 2010 where the Preferential Issue was proposed is shown in table below:

Week	From	To	Closing price at NSE		Average Price (Rs.)	Volume Shares
			High (Rs.)	Low (Rs.)		
1	17-Sep-2009	23-Sep-2009	92.50	90.10	91.30	459014
2	24-Sep-2009	30-Sep-2009	93.45	92.60	93.03	335157
3	1-Oct-2009	7-Oct-2009	99.80	92.20	96.00	1617218
4	8-Oct-2009	14-Oct-2009	103.65	91.05	97.35	1656172
5	15-Oct-2009	21-Oct-2009	104.05	99.25	101.65	541887
6	22-Oct-2009	28-Oct-2009	98.25	88.95	93.60	346205
7	29-Oct-2009	4-Nov-2009	87.55	77.60	82.58	208082
8	5-Nov-2009	11-Nov-2009	99.95	80.05	90.00	537527
9	12-Nov-2009	18-Nov-2009	104.70	96.60	100.65	748083
10	19-Nov-2009	25-Nov-2009	100.60	99.50	100.05	437936
11	26-Nov-2009	2-Dec-2009	98.60	92.95	95.78	261628
12	3-Dec-2009	9-Dec-2009	98.50	95.35	96.93	1424583
13	10-Dec-2009	16-Dec-2009	94.95	90.25	92.60	301253
14	17-Dec-2009	23-Dec-2009	99.50	94.75	97.13	957763
15	24-Dec-2009	30-Dec-2009	107.85	103.40	105.63	2291908
16	31-Dec-2009	6-Jan-2010	114.55	107.80	111.18	1173982
17	7-Jan-2010	13-Jan-2010	124.90	107.90	116.40	7424753
18	14-Jan-2010	20-Jan-2010	124.15	120.55	122.35	3083990
19	21-Jan-2010	27-Jan-2010	119.45	104.60	112.03	592860
20	28-Jan-2010	3-Feb-2010	119.45	107.50	113.48	1142661
21	4-Feb-2010	10-Feb-2010	116.85	112.35	114.60	1502981
22	11-Feb-2010	17-Feb-2010	119.85	114.15	117.00	687509
23	18-Feb-2010	24-Feb-2010	117.60	112.50	115.05	440746
24	25-Feb-2010	3-Mar-2010	120.95	111.25	116.10	664872
25	4-Mar-2010	10-Mar-2010	125.40	121.20	123.30	2030785
26	11-Mar-2010	17-Mar-2010	128.40	122.20	125.30	5183627
	Average				**104.65**	

Table 4: The average of daily high and low of closing prices of the shares on NSE of the Target Company for the (2) two weeks preceding the date of the Board meeting dated March 18, 2010 where the Preferential Issue was proposed is shown in the table below:

Day	Date	Closing Price at NSE		Average Price (Rs.)	Volume Shares
		High (Rs.)	Low (Rs.)		
1	4-Mar-2010	124.70	120.50	122.60	368432
2	5-Mar-2010	126.40	121.55	123.98	839120
3	8-Mar-2010	128.50	121.55	125.03	423742
4	9-Mar-2010	124.00	119.25	121.63	145911
5	10-Mar-2010	125.35	121.00	123.18	253580
6	11-Mar-2010	125.00	121.10	123.05	168288
7	12-Mar-2010	124.20	121.50	122.85	163101
8	15-Mar-2010	129.25	122.65	125.95	888101
9	16-Mar-2010	130.10	125.00	127.55	955293
10	17-Mar-2010	133.50	126.25	129.88	3008844
	Average			**124.57**	

7.1.5 Clause 8 of SPA 1 provides that promoters of the Target Company for a period of 18(eighteen) months from the Share Sale Closing Date, it shall not, and shall ensure that none of their subsidiaries or Affiliates shall, singly or jointly, directly or indirectly, for their own account or as agent, employee, officer, director, consultant, or shareholder or equity owner of any other Person, engage or attempt to engage or assist any other person to engage in the Business of engineering, procurement and construction (EPC), acting as contractors for turnkey and build operate transfer (BOT) projects. No additional payments are being made by the Acquirers as non-compete fees

7.1.6 The Offer Price of Rs.130.50 per share offered by the Acquirer to the shareholders of MSK Project under the proposed Open Offer is justified in terms of regulations 20(4) and 20(5) of the Regulations. In the opinion of the Manager to the Offer, the Offer Price is justified.

7.1.7 The Acquirer is permitted to revise this Offer upward upto seven working days prior to the date of closure of the Offer. In the event of such revision, an announcement will be made in the same newspapers where the PA has appeared and the revised offer price would be paid for all the equity shares tendered anytime during the Offer.

7.1.8 To the extent of the Offer Size, all Equity Shares of the Target Company that are validly tendered pursuant to this Offer are proposed to be acquired by the Acquirer. The equity shares will be acquired by the Acquirer, free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

7.1.9 If the Acquirer acquire equity shares of Target Company after the date of the Public Announcement up to seven working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid acceptances received under the Offer.

7.2 Financial Arrangements

7.2.1 The total fund requirement for implementation of the Offer at Rs. 130.50 (Rupees One Hundred Thirty Paise Fifty only) per fully paid up equity share is Rs. 1,04,40,00,000 (Rupees One Hundred Four Crores Forty Lakhs only) assuming that full acceptance for the Offer is received ("**Offer Consideration**").

7.2.2 In accordance with Regulation 28 of the SEBI (SAST) Regulations, 1997, the Acquirer has caused the deposit of Rs. 104,40,00,000 (Rupees One Hundred Four Crores Forty Lakhs Only) i.e. 100% Offer Consideration, in the escrow account of Standard Chartered Bank, Cash Management Operation, 270, Dr. D. N. Road, Fort, Mumbai – 400 001, styled Escrow Account – Open Offer Welspun Infratech ("**Escrow Amount**"), in favour of the Manager to the Offer. The Escrow Amount represents the required escrow amount that needs to be deposited in accordance with Regulation 28 of the SEBI (SAST) Regulations, 1997. In accordance with Regulation 28 of the SEBI (SAST) Regulations, 1997, the Manager to the Offer has been duly authorized to realize the value of the aforesaid Escrow Amount.

7.2.3 Mr. Suresh Sureka, Membership No. 34132, partner of Sureka Associates (Chartered Accountants) located at 45 C, Mandhana Manor, Mugal Lane, Matunga (West) Mumbai 400 016, Tel: +91-22-2430 6150, Fax: +91-22-2432 7608 have in his letter dated March 18, 2010 certified that Welspun Infratech Limited, Acquirer has made firm arrangements to meet the financial obligations under the Open Offer to be made to the shareholders of the Target Company.

7.2.4 Mr. Sanjay Kothari, Membership no. 48215, Partner of MGB & Co. Chartered Accountants located at Jolly Bhawan 2, First Floor, 7 New Marine Lines, Mumbai 400 020, Tel: +91- 22-6633 2330, Fax: +91-22-6635 1545 have in their letter dated March 18, 2010 certified that Welspun Corp Limited, PAC has made firm arrangements to meet the financial obligations under the Open Offer to be made to the shareholders of the Target Company.

7.2.5 The funds received from the PAC for subscribing to the participating shares allotted to the PAC and loan given by the PAC shall be used to meet the obligations under the Offer.

7.2.6 The Manager to the Offer is satisfied about the ability of Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations, 1997 as firm financial arrangements are in place to fulfill the obligations under the SEBI (SAST) Regulations, 1997.

8. TERMS AND CONDITIONS OF OFFER

8.1.1 The Offer is subject to the receipt of approval from Reserve Bank of India (RBI) under the Foreign Exchange Management Act, 1999 (FEMA) for the acquisition of equity shares by the Acquirer from non-resident persons under the Offer.

8.1.2 The Acquirer has filed an application to RBI for an approval to acquire 80,00,000 (Eighty Lakhs) equity shares of the Target Company from existing shareholders of the Target Company (i.e. resident shareholders, NRIs, OCBs, FIIs and other non-resident/FDI shareholders) at a price of Rs. 130.50 (Rupees Hundred and Thirty point Fifty Only) per equity share through an Offer in accordance with the provisions of the Regulations. The approval from RBI on the same is awaited on the date of this Letter of Offer.

8.1.3 Other than the approvals as set out in para 8.1.2 above, there are no other statutory approvals required to implement the Offer. If any other statutory approvals become applicable, the Offer would be subject to such approvals.

8.1.4 In case of delay in receipt of the above approvals, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the shareholders of the Target Company, subject to the Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations, 1997. Further, if the delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations, 1997 will also become applicable.

8.1.5 Any consents required from banks and financial Institutions, pursuant to any outstanding loan agreements shall be obtained before the Offer Opening Date.

8.1.6 Other terms

8.1.6.1 A Letter of Offer specifying the detailed terms and conditions of the Offer, together with a Form of Acceptance-cum-Acknowledgement ("**FOA**") is mailed to the shareholders of the Target Company (other than parties to the SPAs), whose names appear on the Register of members of the Target Company and to the owner of the shares whose names appear as beneficiaries on the records of the respective Depositories at the close of business hours on March 26, 2010 (the "**Specified Date**"). Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.

8.1.6.2 A copy of the Letter of Offer (including Form of Acceptance) is available on SEBI's website (http:// www.sebi.gov.in) during the period the Offer is open and may also be downloaded from the site.

8.1.6.3 All owners of equity shares demat/physical, registered/unregistered (other than parties to the SPAs) are eligible except as mentioned in para 3.2.2 above, to participate in the Offer anytime before closure of the Offer. All registered owners can send duly completed FOA, filled and signed in accordance with the instructions contained in the Letter of Offer and FOA, to the Registrars to the Offer, at the collection centre mentioned in para 9.1, before the closure of the Offer i.e. June 15, 2010. Eligible persons can participate in the Offer by offering their shareholding in whole or in part. The acceptance must be unconditional and should be absolute and unqualified. No indemnity shall be required from the unregistered shareholders.

8.1.6.4 The Offer is not subject to any minimum level of acceptance.

8.1.6.5 Applications in respect of Shares of the Target Company that are subject matter of litigation wherein the shareholders of the Target Company may be prohibited from transferring the Shares during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these Shares are not received together with the Shares tendered under the Offer. The Letter of Offer in such cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

8.1.6.6 Shares that are subject to any charge, lien or encumbrance are liable to be rejected.

8.1.6.7 The acceptance of the Offer made by the Acquirer along with PAC is entirely at the discretion of the shareholders of the Target Company. The Acquirer will not be responsible in any manner for any loss of equity share certificate(s) and offer acceptance documents during transit and the shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

8.1.6.8 Incomplete applications, including non-submission of necessary enclosures, if any, are liable to be rejected.

8.1.6.9 The instructions and provisions contained in the Form of Acceptance-cum-Acknowledgement and Form of Withdrawal constitute an integral part of the terms of this Offer.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

9.1 The eligible shareholders of the Target Company, who wish to avail of and accept the Offer, can also deliver the Acceptance Form along with all the relevant documents at the collection centre below in accordance with the procedure as set out in the Letter of Offer on or before the closure of the Offer, June 15, 2010 (Monday to Friday 10 am to 3 pm & Saturdays 10 am to 1pm.).

In case of non-receipt of the Letter of Offer, shareholder(s) may download the same from the SEBI website or obtain a copy of the same from the Manager to the Offer or Registrar to the Offer on providing suitable documentary evidence of acquisition of the said shares.

Collection Centre	Address of Collection Centre	Contact Person	Phone No.	Fax	Mode of delivery
Mumbai	Link Intime India Pvt. Ltd. Unit MSK Projects –Open Offer C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400 078	Mr. Nilesh Chalke	022-25960320	022 25960329	Post / Hand Delivery

The centre will be closed on Sundays and Public Holidays.

9.2 Shareholders who wish to tender their Shares, held in physical form, will be required to send the Form of Acceptance cum Acknowledgement, original Share Certificate(s) and transfer deed(s) duly signed to the Registrar to the Offer, Link Intime India Private Limited, either by hand delivery on weekdays or by Registered Post, at their sole risk, so as to reach the Registrar to the Offer, on or before the close of the Offer, i.e., no later than June 15, 2010 in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance Cum Acknowledgement.In case of non receipt of the aforesaid documents, but receipt of the original share certificate(s) and transfer deed(s) duly signed, the Offer shall be deemed to be accepted.

9.3 Beneficial owners (holders of Shares in dematerialized form) who wish to tender their Shares will be required to send their Form of Acceptance cum Acknowledgement along with the photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instructions in “Off-market” mode, duly acknowledged by the DP, in favour of the special depository account to the Registrar to the Offer, either by hand delivery on weekdays or by Registered Post, so as to reach the Registrar to the Offer, on or before the close of the Offer, i.e., no later than June 15, 2010 , in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance Cum Acknowledgement. The credit for the delivered shares should be received in the special depository account on or before close of the Offer, i.e., no later than June 15, 2010.

9.4 All owners (registered or unregistered) of shares of the Target Company, except the parties to SPAs, are eligible to participate in the Offer anytime before the closure of the Offer. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, distinctive numbers, folio number, together with the original share certificate(s), valid transfer deeds and the original contract notes issued by the broker through whom they had acquired their shares. No indemnity is required from the unregistered owners.

9.5 In case of non-receipt of the Letter of Offer, the eligible persons may send their consent to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, distinctive numbers, folio number, number of shares offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before the Close of the Offer, i.e., no later than June 15, 2010 or in case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of the special depository account, so as to reach the Registrar to the Offer, on or before the closer of the Offer, i.e., no later than June 15, 2010.

In case of non receipt of the aforesaid documents, but receipt of the Shares in the special depository account, the Offer shall be deemed to be accepted. The Form of Acceptance-cum-Acknowledgement for which corresponding Shares have not been credited to the special depository account as on the date of closure of the Offer will be rejected.

9.6 The Registrar to the Offer, Link Intime India Private Limited, has opened a special depository account with National Securities Depository Limited ("NSDL")] called, "LIIPL-MSK PROJECTS INDIA LTD - OPEN OFFER ESCROW ACCOUNT". Beneficial owners are requested to fill in the following details in the delivery instructions for the purpose of crediting their equity shares in the special depository account:

Depository Participant ("DP") Name	Ventura Securities Limited
DP ID	IN303116
Client ID	10534922
ISIN No.	INE625G01013
Depository	National Securities Depository Limited

Shareholders having their beneficiary account in Central Depository Services (India) Limited ("CDSL") have to use inter-depository delivery instruction slips for crediting their shares in favour of the special depository account with NSDL.

Form of Acceptance of dematerialised Equity Shares not credited to the above special depository account on or before the closure of Offer is liable to be rejected. Beneficial owners are therefore requested to tender the delivery instructions at least two working days prior to the date of closing of the Offer.

For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance-cum-Acknowledgement.

9.7 Shareholders should also provide all relevant documents, which are necessary to ensure transferability of shares in respect of which the application is being sent failing which the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to)

- Duly attested death certificate and succession certificate (for single shareholder) in case the original shareholder has expired.
- Duly attested power of attorney, if any, person apart from the shareholder has signed acceptance form or transfer deed(s).
- No objection certificate from any lender, if the Shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.
- In case of companies, the necessary certified corporate authorizations (including board and/or general meeting resolutions).

9.8 Duly executed Form(s) of Acceptance along with share certificate(s) and share transfer form(s) should be sent only to the Registrar to the Offer and not to the Manager to the Offer or Acquirer or their advisors.

9.9 If the Shares tendered in this Offer by the shareholders of the Target Company are more than the Shares to be acquired under this Offer, the acquisition of Shares from each shareholder will be on a proportionate basis as per the provisions of Regulation 21(6) of the Regulations such that the acquisition from each shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot. The marketable lot for the

Target Company is 1 (one) Share.

9.10 In terms of Regulation 22 (5A) of the SEBI (SAST) Regulations, 1997 equity Shareholders desirous of withdrawing the acceptance tendered by them in the Offer, may do so upto 3 (three) working days prior to the date of closure of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at collection centre mentioned above as per the mode of delivery indicated therein on or before June 10, 2010.

a. The withdrawal option can be exercised by submitting the Form of Withdrawal, enclosed with the Letter of Offer.

b. In case of non-receipt of Form of Withdrawal, the withdrawal option can be exercised by making a plain paper application along with the following details:

- In case of physical shares: name, address, distinctive numbers, folio number, number of shares tendered; and
- In case of dematerialized shares: name, address, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by the DP, in favour of the special depository account.

c. In case of partial Withdrawal of Shares :

- Shareholders who have tendered shares in physical form and wish to partially withdraw their tenders, should also enclose valid share transfer form(s) for the remaining Equity Shares (i.e. shares not withdrawn) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with Target Company and duly witnessed at the appropriate place.
- The withdrawal of shares will be available only for the share certificates/ shares that have been received by the Registrar to the Offer/ credited to the special depository account.
- The intimation of returned shares to the shareholders will be at the address as per the records of Target Company or the Depositories as the case may be.
- In case of partial withdrawal of shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from Target Company.
- Partial withdrawal of tendered shares can be done only by the registered shareholders / beneficial owners. In case of partial withdrawal, the earlier Form of Acceptance-cum-Acknowledgement will stand revised to that effect.
- Shareholders holding shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP accounts.

9.11 The Registrar to the Offer will hold in trust the shares/share certificates, shares lying in credit of the special depository account, form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of Target Company who have accepted the Offer, till the cheques/drafts for the consideration and/or the unaccepted shares/share certificates are dispatched/returned.

9.12 The payment consideration for equity shares accepted under the Offer may be made through a crossed Demand draft/Pay Order or through Direct Credit (‘DC’), National Electronic Funds Transfer (‘NEFT’), Real Time Gross Settlement (‘RTGS’), Electronic Clearing Services (ECS), at specified centers where clearing houses are managed by the Reserve Bank of India within 15 days from the date of closure of Offer. Shareholders who opt for receiving consideration through DC/NEFT/RTGS/ECS are requested to give the authorization for the same in the Form of Acceptance cum Acknowledgment and enclose a photocopy of cheque along with the Form of Acceptance cum Acknowledgment and also provide IFSC Code.

- Electronic Clearing System (ECS) - Payment would be done through ECS for shareholders having an account at Centres managed by RBI. This mode of payment would be subject to availability of complete Bank Account details including the MICR Code as appearing on a cheque leaf, from the depositories.
- Direct Credit – Applicants having bank accounts with the same bank through which payment consideration shall be made shall also be eligible to receive consideration through direct credit in their respective bank accounts as mentioned in the FOA.

- RTGS – Applicants having a bank account at any of the RBI managed centres and whose payment consideration exceeds Rs. 1 Lakh, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive consideration through RTGS are required to provide the IFSC code in the FOA. In the event the same is not provided, payment consideration shall be made through other electronic modes or by cheques, pay orders or demand drafts payable.
- NEFT (National Electronic Fund Transfer) – Payment of consideration shall be undertaken through NEFT wherever the shareholders bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of consideration, duly mapped with MICR numbers. Wherever the shareholder has registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of consideration will be made to the applicants through this method. The process flow in respect of consideration by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency.
- For all other applicants, including those applicants whose payment consideration is not credited by ECS/ Direct credit due to technical errors or incomplete/incorrect bank account details, payment consideration will be dispatched through Speed Post/Registered Post. Such payment consideration will be made by cheques, pay orders or demand drafts payable at par at places where the address of the shareholder is registered.
- In case of payment consideration is rejected through the ECS/Direct credit facility, the registrar would endeavor to dispatch the payment consideration within 3 working days of such rejection.
- The bank account details for ECS/DC/RTGS/NEFT will be directly taken from the depositories' database or from the details as mentioned by the shareholders in the FOA.

9.13 It is advised that shareholders provide bank details in the Form of Acceptance-cum-Acknowledgment so that same can be incorporated in the demand draft/pay order.

9.14 The consideration to those shareholders whose shares or share certificates and /or other documents are found complete, valid and in order, will be paid by demand drafts / pay orders or through DC/NEFT/RTGS/ECS. Such considerations in excess of Rs. 1500/- or unaccepted Share Certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post/speed post at the shareholders'/unregistered owners' sole risk to the sole/ first shareholder/unregistered owner. Equity Shares held in dematerialised form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance or otherwise. The Acquirer is required to deduct tax on source, as may be applicable. All dispatches involving payment of a value upto Rs.1,500/- will be made under certificate of posting at the shareholders sole risk.

9.15 Unaccepted share certificates, transfer forms and other documents, if any, will be returned by Registered Post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder. Unaccepted Shares held in dematerialized form will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.

9.16 Shareholders, who have sent their shares for dematerialization, need to ensure that the process of getting their shares dematerialized is completed well in time so that the credit in the special depository account is received on or before the date of closure of the Offer, i.e., no later than June 15, 2010, else their application would be rejected.

9.17 While tendering the shares under the Offer, NRIs/OCBs/foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have obtained for acquiring the Shares of the Target Company. In case the previous RBI approvals are not submitted, Acquirer reserves the right to reject such Shares tendered.

9.18 Compliance with tax and other regulatory requirements:

- As per the provisions of section 196D(2) of the Income-tax Act, 1961 no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD payable to a Foreign Institutional Investor as defined in section 115AD of the Income-tax Act, 1961.
- While tendering their equity shares under the Offer, NRIs, OCBs and other non-resident shareholders will be required to submit a No Objection Certificate or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate from the Income-tax authorities under the Income-tax Act, 1961 indicating the amount of tax to be deducted by Acquirer before remitting the consideration, failing which Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the shareholder belongs on the entire consideration amount payable to such shareholder.

9.19 Securities transaction tax will not be applicable to the Shares accepted in the Offer.

9.20 Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the PA / Letter of Offer shall have the option to withdraw acceptance tendered by them upto 3 (three) working days prior to the date of closure of the Offer, in terms of Regulations 22 (5A) of the SEBI (SAST) Regulations, 1997.

9.21 If there is any upward revision in the Offer Price by Acquirer till the last date of revision viz. June 4, 2010 or withdrawal of the Offer, the same would be informed by way of a public announcement in the same newspapers in which the original PA had appeared. The Acquirer would pay such revised price for all the Shares validly tendered any time during the Offer and accepted under the Offer.

9.22 If there is a competitive bid:

- **The public offers under all the subsisting bids shall close on the same date.**
- **As the Offer Price cannot be revised during 7 (seven) working days prior to the Closing date of the Offers / bids, it would, therefore, be in the interest of the Shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.**

10 DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by shareholders of Target Company at the office of the Manager to the Offer, Collins Stewart Inga Private Limited, A – 404, Neelam Centre, Hind Cycle Road, Worli, Mumbai – 400 030 from 10.30 a.m. to 1.00 p.m. on any day except Saturdays, Sundays and public holidays from the date of opening of the Offer until the Offer closes.

a) Copy of Public Announcement dated March 19, 2010 as published in the newspapers.

b) Copy of Addendum to Public Announcement dated April 28, 2010 as published in the newspapers.

c) Copy of Corrigendum to Public Announcement dated May 19, 2010 as published in the newspapers.

d) Certificate of Incorporation and Memorandum and Articles of Association of Acquirer.

e) Annual Accounts Acquirer for the financial years 2007-2008, 2008-2009, 2009-2010

f) Letter dated March 18, 2010 issued by Mr. Suresh Sureka partner of Sureka Associates (Chartered Accountants) certifying that Acquirer has adequate resources to meet the financial requirements of the Open Offer

g) Certificate of Incorporation and Memorandum and Articles of Association of PAC.

h) Annual Accounts of PAC for the financial years 2006-2007, 2007-2008, 2008-2009, 2009-2010

i) Letter dated March 18, 2010 issued by Mr. Sanjay Kothari Partner of MGB & Co (Chartered Accountants) certifying that PAC has adequate resources to meet the financial requirements of the Open Offer.

j) Certificate of Incorporation and Memorandum and Articles of Association of Target Company.

k) Annual Reports of Target Company for the financial years 2006-2007, 2007-2008, 2008-2009 and certified unaudited accounts for nine months ended December 31, 2009 by the statutory auditors of Target Company.

l) Notice of Extra-ordinary General Meeting of Shareholders of Target Company to consider *inter alia* Special Resolution for Preferential Issue under Section 81(1A) of the Companies Act, 1956.

m) Valuation certificate dated March 18, 2010, for fair value of Equity Shares of Target Company by M/s. Sureka Associates, Chartered Accountants.

n) Copy of SPA1 and SPA 2 dated March 18, 2010.

o) Copy of Subscription Agreement dated March 18, 2010

p) Copy of the letter issued by Standard Chartered Bank, confirming 104,40,00,000 (Rupees One Hundred Four Crores Forty Lakhs only) in Escrow Account.

q) Letter No. CFD/DCR/SKS/SG/OW/5051/2010 dated May 14, 2010; received from Securities and Exchange Board of India in terms of provisions of Regulation 18(2) of the Regulations.

11 DECLARATION BY THE ACQUIRER AND PAC

Acquirer, PAC and their respective Directors severally and jointly accepts the responsibility for the information contained in this Letter of Offer. Acquirer and PAC are responsible for the fulfillment of its obligations under the SEBI (SAST) Regulations, 1997.

For and on behalf of

Welspun Infratech Limited

Sd/-

Director

Welspun Corp Limited

Sd/-

Director

Place : Mumbai

Date : May 20, 2010

Encl. :

1. Form of Acceptance-cum-Acknowledgement
2. Form of Withdrawal
3. Transfer Deeds (for the Physical shareholders only)

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

(Please send this Form of Acceptance cum Acknowledgement with enclosures to Link Intime India Private Limited at the collection center as mentioned in the Letter of Offer. All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

From :

Folio No. / DP ID No. / Client ID No.:

OFFER OPENS ON	**Thursday, May 27, 2010**
OFFER CLOSES ON	**Tuesday, June 15, 2010**

Name :

Full Address :

Tel No. : **Fax No. :** **E-mail:**

To

Welspun Infratech Limited
C/o Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West)
Mumbai - 400 078

Tear Here

Dear Sir,

Sub. : Open Offer to acquire up to 80,00,000 fully Paid-up Equity Shares of Rs.10/- each, representing 20.00 % of the Post Preferential Issue, fully expanded, voting equity capital of MSK Projects (India) Limited, at a price of Rs. 130.50 per fully Paid up Equity Share (Offer Price) payable in cash by Welspun Infratech Limited along with Welspun Corp Limited (formerly known as Welspun Gujarat Stahl Rohren Limited)

I/We refer to the Letter of Offer dated May 20, 2010 for acquiring the equity shares held by me/us in **MSK Projects (India) Limited** I/We, the undersigned have read the Letter of Offer and understood their contents and unconditionally accept the terms and conditions as mentioned therein.

☐ SHARES IN DEMATERIALIZED FORM

I/We, holding shares in the dematerialized form, accept the Offer and enclose the photocopy of the Delivery Instruction in “Off-market” mode, duly acknowledged by the Depository Participant (“DP”) in respect of my/ our shares as detailed below:

DP Name	DP ID	Client ID	Beneficiary Name	No. of shares

I/We have executed an off-market transaction for crediting the shares to the special depository account viz. ‘LIIPL-MSK PROJECTS INDIA LTD - OPEN OFFER ESCROW ACCOUNT’ via

☐ A delivery instruction from my account with NSDL

☐ An inter-depository delivery instruction from my account with CDSL

DP Name	Ventura Securities Limited
DP ID Number	IN303116
Client ID Number	10534922
ISIN	INE625G01013

I/We note and understand that the shares would lie in the special depository account until the time the Acquirer dispatches the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

☐ SHARES IN PHYSICAL FORM

I/We accept the Offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my/our shares as detailed below.

Sr. No.	Ledger Folio No(s)	Certificate No(s)	Distinctive No(s)		No. of shares
			From	To	
1.					
2.					
3.					
4.					
Total number of shares					

(In case the space provided is inadequate, please attach a separate sheet with details.)

I/We note and understand that the Registrar to the Offer will hold the original share certificate(s) and valid share transfer deed in trust for me/us until the time the Acquirer dispatches the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

For NRIs/ OCBs/ FIIs/ Foreign Shareholders:

I/We have enclosed the following documents:

☐ No Objection Certificate / Tax Clearance Certificate from Income Tax Authorities.

☐ RBI approvals for acquiring shares of MSK Projects (India) Limited hereby tendered in the Offer.

Tear Here

I/We confirm that the equity shares of MSK Projects (India) Limited which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We authorize the Acquirer to accept the shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirer to return to me/us, share certificate(s)/ shares in respect of which the Offer is not found valid/not accepted without specifying the reasons thereof.

I/We authorize the Acquirer and the Registrar to the Offer and the Manager to the Offer to send by Registered Post/ UPC as may be applicable at my/our risk, the draft/cheque, in full and final settlement of the amount due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned below.

Bank Details

So as to avoid fraudulent encashment in transit, the shareholder(s) holding shares in physical form should provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly. For shares that are tendered in demat form, the Bank account as obtained from the beneficiary position (download to be provided by the depositories) will be considered and the draft/cheque will be issued with the said Bank particulars, and not any details provided herein.

Shareholders have an option to receive the consideration through ECS/DC/NEFT/ RTGS.

I/We

☐ Opt for ECS/DC/NEFT/RTGS

☐ Not Opt for ECS/DC/NEFT/RTGS

Shareholders those who opt to receive the consideration through ECS/RTGS/Direct credit of Reserve Bank of India are requested to provide Photo Copy of cheque alongwith following Bank Account Details:

Name of the Bank		Branch	
Account Number		Savings/Current/ (Others: please specify)	
9 Digit MICR Code		IFSC Code **	

**only incase of RTGS and NEFT

Yours faithfully,
Signed and Delivered

	Full Name(s) of the shareholders	**PAN Card / GIR No. allotted under Income Tax Act 1961**	**Signature**
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Address of First/Sole Shareholder ______________________________

____

____

Place:

Date:

Tear Here

Tear Here

Acknowledgement Slip

Received from Mr. /Ms./M/s. ______________________________ residing at / Office at ______________________________

a Form of Acceptance cum Acknowledgement (2 pages) for ______________ shares along with:

☐ copy of depository instruction slip from DP ID ______________ Client ID ______________

☐ ______________ Share certificate(s) ______________ transfer deed(s) under folio number(s) ______________ for accepting the Offer made by the Acquirer.

Stamp of Collection Centre:		Signature of of Official:		Date of Receipt:	

PLEASE NOTE THAT NO SHARES / FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRER OR TO THE MANAGER TO THE OFFER

General Instructions

(1) **In case of shares held in joint names**, names should be filled up in the same order in the Form and in the transfer deed(s) as the order in which they hold shares in **MSK Projects (India) Limited** and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting the Offer.

(2) **In case where the signature is subscribed by thumb impression**, the same shall be verified and attested by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a Public Office and authorized to use the seal of his office.

(3) **Shareholders of the Target Company having their beneficiary account in Central Depository Services (India) Limited has to use inter depository delivery instruction slip for the purpose of crediting their equity shares in favour of the special depository account with NSDL.**

(4) **Non-resident shareholders** should enclose copy (ies) of permission received from Reserve Bank of India to acquire shares held by them in **MSK Projects (India) Limited**.

(5) **In case of bodies corporate**, certified copies of appropriate authorization (including Board/shareholder resolutions, as applicable) authorizing the sale of shares along with specimen signatures duly attested by a bank must be annexed. The common seal should also be affixed. A copy of Memorandum and Articles of Association of the Company .

(6) Shareholders have an option to receive the consideration through Electronic Clearing System (ECS). Payment of consideration shall be made through ECS, where ECS clearing are managed by Reserve Bank of India.

(7) **All the shareholders** should provide all relevant documents which are necessary to ensure transferability of the shares in respect of which the acceptance is being sent. Such documents may include (but not be limited to):

(a) Duly attested death certificate and succession certificate (in case of single shareholder) in case the original shareholder has expired.

(b) Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).

(c) No Objection Certificate from any lender, if the shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.

PLEASE REFER TO THE DETAILED INSTRUCTIONS UNDER PARA 9 TITLED PROCEDURES FOR ACCEPTANCE AND SETTLEMENT ON PAGE 47 OF THIS LETTER OF OFFER.

Tear Here

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All queries in this regard to be addressed to the Registrar to the Offer at the following address quoting your reference Folio No/DP ID/Client ID:

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West)
Mumbai - 400 078
Tel.: 91- 22-25960320
Fax.: 91- 22-25960329
Email : msk.offer@linkintime.co.in
Contact Person : Mr. Nilesh Chalke

FORM OF WITHDRAWAL

(Please send this Form of Withdrawal with enclosures to Link Intime India Private Limited at the collection center as mentioned in the Letter of Offer. All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

From

Folio No. /DP ID No./Client ID No.:

OFFER OPENS ON	**Thursday, May 27, 2010**
LAST DATE OF WITHDRAWAL	**Thursday, June 10, 2010**
OFFER CLOSES ON	**Thesday, June 15, 2010**

Name :

Full Address :

Tel No. : **Fax No. :** **E-mail:**

To

Welspun Infratech Limited
C/o Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West)
Mumbai - 400 078

Tear Here

Dear Sir,

Sub. : Open Offer to acquire up to 80,00,000 fully Paid-up Equity Shares of Rs.10/- each, representing 20.00 % of the Post Preferential Issue, fully expanded, voting equity capital of MSK Projects (India) Limited, at a price of Rs. 130.50 per fully Paid up Equity Share (Offer Price) payable in cash by Welspun Infratech Limited along with Welspun Corp Limited ((formerly known as Welspun Gujarat Stahl Rohren Limited)

I/We refer to the Letter of Offer dated May 20, 2010 for acquiring the equity shares held by me/us in **MSK Projects (India) Limited**. I/We, the undersigned have read the Letter of Offer and understood their contents and unconditionally accept the terms and conditions as mentioned therein

I / We hereby consent unconditionally and irrevocably to withdraw my / our shares from the Offer and I / we further authorize the Acquirer to return to me / us, the tendered Share Certificate(s) / Share(s) at my / our sole risk.

I / We note that upon withdrawal of my / our shares from the Offer, no claim or liability shall lie against the Acquirer / Manager to the Offer / Registrar to the Offer.

I / We note that this Form of Withdrawal should reach the Registrar to the Offer on or before the last date of withdrawal i.e. **June 10, 2010 (Thursday).**

I / We note the Acquirer / Manager to the Offer / Registrar to the Offer shall not be liable for any postal delay / loss in transit of the shares held in physical form and also for the non-receipt of shares held in the dematerialized form in the DP account due to inaccurate / incomplete particulars/ instructions.

I / We also note and understand that the Acquirer will return the original share certificate(s), share transfer deed(s) / shares in dematerialized form only on completion of verification of the documents, signatures and beneficiary position as available with the depositories from time to time.

The particulars of tendered original share certificate(s) and duly signed transfer deed(s) are detailed below:

Sr. No.	Ledger Folio No(s)	Certificate No(s)	Distinctive No(s)		No. of shares
			From	To	
1.					
2.					
3.					
4.					
5.					
Total number of shares					

(In case the space provided is inadequate, please attach a separate sheet with details.)

I / We hold the following shares in dematerialized form and had executed an off-market transaction for crediting the shares to the **'LIIPL-MSK PROJECTS INDIA LTD - OPEN OFFER ESCROW ACCOUNT'.** Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by DP. The particulars of the account from which my / our shares have been tendered are as follows:

DP Name	DP ID	Client ID	Beneficiary Name	No. of shares

I / We note that the shares will be credited back only to that depository account, from which the shares have been tendered and necessary standing instructions have been issued in this regard.

I / We confirm that the particulars given above are true and correct.

In case of dematerialized shares, I / we confirm that the signatures have been verified by the DP as per their records and the same have been duly attested.

Yours faithfully,
Signed and Delivered

	Full Name(s) of the shareholders	PAN Card / GIR No. allotted under Income Tax Act 1961	Signature
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Address of First/Sole Shareholder ______________________________

____

____

Place:

Date:

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PLEASE NOTE THAT THE FORM OF WITHDRAWAL SHOULD NOT BE SENT DIRECTLY TO THE ACQUIRER, PAC OR TO THE MANAGER TO THE OFFER

GENERAL INSTRUCTIONS

(1) **In case of shares held in joint names**, names should be filled up in the same order in the Form and in the transfer deed(s) as the order in which they hold shares in the MSK Projects (India) Limited, and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting the Counter Offer.

(2) **In case where the signature is subscribed by thumb impression**, the same shall be verified and attested by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a Public Office and authorized to use the seal of his office.

(3) **In case of bodies corporate**, certified copies of appropriate authorization (including Board/shareholder resolutions, as applicable) authorizing the sale of shares along with specimen signatures duly attested by a bank must be annexed. The common seal should also be affixed.

(4) **All the shareholders** should provide all relevant documents which are necessary to ensure transferability of the shares in respect of which the withdrawal is being sent. Such documents may include (but not be limited to):

(a) Duly attested death certificate and succession certificate (in case of single shareholder) in case the original shareholder has expired.

(b) Duly attested power of attorney if any person apart from the shareholder has signed withdrawal form or transfer deed(s).

PLEASE REFER TO THE DETAILED INSTRUCTIONS UNDER PARA 10 TITLED PROCEDURE FOR ACCEPTANCE AND SETTLEMENT ON PAGE 47 OF THIS LETTER OF OFFER.

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Acknowledgement Slip

Received from Mr. /Ms./M/s. ______________________________ residing at / Office at ______________________________

a Form of Withdrawal for ____________ shares along with a copy of:

☐ Depository instruction slip from DP ID ____________ Client ID ____________

☐ Acknowledgement slip issued when depositing dematerialized share

☐ Acknowledgement slip issued when depositing physical shares

for withdrawing from the Offer made by the Acquirer

Stamp of Collection Centre:		Signature of of Official:		Date of Receipt:	

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All queries in this regard to be addressed to the Registrar to the Offer at the following address quoting your reference Folio No/DP ID/Client ID:

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West)
Mumbai - 400 078
Tel.: 91- 22-25960320
Fax.: 91- 22-25960329
Email : msk.offer@linkintime.co.in
Contact Person : Mr. Nilesh Chalke

CRYSTAL (022) - 6614 0900
cfl_mum@crystalforms.com