



Vikram Ispat now a part of Welspun Group

Mumbai, May 23, 2009: Welspun Power and Steel Ltd. (Welspun), part of the US\$ 3billion Welspun Group, completed take-over of Vikram Ispat, the Sponge Iron Business of Grasim Industries Ltd. Total consideration for this transaction is pegged at Rs. 1,030 Crore. The Definitive agreement to this effect was executed and announced on 10 June 2008.

Under the scheme of arrangement sanctioned by High Court of Madhya Pradesh, Grasim transferred the business undertaking i.e Vikram Ispat into Vikram Sponge Iron Ltd., a special purpose vehicle (SPV). Welspun completed the transaction today through infusion of Debt and Equity in the SPV. Post this infusion of funds, Welspun now owns almost the entire stake in the Company, which is being re-christened as Welspun Maxsteel Ltd.

Speaking on the occasion, Mr. B.K. Goenka, Chairman and Managing Director, Welspun said, "At Welspun, we aim to be the best in each business we operate. This addition to the Welspun group will make us a major steel player in a specialized segment of high quality DRI. It will enable us to become an integrated player spanning the entire value chain 'Iron ore to Pipes' ", he adds.

The Welspun management is happy to continue with all current employees of the undertaking post change in the management.

Enam Securities Private Limited acted as the exclusive financial advisor and J Sagar & Associates acted as the legal advisor to Welspun on the transaction.

About Vikram Ispat (being renamed as Welspun Maxsteel Ltd):

Vikram Ispat, commissioned in 1993 as a division of Grasim, had a turnover of Rs.1007 crore for the financial year ended 31st March, 2009. The plant, situated in the Raigad district of Maharashtra has an installed capacity of 9 lakh ton per annum of sponge iron and provides employment to over 900 strong work force.

About Welspun Power and Steel Ltd. (www.welspunpowerandsteel.com)

Welspun Power & Steel Ltd. (Welspun Power) was established in 2004, recognizing the enormous potential in the construction and infrastructure industry. The Company manufactures ISI Certified Ribbed Thermo Mechanically treated (TMT) rebar's, Ingots and Billets at its factory in Anjar, Gujarat. It has an 18 Mega Watt waste heat recovery boiler Power Plant that utilizes waste heat from the steel furnaces. Welspun recently has done a strategic investment with Remi Metals Gujarat Ltd.

About Welspun (www.welspun.com)

Welspun, a US\$ 3billion group, is one of the fastest growing Indian conglomerates with primary business interest in Home Textiles, Tubular Steel pipes and now integrated steel making. Welspun Gujarat Stahl Rohren Ltd., one of its group Companies recently bagged the prestigious Emerging Company of the Year Award (2008) from Economic Times. With presence in over 50 Countries and 22,000 plus employees and 50,000 shareholders, Welspun represents an amalgamation of expertise, resources, opportunities and engineering excellence.

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