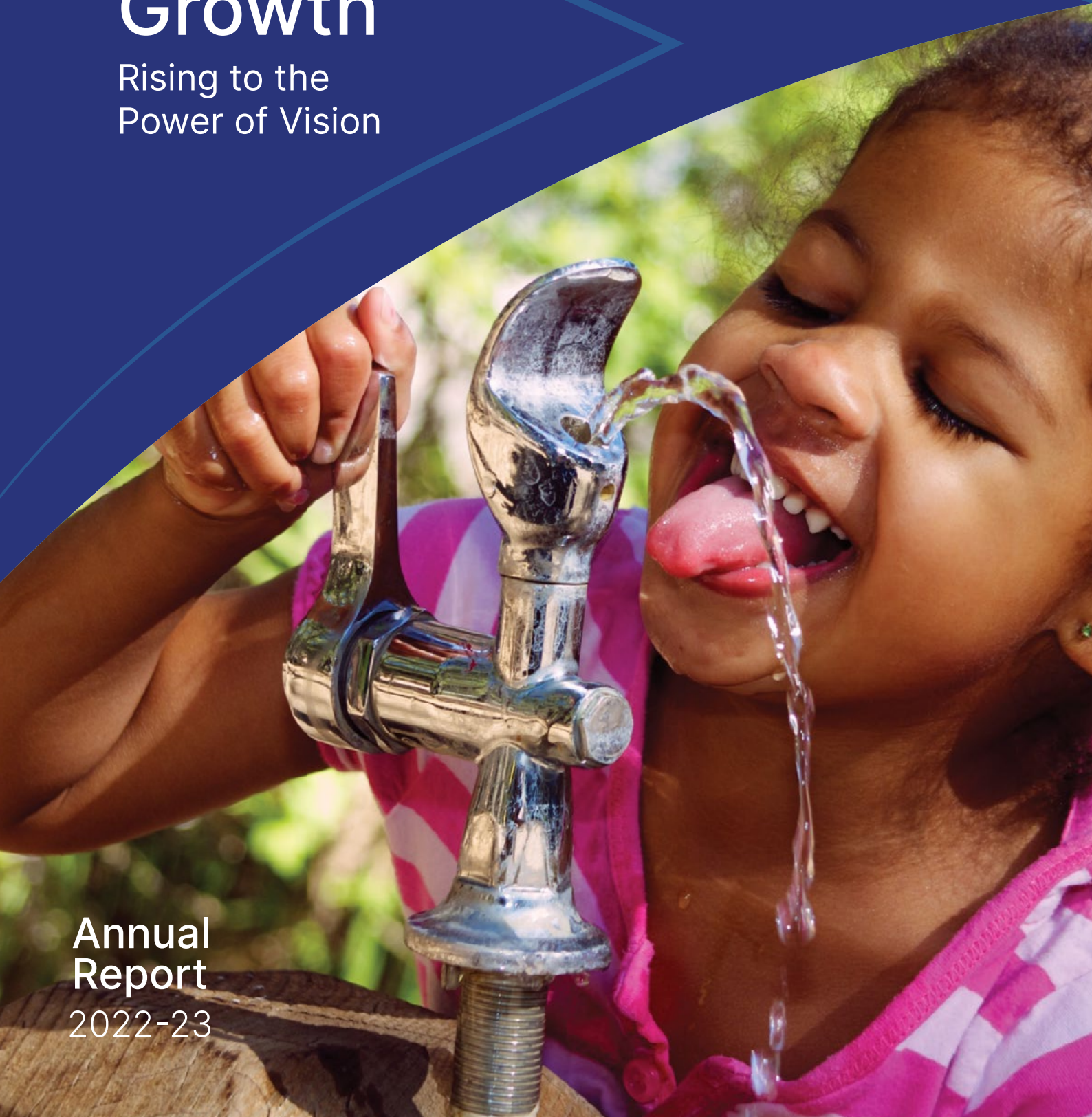


Growth^W

Rising to the
Power of Vision

Annual
Report
2022-23





Embrace the new

Embrace the change

What does it really take to drive exponential growth? Growth beyond expectations is rarely a targeted outcome. It is often a byproduct of breakthrough opportunities arising from a vision created for people, businesses and the planet. A result of not just doing things right, but also, doing the right things.

Our new logo is a modern and concise depiction of our positioning for the Group and all its businesses. The letter 'W' is inspired by 2 ticks, 'Doing things right', and 'Doing the right thing' that signifies how the growth of our business is helping us realize our potential to rise to the power of our Vision... The Power of Right.

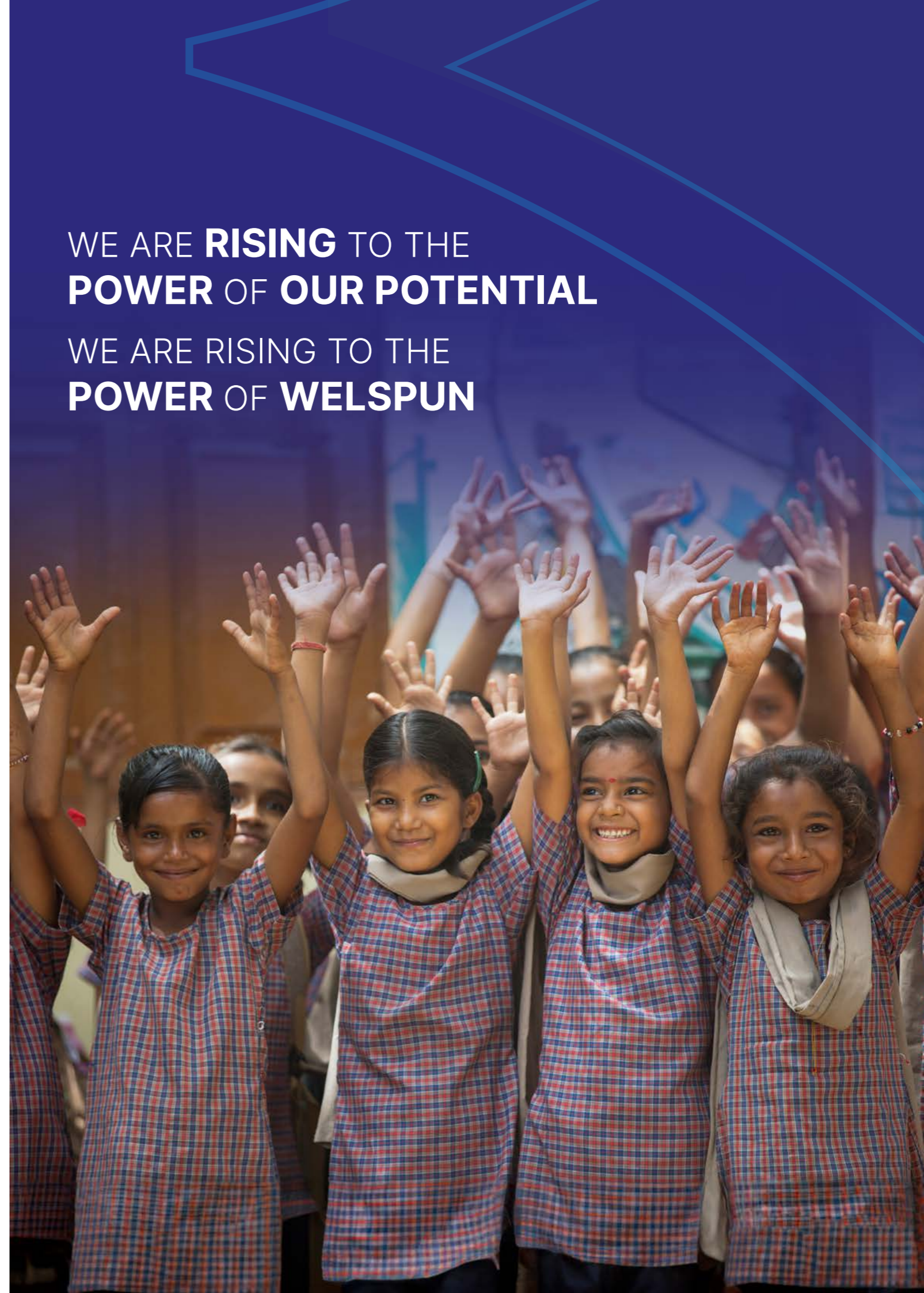
The new logo captures the essence of Welspun's growth, innovation, and adaptability in a rapidly changing business landscape, reflecting our evolution. It encapsulates our Company's core values, vision, and mission, making it easier for customers to identify and connect with us.

Tomorrows are inevitable. Challenges will keep coming. How good the future will depend on how well we plan and prepare our present, to create the next level opportunities and experiences for tomorrow.

At Welspun, we commit to Foresee the Change, Predict the Potential, Gauge the Growth, Evaluate the Value, Expand to Prepare, Innovate to Equip, and Leap to Go Beyond. So, when tomorrow comes, we are ready to conquer it.

WE ARE **RISE** TO THE
POWER OF OUR POTENTIAL

WE ARE RISING TO THE
POWER OF WELSPUN





To view this report online and to know more about WELSPUN CORP, visit: www.welspuncorp.com

Forward-looking Statements

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This Report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

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Corporate Information

Company Identification Number:

L27100GJ1995PLCO25609

Date of Incorporation: April 26, 1995

Date of Being Listed on Stock Exchange:

BSE: March 27, 1997

NSE: December 4, 2003

Type of Business: Manufacturing of Steel Pipes & Coating, Billets, TMT Bars, Specialty Stainless Steel Bars and Tubes, Pig Iron, Ductile Iron Pipes, Polymer & Polymer products

Registered Capital: ₹ 552.05 Crore

Paid-up Capital: ₹ 482.28 Crore divided into 261,529,395 equity shares of ₹ 5 each fully paid-up and 351,511,571 Preference Shares of ₹ 10 each fully paid-up

Securities Registrar & Transfer Agent:

Link Intime India Private Ltd.,
C-101, 247 Park, LBS Marg, Vikhroli (West),
Mumbai - 400 083

Registered Office:

“Welspun City” Village Versamedi, Tal. Anjar,
Dist. Kutch, Gujarat - 370 110, India
Email: companysecretary_wcl@welspun.com
Website: www.welspuncorp.com
Tel: +91 - 2836 - 662079
Fax: +91 - 2836 - 279060

Corporate Office:

“Welspun House”, 5th Floor, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai - 400 013, India
Tel: +91 - 22 - 6613 6000/2490 8000
Fax: +91 - 22 - 2490 8020/21
Email: companysecretary_wcl@welspun.com
Website: www.welspuncorp.com

Marketing Offices:

Mumbai, Lucknow, Gandhinagar, Bhopal, Ahmedabad
Houston (USA), Dammam (KSA)

Manufacturing Units of the Company:

- Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat-370110 (Line Pipes and Coating)
- KIADB Industrial Area, Gejjalagere, Taluka Maddur, Dist. Mandya, Karnataka - 571 428 (Line Pipes and Coating)

- Survey No. 228-229, Village Jamunia & Khejda, Dist. Raisen, Madhya Pradesh - 464 551 (Pipes and Coating)

Manufacturing Units of the Subsidiaries/ JVs/Associates:

- 9301, Frazier Pike, Little Rock, Arkansas 72205, USA (Pipes & Coating)
- 2nd Ind City Dammam, Kingdom of Saudi Arabia, P. O. Box 12943, Postal Code 31483 (Pipes & Coating)
- Village Versamedi, Tal.-Anjar, Dist.-Kutch, Gujarat-370 110 (Concrete Weight Coating)
- Village Versamedi, Tal.-Anjar, Dist. Kutch, Gujarat - 370 110 (TMT Rebars & DI Pipes)
- Plot No. 01, G.I.D.C. Industrial Estate, Valia Road, Jhagadia, Bharuch, Gujarat -393110 (SS products)
- Dahej Industrial Estate, Village Jageshwar, Dahej, Taluka Vagra, District Bharuch, Gujarat - 392130 (Shipping)
- Near Seven Garnala, Dist. Gandhinagar, Kalol, Gujarat - 382721 (Polymer & Polymer Products)
- Village Bhatian, Chorisia Road, Near TVS Fatory, Nalagarh, Himachal Pradesh - 174 101 (Polymer & Polymer Products)
- Plot No. 40P & 41, Uluberia Industrial Growth Centre, Uluberia, Howrah, West Bengal-711316 (Polymer & Polymer Products)
- J-11, MIDC, Village Mandwa, Butibori, Nagpur, Maharashtra- 441122 (Polymer & Polymer Products)
- SF No. 493/1, Navani Village, (VIA), Puduchatiram, Namakkal, Tamilnadu-637018 (Polymer & Polymer Products)
- Gat No. 1225, Sanaswadi, Pune Nagar Road, Tal - Shirpur, District - Pune, Maharashtra -412208 (Plastic & Polymer Products)
- 131, Sandhiyur Attayampatti Village, Via. Mallur, Salem-Trichy Road, Salem, Tamil Nadu - 636 203 (Polymer & Polymer Products)

Stock Exchanges where the Company's Securities are listed:

BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

The National Stock Exchange of India Ltd.
Exchange Plaza, Bandra - Kurla Complex,
Bandra (E), Mumbai - 400 051

Board of Directors:

Mr. Balkrishan Goenka - *Chairman, Non-Executive*
Mr. Rajesh R. Mandawewala - *Non-Independent, Non-Executive Director*
Mr. Vipul Mathur - *Managing Director & CEO*
Ms. Dipali Goenka - *Non-Independent, Non-Executive Director*
Mr. Aneesh Misra - *Non-Independent, Non-Executive Director*
Mr. Arun Todarwal - *Lead Independent Director*
Ms. Revathy Ashok - *Independent Director*
Ms. Amita Misra - *Independent Director*
Mr. Manish Chokhani - *Independent Director*
Mr. Anjani Agrawal - *Independent Director*
Ms. Dipali Sheth - *Independent Director*

Committees of the Board:

Audit Committee

Mr. Arun Todarwal - *Chairman, Lead Independent Director*
Ms. Amita Misra - *Member, Independent Director*
Mr. Anjani Agrawal - *Member, Independent Director*

Risk Management Committee

Ms. Amita Misra - *Chairperson, Independent Director*
Mr. Anjani Agrawal - *Member, Independent Director*
Mr. Arun Todarwal - *Member, Lead Independent Director*
Mr. Vipul Mathur - *Member, Managing Director & CEO*
Mr. Percy Birdy - *Member, Key Managerial Personnel*
Ms. Dipali Sheth - *Independent Director*

ESG & CSR Committee

Ms. Revathy Ashok - *Chairperson, Independent Director*
Mr. Anjani Agrawal - *Member, Independent Director*
Mr. Arun Todarwal - *Member, Lead Independent Director*
Ms. Dipali Goenka - *Member, Non-Independent, Non-Executive Director*
Mr. Vipul Mathur - *Member, Managing Director & CEO*

Nomination & Remuneration Committee

Mr. Arun Todarwal - *Chairman, Lead Independent Director*
Ms. Amita Misra - *Member, Independent Director*
Ms. Revathy Ashok - *Member, Independent Director*

Share Transfer & Investor Grievance and Stakeholders' Relationship Committee

Mr. Arun Todarwal - *Chairman, Lead Independent Director*
Ms. Revathy Ashok - *Member, Independent Director*
Mr. Vipul Mathur - *Member, Managing Director & CEO*

Chief Financial Officer:

Mr. Percy Birdy

Company Secretary:

Mr. Pradeep Joshi

Auditors:

Price Waterhouse Chartered Accountants LLP

Key Management Team:

Mr. Vipul Mathur - *Managing Director & CEO*
Mr. Percy Birdy - *CFO*
Mr. Priyaranjan Kumar - *CHRO*
Mr. Godfrey John - *CEO, Pipes*
Mr. Anuj Burakia - *CEO & Wholetime Director, WSSL*
Mr. Neeraj Kant - *CEO, Steel*
Mr. Samir Joshipura - *CEO, Polymer Business*
Mr. T. S. Kathayat - *President Head QA & TS, Pipes*
Mr. Snehal Patel - *VP - Operations, USA, Pipes*
Mr. Todd Phillips - *VP - Marketing, USA, Pipes*
Md. Al-Shaheen - *CEO, East Pipes Integrated Company For Industry (EPIC)*
Mr. Pradeep Joshi - *Company Secretary*

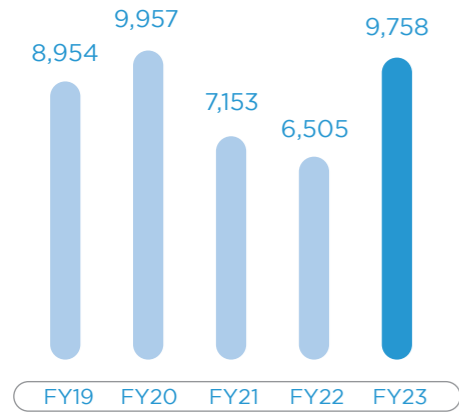
Bankers:

Bank of Baroda
Axis Bank Ltd.
Bank of India
HDFC Bank Ltd.
ICICI Bank Ltd.
IDBI Bank Ltd.
IDFC First Bank Ltd.
Punjab National Bank
State Bank of India
YES Bank Limited

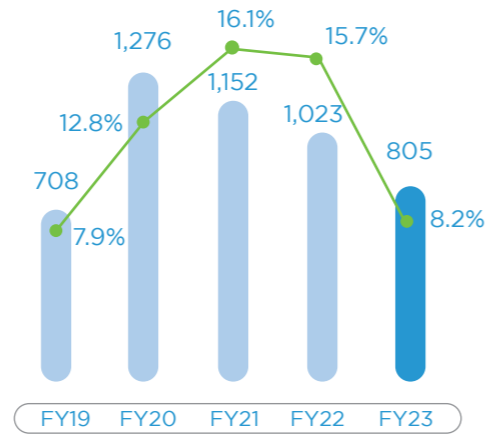
Key Performance Indicators

FINANCIAL METRICS

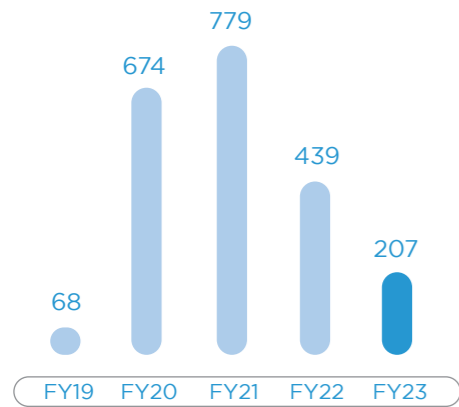
Revenue from operations (₹ in Crore)



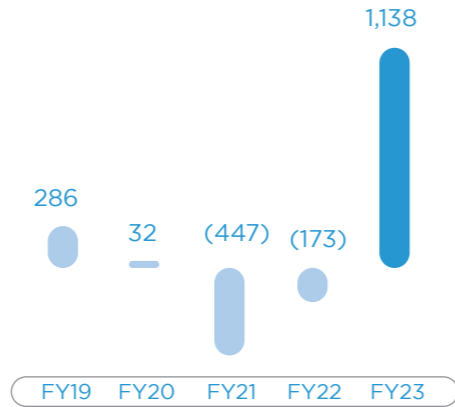
EBITDA (₹ in Crore) and EBITDA margin (%)



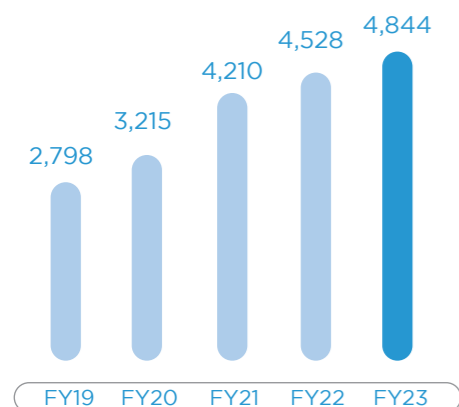
PAT after Minorities, Associates and JVs



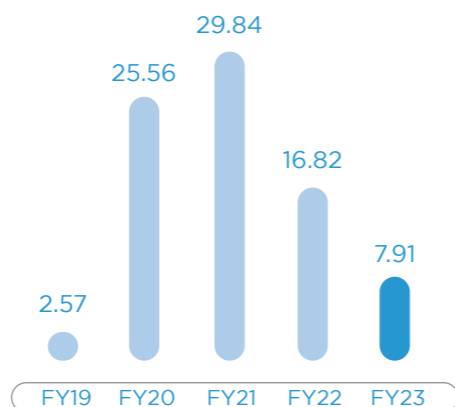
Net Debt / (Cash) (₹ in Crore)



Net worth (₹ in Crore)

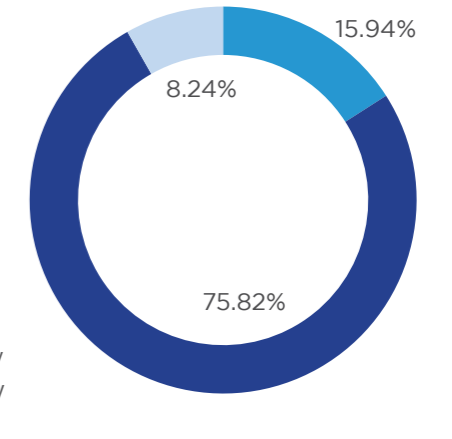
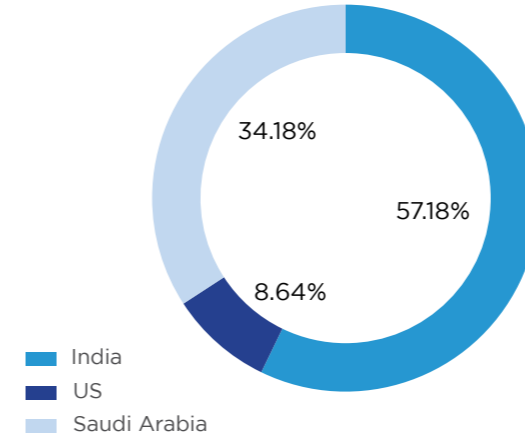


Earnings per share (Basic) (₹)



KEY OPERATING METRICS

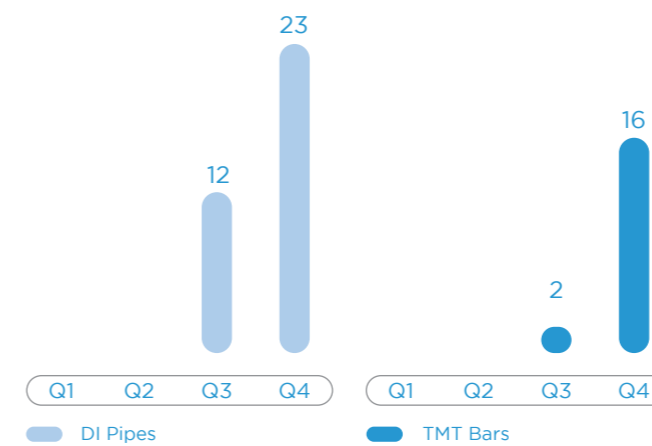
Line Pipes



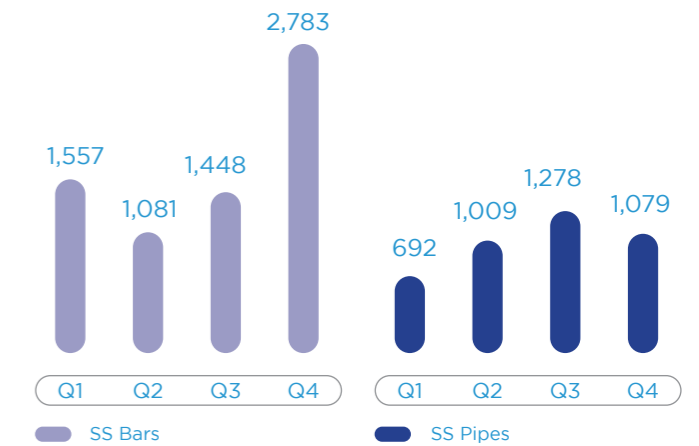
Sale by Plant (as % of Volume)

Sale by Plant (as % of Volume)

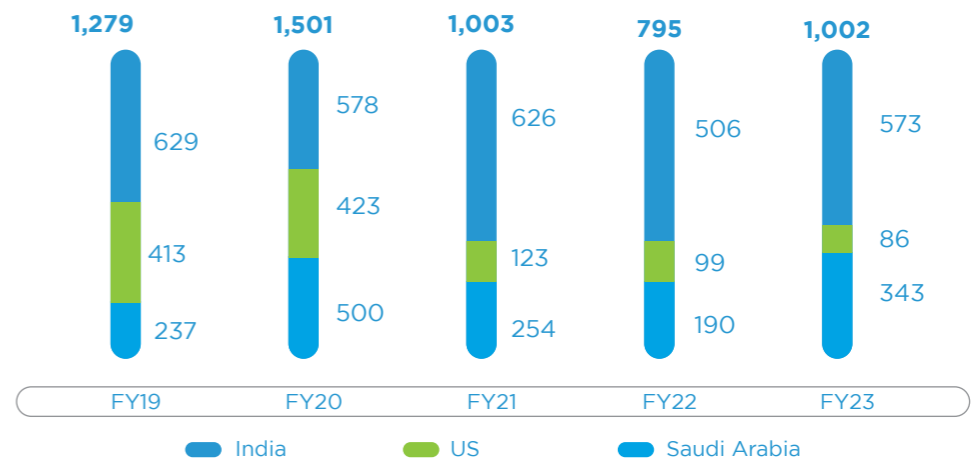
Sales Volume (KMT)



Sales Volume (MT)



Sales Volume (KMT)



From Vision to Reality

At Welspun Corp, we are cognizant of the immense potential in the B2C sector and the changing market dynamics. As a result, we have embarked on a paradigm shift from being a B2B manufacturer with global footprint to a conglomerate with an array of products and solutions catering to both B2B and B2C markets.

With a clear understanding of the high-quality Line Pipes market, WCL diversified its product portfolio further. It moved from the manufacturing of Line Pipes to Ductile Iron (DI) Pipes, TMT Rebars, Stainless Steel Pipes, Tubes, and Bars, and in the process, gained capabilities to serve the entire value chain - for both the B2B and B2C segments. The Company has laid focus on how it can develop new consumer-focused products and innovative solutions. This involved leveraging our existing expertise in steel manufacturing and making strategic acquisitions to enter new markets.



We expanded the ambit of our businesses by making them more consumer-centric and aligning ourselves with the Group's vision. Strongly focused on customer centricity, we aim to provide the best solutions, resources, technical expertise, and quality to our customers, and in the process, increase our revenue streams and advance in our growth strategy.

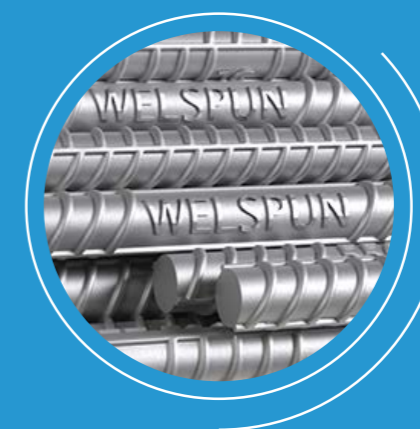
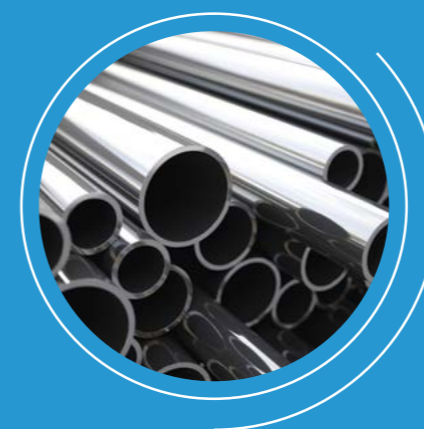
Our DI Pipes contribute to the government's vision of making access to water a key priority for households across India through the transportation of clean drinking water through its Nal Se Jal initiative under the Jal Jeevan Mission (JJM). To complete the journey from water transportation to water storage, our newly acquired Sintex brand (a premium iconic national brand) will enable us to provide water storage solutions to Indian households via a single channel. With a strong emphasis on infrastructure, WCL recently expanded its steel-making facility with a state-of-the-art TMT Rebars mill. This new addition is equipped with cutting-edge technology to ensure the production of high-quality TMT Rebars.

Furthermore, WCL has also undergone a cultural shift within the organization. We nurtured a customer-centric mindset



among employees and encouraged cross-functional collaboration to ensure seamless integration of B2C operations. This involved upskilling employees by training them on customer service, sales techniques, and adapting to the demands of the B2C market.

Over the years, by thinking differently, the Company has transformed its passion into performance and its thoughts into action. While this is a long journey, the Company continues to be steadfast in building long-term value by repeatedly winning in our chosen segments, creating enhanced value and turning our vision into reality.



Chairman's Message



Our Acquisitions and Greenfield projects will strengthen our efforts in improving the lives of people across the country

My dear stakeholders,

In the Financial Year 2022-23, Welspun Corp Limited (WCL) has achieved significant milestones. I am pleased to report that the past year has been a period of remarkable growth and prosperity for our organization. Despite the challenging global economic landscape, we have remained resilient, adaptable, and focused on our strategic objectives. This steadfast dedication has enabled us to navigate through uncertainties and emerge even stronger.

We firmly believe that our success is intrinsically linked to the success of all our stakeholders. We remain deeply committed to creating shared value and fostering long-term relationships with our valued customers, dedicated employees, supportive communities, and our esteemed shareholders. WCL will continue to prioritize the interests of all stakeholders, seeking to exceed expectations and contribute positively to society.

VISION TO REALITY

In line with our commitment to continuous growth, we have successfully expanded into new markets and diversified our product offerings. During the year, we completed the acquisition of the plastic products business of Sintex BAPL. Sintex is an iconic brand, synonymous with Water Tanks. This transaction is in

line with our strategy to build a building materials portfolio and create a widespread distribution channel. It has enabled us to take a significant stride forward in implementing our B2C Strategy and improving the quality of lives in our country. In addition, we also completed the acquisition of the specified assets of ABG Shipyards Limited located at Dahej in Gujarat. We are exploring various options like Ship Recycling and Repair to optimally utilize these assets to further enhance stakeholder value.

During the year, we witnessed a steady ramp-up of production in our Greenfield projects of manufacturing Ductile Iron Pipes and TMT Rebars. Welspun Specialty Solutions Ltd, our stainless steel business, has seen a strong turnaround in performance. Our growth strategy has yielded fruitful results, and we anticipate even greater accomplishments in the coming years as our new businesses are further scaled up.

FINANCIAL PERFORMANCE

I am pleased to announce that our financial performance has been solid, enabling us to grow and expand our business. Through diligent efforts, prudent financial management, and strategic investments, we have achieved a robust performance, reflecting the

dedication and expertise of our talented workforce, as well as our unwavering commitment to delivering value to our shareholders.

In the Financial Year 2022-23, the Key Highlights of our Consolidated Financial performance are:

- Achieved more than 1 million metric tons of Global Line Pipe Sales, which is the 8th time in last 10 years in which we reached this milestone
- Revenue from Operations was at ₹ 9,758 Crore
- EBITDA stood at ₹ 805 Crore
- Basic Earnings per Share was ₹ 7.9
- Dividend declared for the year is ₹ 5.0 per share

NEW ENERGY

As energy demands across the world evolve rapidly, we are repurposing our business of large diameter pipes in new opportunities and segments. Our foray into carbon capture projects and transportation of hydrogen and ammonia is the beginning of a paradigm shift in the new energy space. With such projects, we aim to contribute significantly in reducing CO2 emissions in the environment, and also take a leap forward in achieving our sustainability goals towards a cleaner and greener planet. We are collaborating with the world's premier energy companies to provide technical expertise aimed at laying the foundation of hydrogen transportation infrastructure. We also signed an MoU with a large steel supplier to develop the framework for, and subsequently manufacturing pipes for transportation of pure hydrogen and natural gas-blended hydrogen. The green energy strategic partnership is to assess the suitability of a variety of pipes manufactured by us for the transportation of Hydrogen.

SUSTAINABILITY AND CORPORATE RESPONSIBILITY

We understand the significance of sustainability and the vital role it plays in securing a brighter future. Our commitment to corporate responsibility and environmental stewardship remains unwavering. We have implemented robust sustainability measures, including eco-friendly practices, reduced carbon footprint, and responsible sourcing. By aligning our business objectives with the principles of sustainability, we aim to create long-term value for our shareholders while contributing to the well-being of the planet and society at large.

I am delighted to share that we have been ranked in the Top 7 percent in the Steel Industry in S&P Global's DJSI Corporate Sustainability Assessment. WCL's Governance & Economic Dimension percentile is 98, Environmental Dimension percentile is 91 and Social Dimension percentile is 92. Going forward, the Company will continue to be inspired by its values and sense of purpose to create a better world through sustainable actions.



We are amongst the top ESG rated Steel companies in the World.

GOVERNANCE AND ETHICS

Sound corporate governance and effective risk management are integral to our operations. We continuously strive to enhance our governance practices and maintain the highest ethical standards. Our dedicated Board of Directors ensures transparency, accountability, and effective decision-making. We remain vigilant in identifying and mitigating potential risks, safeguarding the interests of our shareholders, and preserving the long-term stability of our organization. By doing so, we create a solid foundation for sustainable growth and long-term value creation.

LOOKING AHEAD

The global economy seems to be making a gradual recovery from both the pandemic and Russia's invasion of Ukraine. Although the world economy grew by 3.4% in 2022, it is projected to grow by 2.8% in 2023 and 3.0% in 2024. The IMF has projected that India's economy will grow by 5.9% for FY24 and 6.3% for FY25. The latest World Economic Outlook figures show that India continues to be the fastest-growing major economy in the world.

As we forge ahead, we recognize that the business landscape is evolving rapidly. Technological advancements, shifting consumer preferences, and geopolitical changes present both challenges and opportunities. However, I am confident that with our robust business model, resilient infrastructure, and dedicated team, we are well-prepared to navigate the future successfully. Our unwavering commitment to innovation, customer satisfaction, and shareholder value will remain at the forefront of our strategic priorities.

In conclusion, I extend my deepest gratitude to each and every one of you, our valued shareholders, for your continued trust, support, and confidence in our organization. Together, we have achieved remarkable milestones, and I am excited about the prospects that lie ahead. Rest assured, we will remain steadfast in our pursuit of excellence, continuously striving to exceed expectations and deliver sustainable growth.

Thank you for being an integral part of our journey.

Warm regards,

B. K. Goenka
Chairman of the Board

Lead Independent Director's Message



Your Company focused on strengthening its core competencies, exploring new market opportunities, and leveraging the emerging technologies to stay ahead of the curve. As a result, it not only maintained its market position, but also expanded its reach into new segments.

Dear Stakeholders,

I am honored to serve as the Lead Independent Director and to work closely with my fellow Directors, as we serve on your behalf to carry out our fiduciary duties to oversee your Company.

Over the past year, there have been numerous uncertainties in the global business landscape. However, I am pleased to report that despite these challenges, your Company has not only persevered, but has also achieved remarkable growth and success.

Your Company focused on strengthening its core competencies, exploring new market opportunities, and leveraging the emerging technologies to stay ahead of the curve. As a result, it not only maintained its market position, but also expanded its reach into new segments.



Your Board met 9 times during the year to discuss several value creation propositions such as acquisitions, mergers, off-loading assets, and green-field project execution, among other proposals.

KEY BOARD PRIORITIES DURING THE YEAR

- Business growth, diversification and de-risking initiatives – Acquisition of Polymer and Polymer Products business of Sintex-BAPL Limited, and acquisition of specified assets of ABG Shipyard Limited;
- Sale of land and civil structures of Line Pipe Unit situated at Dahej unit of the Company;
- Integration of newly incubated and acquired businesses with the Company;
- Increased oversight of Environmental, Social and Governance (ESG) matters;
- Oversight on risk management and strengthening resilience;
- Meeting investors and stakeholder groups to understand their views on key risks and opportunities;
- Sustainability and long-term value creation for all our stakeholders and the community at large.

CORPORATE GOVERNANCE

The Independent Directors worked closely with the leadership team to ensure that the Board effectively oversaw the Company's strategy and operations. Significant business and organizational initiatives, capital allocation, business development opportunities, enterprise risk management and corporate culture were regularly discussed. Key enhancements undertaken during the year are as follows:

Themes	Key Initiatives
 <p>Strengthening governance structure</p>	<p>Thoughtful succession at the Board level by appointing three new Independent Directors;</p> <p>Reconstitution of the Nomination & Remuneration Committee, the Audit Committee, the Risk Management Committee, and the ESG & CSR Committee by inducting more subject matter experts;</p> <p>Separate role of CEOs for each businesses/subsidiaries;</p> <p>Detailed discussion on the Internal Audit observations of each businesses/subsidiaries by the Audit Committee of the parent Company;</p> <p>Robust system for evaluation of the Board, Committees and individual members of the Board.</p>
 <p>Unlocking ESGs strategic value</p>	<p>Making ESG a strategic priority</p> <p>Achieved a high ESG Rating from DJSI (ranked in the Top 7% in Global Steel Industry in S&P Global's DJSI Corporate Sustainability Assessment);</p> <p>Comprehensively reporting its sustainability performance across the environment, social, and governance domains, highlighting the progress made by the Company over its sustainability goals (published its maiden BRSR and Sustainability Report for FY 2021-22);</p> <p>Published its first-ever Tax Transparency Report, explaining not only your Company's compliance with tax laws and disclosure requirements and guidelines, but also your Company's overall approach that sets the context for our tax liabilities.</p>

As a Lead Independent Director of your Company, I assure you that your Board is committed to delivering the highest standards of governance, transparency, ethics, integrity and reliability through our robust governance framework.

Furthermore, I firmly believe that responsible business practices are essential for long-term success and the betterment of the society as a whole. Your Company's commitment to sustainability remains steadfast. It has actively embraced responsible business practices, aiming to minimize the environmental impact and contribute to the well-being of the communities in which it operates.

The Board continues to prioritize engaging with its stakeholders and responding to their valuable feedback. Please share your feedback during the upcoming Annual General Meeting or write to the Company Secretary.

On behalf of the Board of Directors, thank you for your investment and continued confidence in the Company and our Board. We would continue to work to represent the interests of all the stakeholders.

Sincerely,

Arun Todarwal
Lead Independent Director

About Welspun Group

From Homes to Highways, Hi-tech to Heavy metals, we lead the way to create a smarter & more sustainable world.



Vision

Delight our customers through innovation and technology, achieve inclusive and sustainable growth to remain eminent in all our businesses.



Mission

We aim to be amongst the:

- Top 2 value creators in each of our businesses
- Top 10 most respected Indian brands
- Top 50 groups in India in terms of market value



Purpose

To delight customers through innovation and technology, achieve inclusive and sustainable growth and create a more sustainable world.

Among the global leaders in Home Textiles

Among the leading Large Diameter Pipes producer in the world

Presence in more than 50 countries

Strong team of 26,000+ employees across global locations



Our Values

We take pride in providing the best to our stakeholders. These four principles define and direct Welspun Group to create a better future.



Customer Centricity



Technology & Innovation



Collaboration



Inclusive Growth



With a group revenue of US\$ 2.3 billion and 36 years of experience, Welspun Group is one of the fastest growing global conglomerates. With our new vision of Har Ghar Se Har Dil Tak Welspun, we are amongst the global leaders in the markets of United States, Saudi Arabia, Europe, and India.

Welspun has successfully forayed into businesses like Home Textiles, Advanced Textiles, Flooring Solutions, Retail, Infrastructure, Warehousing, Line Pipes,

DI Pipes, Stainless Steel Pipes, Tubes & Bars, Pig Iron, TMT Rebars, and more.

We strongly believe in our purpose to delight customers through innovation and technology, achieve inclusive & sustainable growth to remain eminent in all our businesses. We are partners by choice in some of the most challenging projects for the largest players globally.

OUR GROUP COMPANIES



Welspun[®]INDIA
Home Solutions



Welspun[®]CORP
Complete Pipe Solutions and Building Materials



Welspun[®]ENTERPRISES
Infrastructure & Energy



Welspun[®]ONE
Logistics Park



About Welspun Corp

LINE PIPES

2,155 KMT

Capacity (including Saudi operations)

1,002 KMT

Sales (including Saudi operations)

1,100 KMT

Current Order Book (including Saudi operations)

14,600 ₹ Crore

Current Order Book (including Saudi operations)

2,552 KMT

Active Bid Book (for India and LR)

Manufacturing Locations

- Anjar, Gujarat
- Mandya, Karnataka
- Bhopal, Madhya Pradesh
- Little Rock, USA
- Dammam, KSA

DI PIPES

400 KMT

Capacity

37 KMT

Sales

138 KMT

Current Order Book

1,091 ₹ Crore

Current Order Book

Manufacturing Locations

- Anjar, Gujarat

TMT BARS

350 KMT

Capacity

18 KMT

Sales

Manufacturing Locations

- Anjar, Gujarat

SINTEX

70 KMT

Combined Capacity

Manufacturing Locations

- Kalol, Gujarat
- Nalagarh, Himachal Pradesh
- Namakkal, Tamil Nadu
- Uluberia, West Bengal
- Butibori (Nagpur) Maharashtra
- Guwahati* Assam

**Under contract manufacturing*

SS PIPES, TUBES & BARS

SS Bars

1,50,000

Capacity (in MT)

6,869

Sales (in MT)

SS Pipes

18,000

Capacity (in MT)

4,059

Sales (in MT)

Consolidated Order Book (SS Products)

3,500

Current Order Book (in MT)

155

Current Order Book (INR Crore)

Manufacturing Locations

- Jhagadia, Gujarat

Transforming into a Conglomerate

CREATING ENDURING VALUE

We embarked on a journey of transformation and growth to create significant long-term growth for our stakeholders, broadening our footprint globally. Our confidence rests on a sound diversification strategy and distinctive capabilities that will keep anchoring our growth year after year.

From being a top Line Pipes manufacturer with a global footprint since our formative years, today we have evolved into a conglomerate with diversified businesses – Line Pipes, Ductile Iron Pipes, Specialty Steel Bars and Tubes, TMT Rebars, and acquisitions such as Water Tanks and Home Interiors business of Sintex BAPL and specified assets from ABG Shipyard.



With the launch of our ductile iron pipes business, our endeavor is to work in tandem with the government's Nal Se Jal Initiative under the Jal Jeevan Mission. Through the DI Pipes foray, our focus is on creating a robust drinking water supply infrastructure in India, reaching households in both urban and rural India. In our Specialty Steel business, we are moving towards higher value-added grades with a solid demand at our fully integrated boutique facility to produce SS Pipes, Tubes and Bars.

Further, with our forward integration from Billets to TMT Rebars through our brand, Welspun Shield, we have created a unique and industry-first digital platform for distributors, dealers, retailers and influencers. This is not only creating a positive socioeconomic effect, but also helping us with a deeper penetration in the market to achieve our B2C goals. We are present in the high-growth western region of India where Welspun enjoys a strong brand presence.

NEW BUSINESS SEGMENTS

The acquisition of an iconic national premium brand like Sintex has catapulted WCL into the B2C space. With a high brand recall value, a widespread national-level sales network comprising 900 distributors and 13,000 dealers, and a combined capacity of 70,000 MT, our aim is to further increase this iconic brand's market share.

During the year, we also acquired specified assets of ABG Shipyard, one of the largest shipyard infrastructure companies in India. Welspun Corp's core competencies include fabrication of steel pipes through the process of welding, and relationships with the global steel mills. With this acquisition, we gained the potential to enter the new businesses of ship recycling and repair. Now termed Nauyaan Shipyard, the business enables us to assess low capex, non-cyclical, high return and value-accretive propositions.

TRANSFORMING INTO A CONGLOMERATE

Having firmly established ourselves in our chosen markets and capturing value-addition opportunities, we are well on track to position Welspun Corp as a business conglomerate with diversified business segments. Today, we are serving a variety of industries including Oil & Gas, Water, New Energy, Infrastructure & Housing, and the B2C segment, with a major presence in India and the global markets.

With distinctive capabilities and a strong culture of engineering excellence, we are keen to contribute to India's growth story. We are committed to providing the best solutions, resources, and



technical expertise, combined with a focus on quality and customer centricity. Our new business segments will further strengthen our efforts in developing the nation's infrastructure and improving the lives of people.

MOVING AHEAD

We firmly believe that Welspun Corp is at the turning point of delivering sustained growth. Our Business Growth and Diversification Strategy also aligns well with the Welspun Group's vision. Today, we have strong fundamentals to persistently deliver on our promises and consistently report noteworthy growth year after year. From our current position of strength, we are capable of becoming an enduring, prominent, and consistent value generator.



Manufacturing Facilities

Our state-of-the-art manufacturing facilities in India are located at:

Anjar, Gujarat



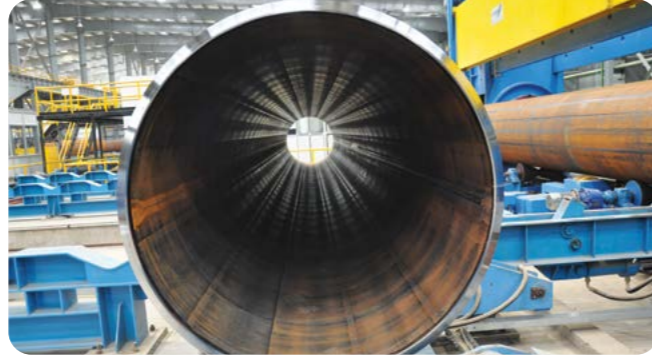
LINE PIPES

- LSAW: 350 KMT
- HSAW: 250 KMT
- ERW/HFIW: 200 KMT

TMT REBARS & DI PIPES

- TMT Bars: 350 KMT
- DI Pipes: 400 KMT

Bhopal, Madhya Pradesh



LINE PIPES

- HSAW: 305 KMT

Mandya, Karnataka



LINE PIPES

- HSAW: 150 KMT

Jhagadia, Gujarat



STAINLESS STEEL

- SS Bars: 150 KMT
- SS Pipes: 18 KMT

Little Rock, USA



LINE PIPES

- HFIW: 175 KMT
- HSAW: 350 KMT

SINTEX



Combined capacity

70,000 tons



Manufacturing locations

Kalol,
Gujarat

Nalagarh,
Himachal Pradesh

Namakkal,
Tamil Nadu

Uluberia,
West Bengal

Butibori,
Maharashtra

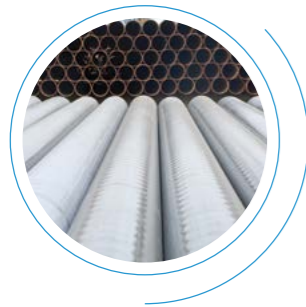
Guwahati*
Assam

*Under contract manufacturing



An Expanding Product Portfolio Serving Customers' Needs

PIPE SOLUTIONS



HSAW Pipes
(Helicallly Welded)

Utilized in:
Onshore oil, gas & water transmission



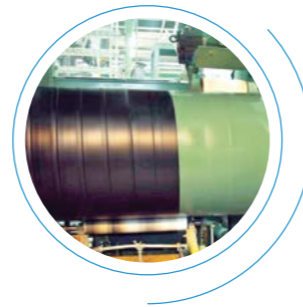
LSAW Pipes
(Longitudinally Welded)

Utilized in:
Onshore/Offshore oil & gas transmission



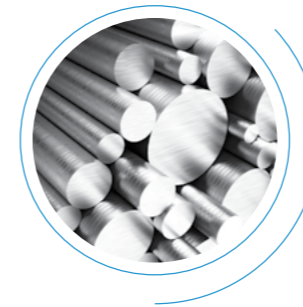
ERW Pipes
(Electric Resistance Welded)

Utilized in:
Onshore oil & gas transmission
Oil & gas distribution



Coating System

Utilized in:
Anti-Corrosion



SS Bars
(Stainless Steel)

Utilized in:
Oil & Gas, Defense, Automobile
Forging industries, Engineering industries



SS Pipes and Tubes
(Stainless Steel)

Utilized in:
Oil & gas, Refinery
Petrochemicals, Nuclear power, Fertilizers, Energy & power, Defense, Railways, Aerospace

BUILDING MATERIALS



Value-added Service

Utilized in:
Double jointing, Pipe bending, ID machining, Dump site and inventory management



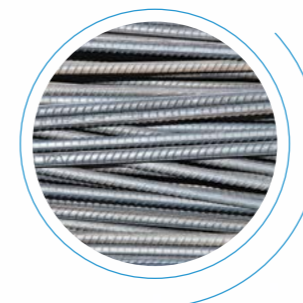
DI Pipes

Utilized in:
Potable water distribution



Pig Iron

Utilized in:
Foundries



TMT Rebars
(Thermo-Mechanically Treated)

Utilized in:
Infrastructure and housing construction

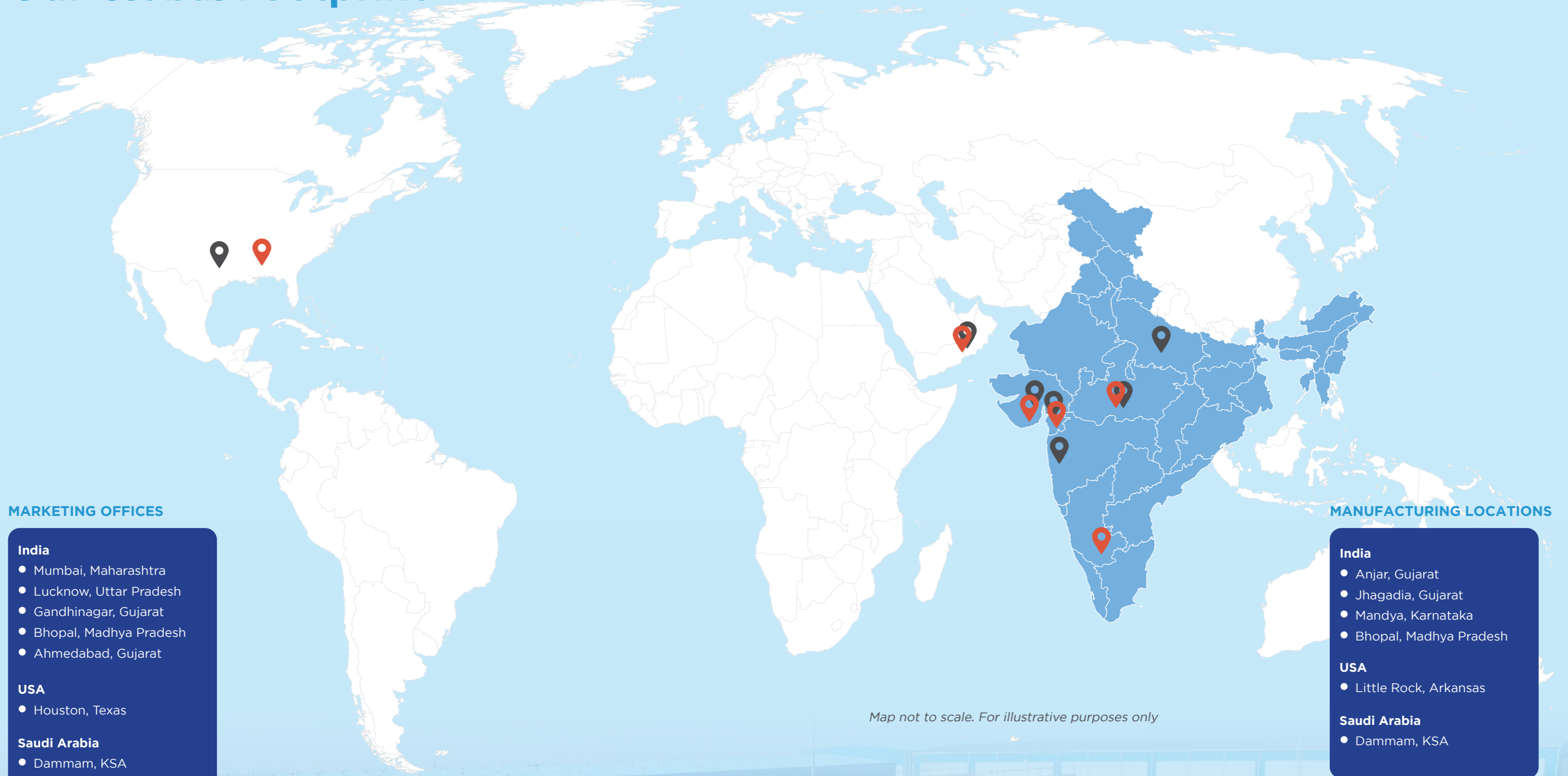


Sintex BAPL - Polymer Products

Utilized in:
Water storage



Our Global Footprint



MARKETING OFFICES

India

- Mumbai, Maharashtra
- Lucknow, Uttar Pradesh
- Gandhinagar, Gujarat
- Bhopal, Madhya Pradesh
- Ahmedabad, Gujarat

USA

- Houston, Texas

Saudi Arabia

- Dammam, KSA

MANUFACTURING LOCATIONS

India

- Anjar, Gujarat
- Jhagadia, Gujarat
- Mandya, Karnataka
- Bhopal, Madhya Pradesh

USA

- Little Rock, Arkansas

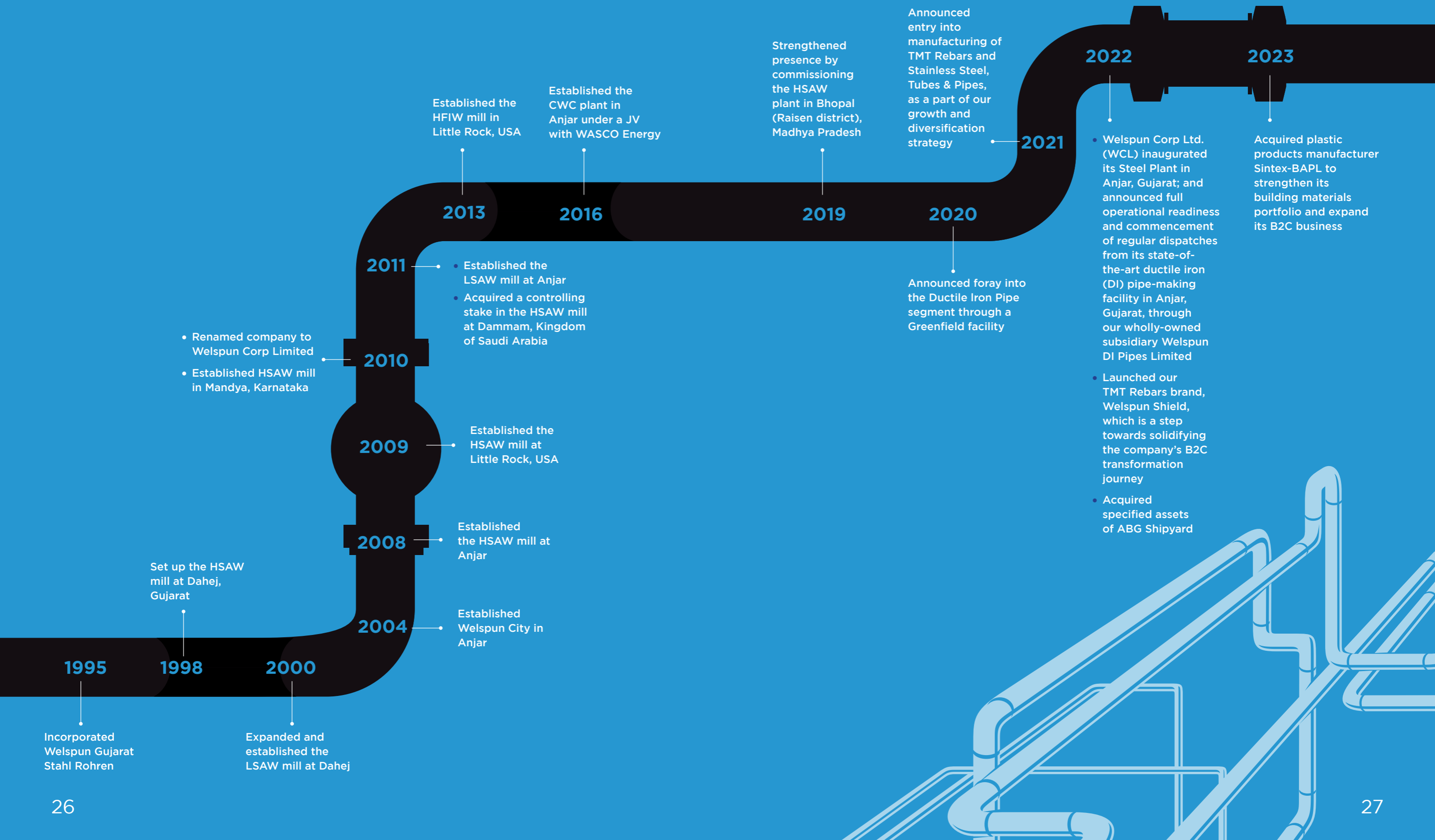
Saudi Arabia

- Dammam, KSA

Map not to scale. For illustrative purposes only



Milestones



Line Pipes Business: Maintaining a Global Leadership Position

We are among the leading line pipe manufacturers globally with a total capacity of 2,155 KMT providing comprehensive solutions and capabilities to manufacture a diverse variety of line pipes. Being the forerunners in manufacturing a wide range of line pipes, we cater to sectors for oil & gas and water transmission industries.

We have delivered some of the most critical pipelines for complex and large onshore, offshore, and other challenging projects with our 360-degree capabilities in pipe products, technological innovation and a strong culture of engineering and operational excellence.

With our ever-expanding capabilities, we have served our customers across the world – in 6 continents and 50 countries, successfully supplying pipes to massive infrastructure projects.

FOCUSING ON FUTURE OPPORTUNITIES

The overall environment for Oil & Gas capex is favorable across the

world, with global oil demand set to grow by 2 million barrels per day (bpd) to a record 101.9 million bpd in 2023. Given the potential, we remain poised to capitalize on the buoyant demand in the Oil & Gas and water sector.

In FY23, the Line Pipes business has achieved more than 1 million MT of Global Line Pipe Sales, the 8th time in the last decade. Our annual sales for Line Pipes increased by more than 26% year-on-year. The business has manufacturing capabilities across three distinct geographies, viz., India, USA, and Kingdom of Saudi Arabia.

By leveraging the changing market dynamics and formulating the right strategies, we are growing from strength-to-strength in all the three geographies where we have a presence. We also continue to keep a watch on the emerging opportunities. Our operational excellence and efficiency can be depicted by our sales volume, realization per metric ton and EBITDA per metric ton.



India



KEY GROWTH DRIVERS

- Expansion of national gas grid pipeline, driven by increasing LNG capacities
- City Gas Distribution network
- Strong export outlook with focus on Australia, Central America, South East Asia and Middle East
- Demand returning in water sector with moderating steel prices
- Targeting to increase natural gas consumption from 6% to 15% in the energy mix by 2030
- Gas pipeline network expected to reach 35,000 kms from 22,000 kms in the next 4-5 years
- Oil demand expected to rise from 4.7 million barrels per day (bpd) in 2021 to 7.4 million bpd by 2040
- Refining capacity of around 250 MTPA to nearly double to around 450 MTPA over the next few years
- Energy scenario across the globe changing due to geopolitics, resulting in strong export demand

OUTLOOK

We remain fully geared to meet the growing demand for oil & gas and water infrastructure in India through our manufacturing facilities located in Anjar, Gujarat, Bhopal, Madhya Pradesh and Mandya, Karnataka. We are in active discussions for several orders across the world in the export market. We recently announced the awarding of an order for the export of LSAW Pipes and Bends to the Middle East for approximately 83,000 MT. Line pipes supplied by WCL will be used for offshore production and transport of gas. This will accelerate and enhance LNG export infrastructure in one of the largest LNG producing and exporting countries in the world.

Further, talking about the water infrastructure sector, there has been a revival driven by the strong pent-up demand. This is following the subdued growth in the sector over the past three years. Our wide geographical presence with plants in West, Central and Southern India, along with a strong supply chain, is optimally enabling us to cater to this rising demand.

USA



KEY GROWTH DRIVERS

- Rig count close to pre-pandemic levels
- Higher oil production in the Permian Basin, spurring increases in associated gas production; Permian basin expected to be the key growth driver due to geopolitical reasons
- At least three more large pipelines planned from Permian to Gulf coast, 5 new LNG terminals being added for export of gas
- Huge focus on new energy including Carbon Capture, Hydrogen and Ammonia pipelines
- Record liquefied natural gas (LNG) exports from the US
- Rising global demand for Natural Gas is a growth opportunity for US

OUTLOOK

Our manufacturing facility in the United States is helping us cater to the local demand for pipeline, while rising oil production and demand is also seen benefiting our operations. Our HSAW plant in the US is fully booked till December 2023. The current business environment is favorable for us and we are in active discussions to book new orders beyond 2023. We also continue to emphasize on how we can bring more visibility to the order book.

Saudi Arabia



KEY GROWTH DRIVERS

- Highest annual growth rate in 2022 among the world's 20 biggest economies
- Saudi Aramco to expand its "maximum sustainable" oil production capacity from 10 million barrels per day (bpd) to 13 million bpd by 2027
- Saudi Aramco's capital expenditure will continue to increase through the decade
- Saudi Aramco to boost gas production by more than 50% by 2030
- Huge capex in distribution of desalinated water, 7 large water infrastructure projects planned; Total demand exceeding 3 million MT over three years

OUTLOOK

We continue to witness a resurgence in the Oil & Gas sector and also a continued robust demand in the Water sector. Recently, our associate company East Pipes Integrated Company for Industry (EPIC) signed a contract with Saudi Aramco for the supply of large diameter Steel Pipes at a total value of SAR 1.8 billion (approx. ₹ 4,000 Crore). This is one of the single largest orders for EPIC from Saudi Aramco and represents a major share of the first package of the Master Gas - Phase 3 project. The order has led to the plant being fully booked for the next one year.

We also foresee a robust and rising demand in the Water sector with multiple lines to carry desalinated water to be awarded shortly, of which we are poised to win some more orders in due course of time. EPIC has gained good experience in executing multiple complex projects in the oil & gas and water

segments in Saudi Arabia. Further, being in close proximity to Dammam port and major business destinations, EPIC enjoys locational advantages. Also, a confirmed order book in oil & gas and water in Saudi Arabia in terms of tonnage and production volumes is granting us future order book visibility.

Welspun Corp's associate EPIC, the leading manufacturer of Helical Submerged Arc Welded (HSAW) pipes, received a contract from Saline Water Conversion Corporation (SWCC) for the supply and delivery of steel pipes for a water transmission project. SWCC is a sustainability-related project and the world's largest desalination company providing water to over 34 million people. For distribution of desalinated water, 7 additional large water infrastructure projects have been planned, which will result in the demand exceeding 3 million tons of pipe over the next three years.

Strengthening our B2C Presence

In a bid to transition towards a direct-to-consumer approach, we acquired the iconic brand Sintex. This B2B to B2C shift is a part of our strategy to accelerate the Company's evolution from commodity to brand space, transform our DNA and enhance value for all our stakeholders.

Being one of the largest and a dominant player in its B2B (business-to-business) business, we witnessed upfront a huge potential and an imperative need to diversify and foray into the rapidly-growing B2C (business-to-consumer) market, i.e., direct to consumers and aimed at end-users.

Becoming more consumer-centric syncs well with our B2C strategy, and also with the Group's overarching mission of "Har Ghar Se, Har Dil Tak Welspun". Strongly focused on customer centricity, we aim to provide the best solutions, resources, technical expertise and quality to our B2C customers.

As a strategic investment of our B2C strategy, we acquired Sintex-BAPL and made it a 100% subsidiary of Welspun Corp. This iconic, pan-India brand is

an undisputed market leader and one of India's best-known brands in water storage tanks. With water storage tanks for residential and commercial storage, the distinct product portfolio of Sintex serves individual and industrial consumers.

The acquisition adheres to our strategy of creating a building material portfolio and setting up a robust distribution channel. With this, we aim to leverage the hugely growing market by re-energizing the distribution network, product and brand.

INTRINSIC BRAND VALUE

We are targeting to capitalize on the intrinsic brand value of Sintex, gain market share and grow top line and EBITDA. Our strategy is to leverage the growing market opportunity through its large and growing distribution network of 900 distributors and 13,000 retailers. We will continue to focus on modern processing

techniques, building a modern supply chain and marketing infrastructure for delivering high-quality requirements of our B2C consumers.

Another instance to move into the B2C play by embarking into a consumer-centric business is the setting up of TMT bars facility at Anjar. This facility is a natural fit in our larger strategy of expanding the product portfolio and bringing in more synergy with our existing line pipes business.

DIVERSIFICATION INTO B2C SEGMENT: KEY BENEFITS

- Significantly expand the base
- Enhance the Welspun brand
- Penetrate new markets
- Build a distribution network
- Gain opportunities to develop new products
- Establish a new building material portfolio



Towards a Greener and Cleaner Planet



As the demand for energy evolves further, our overarching philosophy continues to be to support India in its move towards a clean energy future with projects contributing in reducing CO₂ emissions in the environment.

Environmental sustainability is a part of our core mission of making this world a better and greener place. Our sustainability efforts are focused on developing solutions delivering a positive environmental impact, with efficient and optimum utilization of natural resources. We remain at the forefront in creating a smarter and a more sustainable world, charting the course for development of futuristic hydrogen pipelines across markets.

Carbon capture, hydrogen, green ammonia, solar and wind power

is the beginning of a paradigm shift in the new and green energy space, and we foresee global demand rising in the coming years. At Welspun Corp, we estimate this mix to diagonally change to new-age innovations by 2030. Through our projects, we continue to contribute towards reducing CO₂ emissions and taking a leap forward in strategically meeting our ESG goals. We also leverage our technical expertise and enhancing global focus, playing an active role in creating economic value and sustainable gains.



We remain at the forefront in creating a smarter and a more sustainable world, charting the course for development of futuristic hydrogen pipelines across markets.

CONTRIBUTING TO HYDROGEN INFRASTRUCTURE

As energy demands across the world evolve rapidly, we are undertaking strategic interventions in new opportunities and segments. We are developing the world's first guideline for transportation of hydrogen gas in existing and new offshore pipelines. With this, we have emerged as the first Indian company to have joined a global H2Pipe Joint Industry Project for Design and Operation of Hydrogen Pipelines launched by leading industrial certification body DNV.

This JIP's objective is to collaborate with global oil & gas majors to develop the world's first guideline for transport of hydrogen gas in existing and new offshore pipelines. With this, we have helped develop a recommended practice for design, re-qualification, construction and operation of pipelines for hydrogen gas transportation. As a Steering Committee Member, Welspun Corp collaborated with 24 of the world's premier energy companies, which also include Shell, BP, Total Energies, Equinor, Wood, Orsted, Gassco, Wintershall Dea, Intecsea, Subsea7, TechnipFMC and Saipem, to provide technical expertise in the project aimed at laying the foundation of hydrogen infrastructure. The Line Pipes produced by Welspun Corp with POSCO's API steel (API-X65) have successfully passed the test in accordance with the acceptance criteria (ASME B31.12, in a 100% gaseous hydrogen environment).

CREATING A SMARTER AND SUSTAINABLE WORLD

WCL and Tata Steel signed an MoU named the Green Energy Strategic Partnership aimed at developing

the framework for manufacturing steel and pipes for transporting of pure hydrogen and natural gas-blended hydrogen. This Green Energy Strategic Partnership is to assess the suitability of various pipes manufactured for transportation of Hydrogen.

CATERING TO GROWING REQUIREMENT FOR WATER INFRASTRUCTURE

We foresee a continued focus on the demand for creating drinking water supply infrastructure in India under the Jal Jeevan Mission. The allocated budget of ₹ 3,60,000 Crore gives clear visibility of demand growth over the next few years. With the Jal Shakti Ministry having allocated ₹ 86,000 Crore for developing the DI infrastructure network in FY23, a growing need for DI pipes is estimated over the

next 5-7 years, with projected demand outstripping supply. Current estimates depicted a demand of almost 2.3 million tons of DI Pipes in FY23. Our state-of-the-art ductile iron pipe making facility at Anjar, Gujarat can produce 4 lakh MT of DI Pipes.

The DI Pipes plant contributes to the government's vision of Har Ghar Nal Se Jal, which makes access to water a priority. It is aimed at facilitating potable water transportation to households across the country and contributing in the transport of clean drinking water, and also improve quality of lives. The integrated complex in Anjar, Gujarat is equipped with the latest cutting-edge technology, including blast furnace, sinter plant, PCI and oxygen plant coke oven.



Sustainability

We prioritize ethical and social responsibility in our business operations, striving for sustainable development that harmonizes the demands of the present while considering the well-being of future generations.

ESG (Environmental, Social, and Governance) is deeply ingrained in our business, serving as a fundamental priority and a crucial component of our strategy for value creation. Our objective is to build an organization that generates a net positive influence on both society and the environment. Accordingly, we have developed a sustainability strategy that not only reinforces our business drivers and elevates our position in the industry but also generates value for all stakeholders involved.



EMBRACING ENVIRONMENTAL STEWARDSHIP

Recognizing our impact on the environment, we are dedicated to establishing a positive environmental footprint. In line with this commitment, we have embraced a proactive stance to protect the environment and seamlessly integrated this approach into our business philosophy.

We acknowledge the profound impact of climate change on our planet. Safeguarding the Earth

for future generations stands as a paramount priority for us. We maintain a resilient and comprehensive environmental management system, with our facilities holding ISO 14001 certification. We diligently monitor sustainability performance across our operations, actively pursuing initiatives to enhance energy efficiency, reduce carbon emissions, and effectively manage water and waste.

Our manufacturing facilities account for a significant portion of our energy consumption, leading to higher energy cost in our operational expenses.

Throughout the year, our focus has been on enhancing energy efficiency by optimizing our manufacturing processes, modifying equipment, conserving energy, and adopting new technologies. To enhance the same, we have implemented several initiatives which includes the retrofitting of LED lights, utilizing sludge as an alternative fuel source in boilers, enhancing HVAC systems, installing Variable Frequency Drives (VFDs), implementing digital temperature controllers, transitioning to efficient pumps, and substituting furnace oil and LPG with natural gas. Furthermore, we have upcoming plans to establish a 300kW solar plant at our Anjar facility.

By 2030, our objective is to increase the contribution of renewable energy to 20% and become carbon neutral by 2040.

Recognizing the significance of water as a precious resource, we have proactively undertaken measures to promote water conservation. One of these initiatives involves the implementation of a 30 MLD Sewage Treatment Plant (STP) at our Anjar facility, which is situated in a water-stressed region. This facility enables us to effectively recycle and reuse wastewater from the municipality that accounts to 100% of our water consumption. This enables us to minimize our impact on



water resources and contribute to sustainable water management practices. Rainwater harvesting is also a key focus at our facilities to minimize dependence on municipal sources of water.

WCL has also established targets for water consumption, aiming for 0.55 kiloliters per metric ton (KL/MT) by FY25 and further reducing it to 0.40 KL/MT by FY30. Additionally, the Company has set an overarching objective to achieve water neutrality by the year 2040.

We have implemented efficient waste management protocols

within our facilities, ensuring various categories of waste are being handled in an appropriate manner. Waste is collected in designated waste bins and temporarily stored at storage yards within each plant. To ensure segregation and proper disposal, we have identified dedicated Waste Storage Yards within our manufacturing facility. Subsequently, the waste is transported to authorized vendors for further processing. For significant categories of hazardous waste, we have adopted co-processing disposal practices as an environmentally

responsible approach. These measures enable us to effectively manage and minimize the impact of waste generated by our operations.

We have a target to achieve zero waste to landfill (ZWL) by the year 2030 which we have achieved in FY23 itself. The achievement reflects WCL's dedication to waste management practices that prioritize environmental sustainability and waste reduction.



SOCIAL

MAKING A GENUINE DIFFERENCE

Our emphasis lies in integrating sustainability practices within our supply chain, making investments in local communities to foster health, education, and talent development, and fostering a safety-oriented culture for our employees.

The dedication and innovative capabilities of our personnel play a vital role in driving our business towards success. We place great emphasis on fostering a culture that values and nurtures talent, while promoting transparency, openness, and inclusivity. As we welcome new members to our workforce each year, our primary objective is to provide them with a supportive and enriching environment. This includes fair compensation, opportunities for career advancement based



on merit, and avenues for both personal and professional growth.

For our organization, diversity and inclusion go beyond mere policies, programs, or headcounts. We view them as a chance to establish a workplace that garners the trust and dedication of our employees. As such, we are committed to providing equal opportunities to all our staff, regardless of their gender, race, caste, religion, marital status, sexual orientation, age, nationality, ethnicity, abilities, or any other personal attributes. We actively recruit individuals from diverse backgrounds and foster collaboration between teams. Respecting the dignity, fairness, and human rights of all our members is of utmost importance to us.

We actively engage our employees through interactive communication channels and implement effective strategies for employee engagement.

By doing so, we aim to reduce staff turnover, boost productivity, and ultimately achieve higher customer retention rates. To gain a deeper understanding of our employees' needs and sentiments, we regularly conduct Employee Engagement Surveys. The feedback received from these surveys helps us drive meaningful initiatives and make improvements that align with the preferences and expectations of our workforce.

We prioritize the retention, development, and motivation of our employees by offering opportunities for upskilling and supporting them in achieving their goals. To address our specific business requirements, we have implemented a holistic digital learning program that encompasses technical education. Additionally, we provide regular classroom sessions and on-the-job trainings to further enhance performance.

To prioritize the well-being and safety of our workforce, we have implemented a robust health and safety management system. This system aims to minimize the occurrence and likelihood of workplace accidents or injuries. We follow a systematic approach to identify and assess work-related hazards, which includes gathering information on existing workplace hazards, conducting thorough workplace inspections, identifying potential risks, and investigating incidents to prevent their recurrence. By adopting these measures, we strive to maintain a secure and protected working environment for all employees.

Our core values include a strong sense of social responsibility not only towards ourselves but also towards the communities and stakeholders we serve. We consistently engage in practices that contribute to sustainable development and strive to improve the lives of those we interact with. The focus of our social programs are on the 3 E's - Education, Empowerment, Environment and Health. We collaborate closely with neighboring villages to make a positive impact and enhance the overall quality of life worldwide. Our corporate social value initiatives are implemented under the umbrella of Welspun Foundation for Health and Knowledge which implements the social & environmental programs for all the group companies. These programs are either implemented by own teams or in partnership with local government entities and NGOs.



ESG GOVERNANCE STRUCTURE

WCL has a well-established governance structure in place to ensure effective oversight of ESG (Environmental, Social, and Governance) and CSR (Corporate Social Responsibility) initiatives. At the top level, the ESG & CSR Committee is responsible for guiding and supervising the organization's sustainability efforts. This committee plays a vital role in formulating ESG policies, monitoring their implementation, and assessing the impact of CSR programs.

The second tier comprises the Managing Director/CEO, who holds the overall responsibility for driving sustainable growth, profitability, and stability across all business operations. He works closely with the ESG & CSR Committee to align strategic objectives with stakeholder expectations and ensure adherence to the highest ethical and responsible business practices.

Lastly, WCL has designated employees who play a pivotal role in overseeing the implementation of sustainability practices and programs throughout the organization. These individuals are responsible for executing sustainability strategies,

identifying areas for improvement, and driving the integration of ESG considerations into business decisions.

TRANSPARENCY AND ACCOUNTABILITY

Transparency and accountability are upheld throughout our organization by our Board of Directors and Board Committees. Our management team is dedicated to fostering growth, and sustainability across all our businesses in a fair and inclusive manner, while adhering to the highest standards of ethical and responsible business conduct.



Developing our People Potential

At Welspun Corp, we rely on our greatest assets – our intellectual capital – to achieve success. With our diverse businesses spread across geographies, our philosophy is to groom and develop our internal talent and also bring the right fit in alignment with fostering diversity and inclusion.

Our focus continues to be on employee development, enhanced productivity, and an engaged workforce that delivers superior results. We have laid a foundation that emphasizes on people, helping us create an environment where employees thrive to deliver on performance. We are constantly building our skill-sets and adding new competencies.

EMPLOYEE DEVELOPMENT & ENGAGEMENT

Talent management

We have a structured talent management framework to provide our employees with skillsets that make them future-ready and help them get better outcomes and results to boost the Company's profitability.

Employee Connect

To ensure the right set of communication with our employees, we have many platforms and tools that encompass transparency

for our employees as well as our customers. This includes Employee Communication, Employee Connect & Branding, Learning Interventions and Reward and Recognition, and Excellence awards.

Learning & development

Our customized learning journey covers functional, behavioral, and leadership development programs. Our programs focus on drives designed in line with Welspun's Values, and our self-learning platforms like WeWisdom and WeLearn provide employees with an opportunity to learn anywhere, any time through micro-learning modules, book reviews, and videos that are designed based on current practices and success stories from across the globe.

Our Learning Boards:

Wisdom through Video (WTV) is an initiative where employees are invited to watch TED Talk videos together and brainstorm on various

learnings from them. Topics of WTV are also recommended by the eminent team members.

Monday Morning Read (MMR) to conquer the Monday morning blues, we send a fable to all the employees across locations to kickstart the week.

Welspun Culture & Values Integration Workshops were organized, referring to expansion of WCL Family with new SBUs. This was arranged to imbibe and cascade Welspun Values.

Functional Competency Framework standardizes functional competencies across various functions and locations. A functional competency framework has been crafted for Pipes vertical. With a defined competency framework, we will have clear visibility into employee's development plans.



Putting Humanity First

At Welspun Corp, we are committed to making a positive impact on the communities we operate in. By maintaining supportive and enduring relationships with communities, and by supporting them, we keep making a positive contribution to these communities, and shall continue to tread on this journey of development.

We believe that the objectives for doing good for the society and for the business should co-exist in harmony. Upgrading the livelihoods of people is the very foundation of our Group, and we have built our corporate strength by "putting humanity first". Today, we are amongst the several responsible corporates with a long

history of creating value, and this approach of ours serves in the best interest of all our stakeholders.

With a strong commitment towards sustainable development, we remain proactive towards the immediate global needs for sustainable practices. With key focus areas of Education,

Empowerment, Environment & Health, we work closely with our surrounding villages to improve their quality of life and balance the needs of the present with those of the future.

SOME OF OUR KEY COMMUNITY INITIATIVES



WelShiksha WELSHIKSHA

To enhance the teaching and learning process for teachers and students with technology, we have taken up a big initiative to digitalize classrooms of government primary schools and make them more conducive towards learning. Community-driven initiatives are also executed to ensure that not just the students, but the entire community understands the importance of education and supports these initiatives.

500+
No. of classroom installations

1,00,000
No. of students reached

41,000
No. of beneficiaries

Creating an Impact

9,360
families received a direct benefit of ₹ 152 Lakhs through convergence + 81 Artisan Cards

WelNetrutva WELNETRUTVA

The key objective of this initiative is to empower women, farmers and self-help groups in rural areas by creating sustainable farm and non-farm-based livelihood opportunities. As part of this, we provide free consultations and medicines, health camps for the community, and a mobile medical unit to assist people in bettering their health and improve the curative and preventive health practices in rural India.





WELSWASTHYA

The initiative is aimed at improving the preventive and curative health aspects of adolescent girls, women and the community at large.

1,50,000

No. of beneficiaries

Creating an Impact

₹ 7,140 Lakhs

impacting lives of 1,428 beneficiaries

32

No. of athletes supported



WELSPUN SUPER SPORT WOMEN

This program is aimed at empowering the female athletes from challenging backgrounds. We are working to support these athletes in achieving their sporting endeavors and creating ambassadors of change. These women athletes belong to different life stages – grassroots, national and international level.



166

Medals and 21 Sports
(No. of medals earned in sports by athletes supported)

4,499

No. of employees engaged for We-Volunteer

5,700+

No. of volunteering hours clocked by employees

WE VOLUNTEER

We-Volunteer is an initiative where the organization supports and encourages its employees to contribute towards the community for mutual benefit.



Creating an Impact

Getting the community to reap the benefits of Central and State Government schemes



WELKRISHI

Through the WelKrishi program, we work with the farmers' community. We adopt an integrated approach to help them grow better produce. We also aim to facilitate them, grant them the best government schemes and also provide them with adequate support through dedicated experienced persons in the field.

1,01,000

No. of farmers benefited



WELPRAKRUTI

Our green initiatives are factored into the WelPrakruti program. All activities related to nature are constituted in the program.

9,505

No. of trees planted



WELSURAKSHA

The WelSuraksha initiative is aimed at creating awareness on road safety and also providing certified trainings to communities living near the highways to help them avoid road accidents. The key objective is to reduce road accidents and improve emergency response services towards accident cases.



74,000+

No. of community members reached out



Governance Indicators

BOARD COMPOSITION

57 Years
Average Age

10 Years
Average tenure

BOARD DEMOGRAPHICS

Highly-engaged Board actively involved in WCL's strategic transformation

Overall attendance rate at Board and Board Committee Meetings

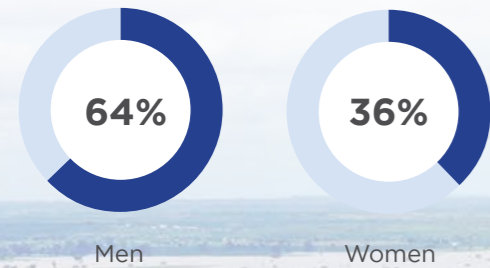
9
Board Meetings

82%
Board Attendance

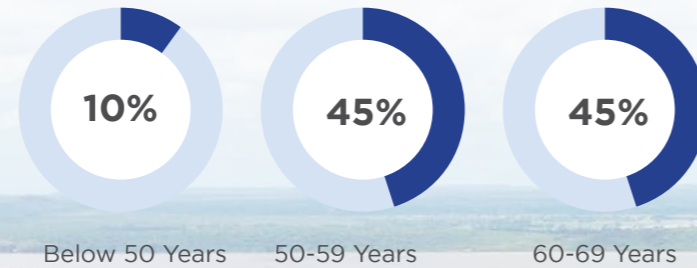
32
Committee Meetings

96%
Committee Attendance

GENDER DIVERSITY

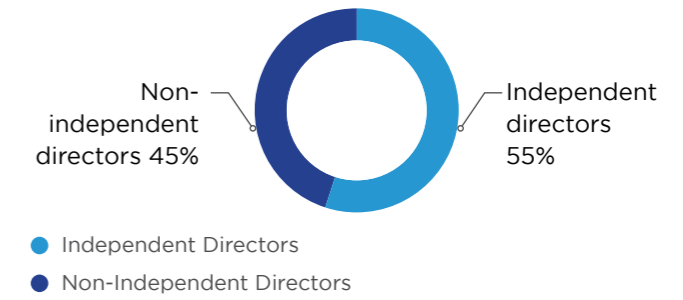


AGE DIVERSITY

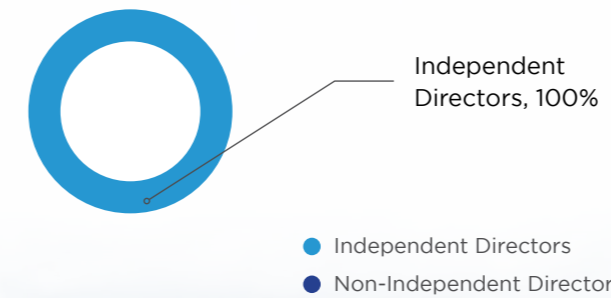


BOARD INDEPENDENCE

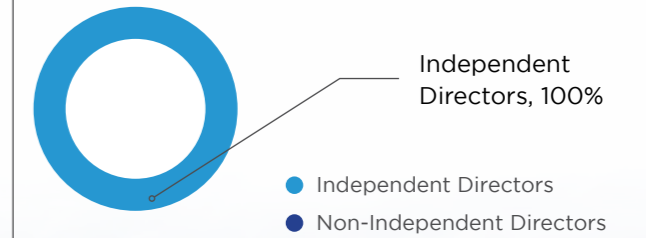
6 of 11
Directors are Independent



AUDIT COMMITTEE INDEPENDENCE



NOMINATION & REMUNERATION COMMITTEE INDEPENDENCE



Number of Meetings Held					
AC	RMC	SIGC	CSR	NRC	Total
17	2	4	2	7	32



Our Unique Strengths



Awards & Recognition

FY 2023-24

WINNER of 21st Greentech Environment Award 2023 for outstanding achievements in Innovative Safety Practice category

Leadership Award for promoting Behavior Based Safety Approach for Health, Safety & HIV prevention at world of work

PLATINUM AWARD in 14th EXCEED Green Future Award & Conference 2023 in Environment Sustainability category

FY 2022-23

Green Leaf Award 2022 PLATINUM AWARD under Environment Excellence

International Safety Award from British Safety Council UK - Winner of 'MERIT'

PLATINUM AWARD in Apex India Occupational Health & Safety in Engineering Sector

OHS Champion Award 2022 (Mr. Vikram Jaish)

WINNER of 22nd Greentech Environment Award 2022 for outstanding achievements in Environment Protection category

Certificate of Appreciation - From Allseas & Santos for BAROSSA Gas Export Pipeline Project, for contribution & achievement of 5,00,000 safe man-hours without reportable incident during the project

GMS & PLANT

Golden Peacock National Quality Award - 2023

11th Urja Cup 2023 Cricket Tournament

GOLD AWARD for the 14th QCI - D.L. Shah Award 2021

Gold Award in 12th Exceed Environment Sustainability Award 2022 in Pipe Manufacturing sector on the National Level
Gold Award in 11th Exceed Occupational, Health & Safety Award 2022 in Manufacturing sector on the National Level



Management Discussion and Analysis



“ I am delighted with the strong performance of our operations. We have achieved flawless execution and delivery for our customers, leading to robust cash flows. Our acquisition of Sintex’s plastic products business has provided us with a competitive advantage as we enter the B2C segment. This strategic move will generate significant value for all our stakeholders. Additionally, our recent investments in DI Pipes and TMT Rebars manufacturing have made noteworthy progress, while the Stainless Steel business has successfully completed its turnaround. Emphasizing sustainability as a core principle, I have great confidence that WCL will reach even greater heights in the upcoming year.

MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis (MD&A) should be read in conjunction with Welspun Corp Limited’s (“Welspun” or “WCL” or the “Company”) Audited Consolidated Financial Statements and Notes for the year ended March 31, 2023. Welspun’s financial situation and activities for FY23 are covered in this MD&A. Legal tender is stated in Indian Rupees unless indicated otherwise. The figures used in the analysis are on a consolidated basis, with the equivalent figures from the prior year regrouped and reclassified where needed.

Vipul Mathur, MD & CEO, Welspun Corp Ltd.

FORWARD-LOOKING STATEMENT

This analysis contains forward-looking statements, which may be identified by their use of words like ‘plans’, ‘expects’, ‘will’, ‘anticipates’, ‘believes’, ‘intends’, ‘projects’, ‘estimates’ or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company’s strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

COMPANY OVERVIEW

Welspun Corp Limited (WCL) is the flagship company of Welspun Group, one of India’s fastest-growing multinationals, with a leadership position in line pipes

and home textiles, along with other lines of businesses in infrastructure, warehousing, retail, advanced textiles, and flooring solutions.

WCL is one of the largest manufacturers of large diameter pipes globally and has established a global footprint across six continents and 50 countries by delivering key customized solutions for both onshore and offshore applications. The Company also manufactures BIS-certified Steel Billets, TMT (Thermo Mechanically Treated) Rebars, Ductile Iron (DI) Pipes, Stainless Steel Pipes, and Tubes & Bars. The Company has state-of-the-art manufacturing facilities in Anjar (Gujarat), Bhopal (Madhya Pradesh), Mandya (Karnataka) and Jhagadia (Gujarat) in India. Overseas, WCL has a manufacturing presence in Little Rock, Arkansas, USA.

WCL’s expansion entails creating a diversified product portfolio and repurposing its business to add new target markets, both organically and inorganically.

The Company recently acquired Sintex-BAPL, a market leader in water tanks and other plastic products, to expand its building materials portfolio. It has also acquired specified assets of ABG Shipyard with the potential to enter Ship Recycling and Repair Business.

The Company’s business growth and diversification strategy are aligned with the Welspun Group’s vision.

GLOBAL ECONOMIC OVERVIEW

The global economy appears to be recovering gradually from the pandemic and Russia’s invasion of Ukraine. Inflation reached multi-decade highs in many economies last year due to pent-up demand, low interest rates, lingering supply disruptions, and commodity price increases. This prompted central banks to aggressively tighten monetary policy to bring inflation back to their objectives and expectations. In 2022, COVID-19 outbreaks severely impacted economies, most notably China, which appeared to be recovering and thereby reducing supply chain disruptions. Due to the financial sector’s volatility, downside risks to economic growth are increasing despite the benefits of lower food and energy costs and enhanced supply-chain functionality. The world economy, which grew by 3.4% in 2022, is projected to grow by 2.8% in 2023 and 3.0% in 2024.

At the end of 2022, the labor markets of developed economies, most notably the United States, will have remained remarkably robust, with historically low unemployment rates. The advanced economies are expected to register a growth rate of 2.8% in 2023 and 3.0% in 2024, as compared to 3.4% recorded in 2022. Emerging markets and developing economies have, on average, better economic prospects than advanced economies, but these prospects differ more

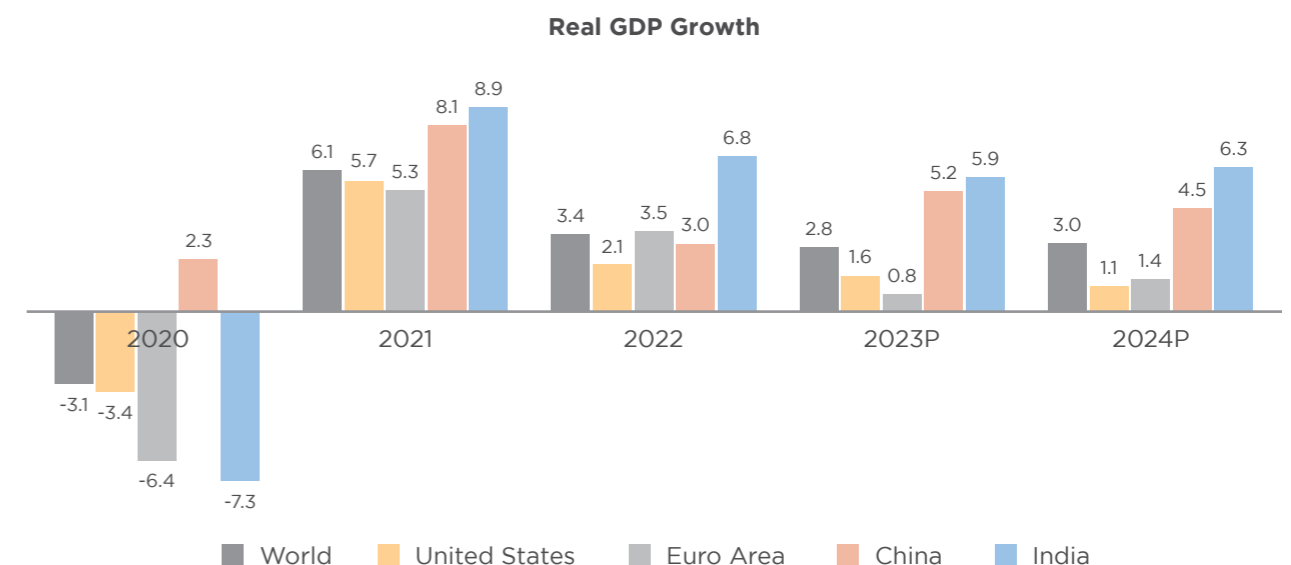
significantly across regions. The advanced economies’ economic growth is expected to be 1.3% in 2023 and 1.4% in 2024, compared to 2.7% in 2022. The anticipated improvement in 2024 for both categories of economies reflects the gradual recovery from the effects of the conflict and the decline in inflation.

GLOBAL ENERGY DEMAND

Global energy demand is projected to increase from 285.7 mboe/d (million barrels of oil equivalent per day) in 2021 to 351 mboe/d in 2045. World energy demand is expected to be largely driven by non-OECD countries and is further expected to expand by 69 mboe/d over the forecast period 2021-2045, with India accounting for 28% of this growth. Despite increased energy demand growth during the forecast period, OECD countries’ per capita consumption in 2045 will remain much higher than that of non-OECD countries. With significant policy support and lowering long-term costs, alternative renewables (mostly wind and solar) are the fastest and largest expanding category in the energy mix, contributing 31 mboe/d throughout the forecast period. It is projected that natural gas demand would increase by 19 mboe/d, followed by oil demand at a little over 12 mboe/d across the forecast period.

It is expected that demand for oil as a primary fuel will climb from 88 mboe/d in 2021 to 101 mboe/d in 2045, while its share in the energy mix will fall from 31% to just below 28%. Despite decelerating oil demand growth, oil is projected to maintain the largest proportion of the global energy mix over the duration of the forecast. Through 2045, it is anticipated that the combined market share of oil and gas in the global primary energy mix will remain above 50%.

World Economic Growth (%)



P: Projected
Source: International Monetary Fund (IMF) April 2023 report



In the early years of the forecast period, China is expected to fuel oil demand growth. China's demand growth will decelerate significantly and potentially turn negative over the last five years of the forecast period, allowing India to ascend to the top position. Africa and Other Asia, where economic development, urbanization, industrialization, and vehicle fleet expansion will be the most rapid among all regions, are also expected to experience a moderate increase throughout this period, alongside India. This will result in demand growth of around 1.4 mboe/d for India, 0.8 mboe/d for Africa, and 0.7 mboe/d for Other Asia between 2040 and 2045. Even by 2045, oil demand in India, Africa, and Other

Asia will increase at a rate of more than 2% per year and 1% per year, respectively.

The demand for natural gas is expected to rise from 66.4 mboe/d in 2021 to 85.3 mboe/d in 2045. The growth is nearly entirely attributable to non-OECD nations, led by China, India, and OPEC members. Due to the relatively high price elasticity of gas consumption, an increase in gas prices may temporarily reduce demand, particularly in the power generation sector. Various impacts of events like changes in the energy mix, economic activity, weather, behavioral changes, and other factors in the European market will have huge impacts on the global gas market.

World primary energy demand by fuel type, 2021-2045 (mboe/day)

	Levels mboe/d						Growth mboe/d	Growth % p.a.	Fuel share %	
	2021	2025	2030	2035	2040	2045			2021-2045	2021-2045
Oil	88.3	96.1	98.9	100.1	100.5	100.6	12.3	0.5	30.9	28.7
Coal	74.7	74	70.7	66.4	62.1	58.2	-16.5	-1	26.1	16.6
Gas	66.4	69.9	74.9	79.5	83	85.3	18.9	1	23.2	24.3
Nuclear	15.2	16.3	17.8	19.6	21.7	23.3	8.1	1.8	5.3	6.6
Hydro	7.5	8	8.7	9.4	10.1	10.4	2.9	1.4	2.6	3.0
Biomass	26.2	27.9	30	32	33.7	34.9	8.6	1.2	9.2	9.9
Other renewables	7.4	11.2	17.8	24.9	32.5	38.3	30.9	7.1	2.6	10.9
Total	285.7	303.4	318.9	331.9	343.6	351	65.3	0.9	100	100

Source: OPEC-World Oil Outlook 2022

At an assumed average Brent oil price of US\$ 106/ bbl, the global upstream industry has been estimated to have generated its highest-ever free cash flow of US\$ 1.4 trillion in 2022. According to the Deloitte Oil and Gas Outlook 2023 report, the industry has exercised capital discipline and concentrated on the generation and distribution of cash flows. Average oil and gas production has increased by 4.5% when compared to the same period in the previous year, however, free cash flows per barrel of production are projected to increase by nearly 70% in 2022 when compared to 2021 levels. It is anticipated that the oil and gas sector would approach 2023 with its most robust balance sheet to date.

Natural gas's long-term potential is based on abundant gas resources and comparatively low CO₂ emissions; hence, many nations want to increase the proportion of gas in their energy mix. Its percentage of the energy mix is expected to rise from slightly over 23% in 2021 to almost 24.5% in 2045. After 2030, gas will overtake coal as the second-largest source of fuel.

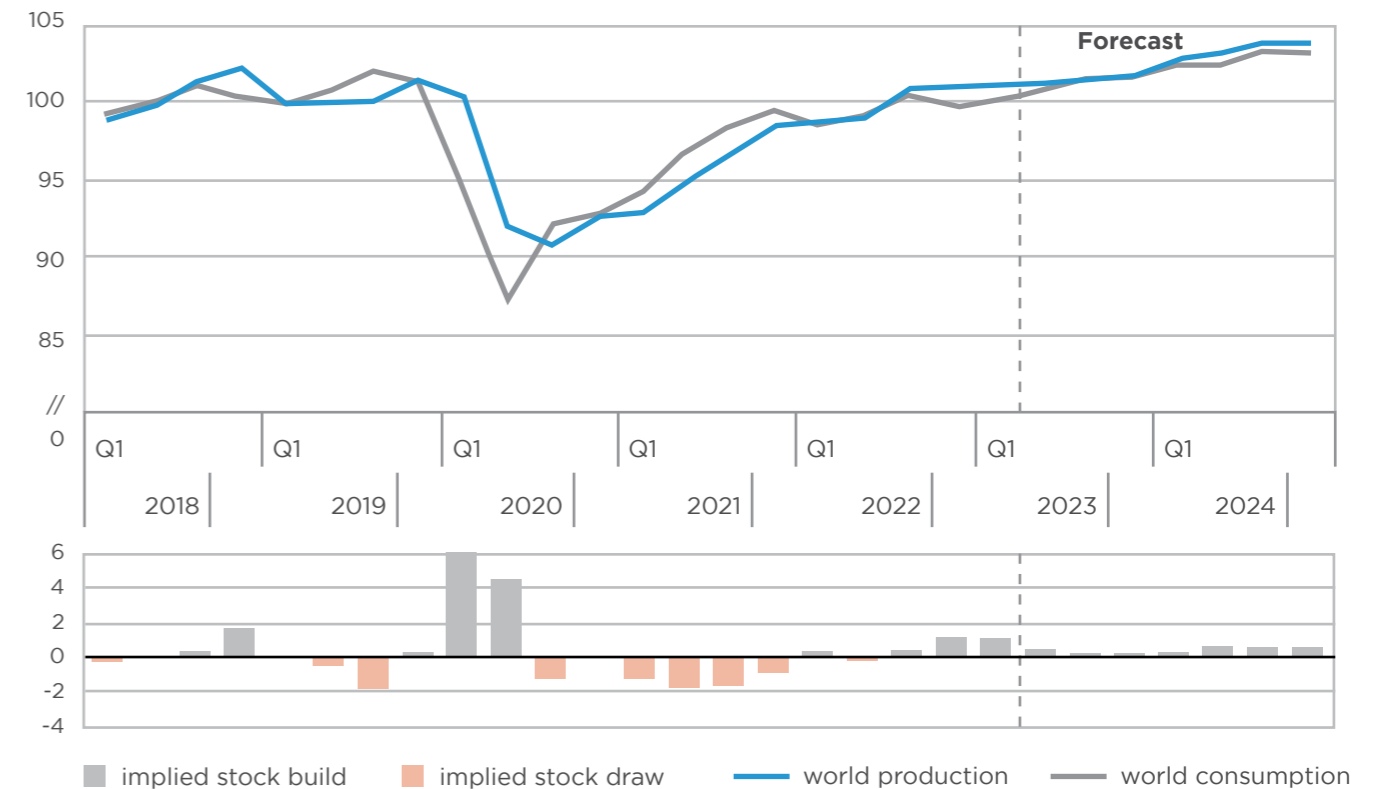
In 2021, following a decline of approximately 4.5% in 2020, the demand for coal increased by over 3%, as the post-pandemic recovery raised energy consumption. In addition, rising crude oil prices in 2021 encouraged a transfer from crude oil to coal in the electrical industry in numerous regions, including the OECD Americas,

and Europe. Coal is widely seen as a readily available and low-cost baseload fuel, but its demand has been under pressure due to environmental and climate change policies that aim to phase out coal in favor of cleaner energy sources.

OIL

The world's consumption of liquid fuels is projected to increase from 99.4 mb/d in 2022 to 100.9 mb/d in 2023. Upward revisions to global economic growth are primarily responsible for the increased consumption expectations. In 2023, it is anticipated that China will account for roughly half of the growth in global liquid fuel consumption. In 2023, China's consumption is expected to climb by 0.7 mb/d. It is expected that India's consumption will increase by 0.2 mb/d, while non-OECD consumption will increase by an average of 0.5 mb/d. OECD consumption remains largely unchanged as the consequences of inflation continue to constrain GDP and oil demand growth. It is anticipated that worldwide liquid fuel consumption will rise by 1.8 mb/d in 2024, with non-OECD nations accounting for 1.6 mb/d of the growth. However, there is a lot of uncertainty around the demand estimate since there is a broad range of probable outcomes for both the global economic circumstances this year and the travel and oil demand in China, after it shifted away from a zero-COVID goal.

World liquid fuel consumption (million barrels per day)



Source: EIA, Short Term Energy Outlook (STEO) April 2023



The average global production of liquid fuel is projected to increase by an average of 1.6 mb/d in both 2023 and 2024. Despite upward adjustments to the global liquid fuel demand forecast, sustained global oil inventory buildup over the forecast period is still projected as global oil production continues to exceed consumption.

Global oil inventories will continue to increase throughout the forecast period; however, the high demand for crude oil from refineries due to elevated refining margins is expected to limit downward pressure on crude oil prices as refiners maintain high crude oil input levels to maximize distillate fuel production. Russia was an important supplier of distillate fuel to Europe, but changes in distillate trade flows resulting from Europe's lower imports of Russian distillate in recent months have kept distillate fuel margins substantially above their five-year averages. The Brent crude oil spot price is expected to decline from an average of US\$ 101/b in 2022 to an average of US\$ 85/b in 2023, and then to an average of US\$ 81/b in 2024.

NATURAL GAS

The global natural gas market experienced a significant shock in 2022 when Russia significantly lowered pipeline deliveries to Europe, resulting in unprecedented supply strain and a global energy crisis. Despite this, European countries were able to fill their underground gas storage sites substantially above historical averages, thanks to a combination of targeted policy initiatives, a record inflow of liquefied natural gas (LNG), and a sharp decline in consumption, especially in energy-intensive businesses. Russia's pipeline shutdowns had repercussions for gas-consuming nations outside of Europe, resulting in record-high market prices, supply concerns, and a significant decrease in demand.

Global natural gas markets tightened further, despite global consumption falling by 1.6% in 2022.

Consumption is projected to stay steady in 2023, although the outlook is subject to a high level of uncertainty, particularly in terms of Russia's future activities and the economic consequences of shifting energy prices.

Europe's gas demand decreased by 13% as governments moved swiftly with emergency programs, industry trimmed back production, and consumers turned down their thermostats. Moreover, milder winter weather conditions reduced the requirement for space heating. Due to high liquefied natural gas (LNG) prices, COVID-related interruptions in China, and continuously warm weather in northeast Asia, gas demand in Asia decreased by 2%.

During 2022, natural gas prices reached all-time high levels in Asian and European markets amid tight market conditions. Record high price levels were accompanied by excessive volatility and short-term price variability. In the United States, Henry Hub prices averaged US\$ 6/MBtu in 2022, their highest level since 2008. Higher gas demand for power generation (supported by a sharp increase in coal prices) coincided with strong y-o-y growth in LNG exports and a relatively weak supply response from US producers. Gas prices moderated significantly in January 2023 across all key gas markets, although they remained well above historic averages in Asia and Europe.

In 2022, the global LNG trade grew by 5.4%, a growth rate that was slightly lower than in 2021. Europe led the growth in LNG imports in 2022 with a sharp 63% increase, compensating for a substantial decline in Russian pipeline gas imports. In the meantime, demand in the Asia-Pacific region was 8% lower than anticipated. Due to sluggish economic growth and COVID-related disruptions, China's imports decreased by 21%, the steepest annual decline in absolute and percentage terms since the beginning of LNG imports in 2006.

World natural gas consumption and production by region and key country (bcm)

	Consumption					Production				
	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Africa	164	161	169	163	167	252	241	262	254	266
Asia Pacific	829	834	891	876	903	630	626	651	659	666
of which China	307	325	367	364	388	174	189	205	218	228
Central and South America	156	142	153	149	148	167	150	148	151	153
Eurasia	608	584	634	610	602	921	866	961	873	825
of which Russia	482	460	501	475	467	738	692	762	672	620
Europe	590	576	609	522	505	249	230	222	229	226
Middle East	543	547	562	575	598	668	669	693	712	734
North America	1104	1079	1091	1147	1117	1174	1154	1189	1240	1258
of which United States	886	868	874	921	890	968	954	984	1021	1041
World	3 993	3 924	4 109	4 042	4 041	4 061	3 936	4 125	4 119	4 128

Source: IEA, Gas Market Report, Q1-2023

LIQUEFIED NATURAL GAS (LNG)

LNG was a notably dynamic sector in 2022, when the value of LNG trade reached a record high of US\$ 450 billion, doubling from the year before. Volumes traded increased by 5.5%, slightly slower than in 2021, highlighting once again the distorting effects of steep increases in energy prices on global economic activity. Europe was the primary generator of the increase in LNG demand as it shifted away from Russian pipelines. In 2022, deliveries of LNG to Europe increased by 63%.

LNG exports from North America increased by 11% in 2022 as a result of new liquefaction capacity additions and despite the extended outage at the Freeport LNG terminal in Texas since June 2022.

In 2022, Europe increased LNG imports by a sharp 63%, compensating for a substantial decline in Russian pipeline gas imports. In the meantime, demand in the Asia-Pacific region was 8% lower than anticipated.

Due to sluggish economic growth and COVID-related disruptions, China's imports decreased by 21%, the steepest annual decline in absolute and percentage terms since the beginning of LNG imports in 2006. Despite a modest 3% decline in LNG imports in 2022, Japan was once again the world's largest LNG importer. In 2022, Korea imported the same quantity of LNG as in 2021.

In contrast, price-sensitive South Asian importers experienced significant declines: India and Bangladesh each saw a 17% decline in LNG imports, and Pakistan saw an 18% decline as high and volatile spot LNG prices depressed demand. Despite the high price environment, Malaysia (up 45%), Thailand (up 28%),

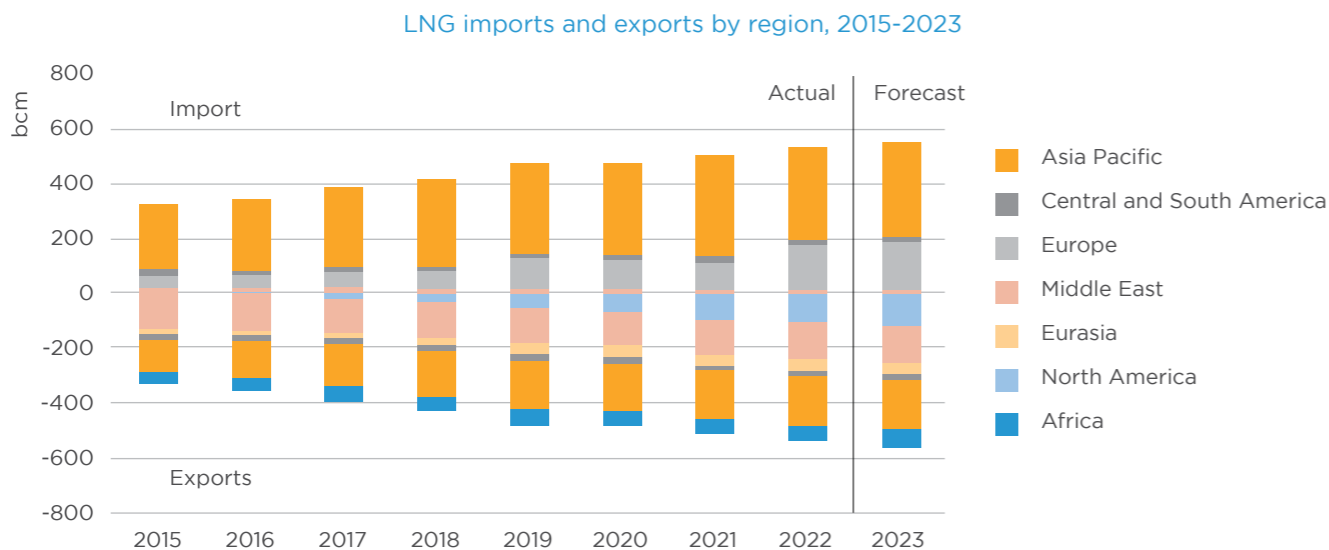
Singapore (up 22%), Indonesia (up 6%), and Chinese Taipei (up 4%) all saw increasing LNG imports, which were fueled by strong power demand and economic activity and in some cases by declining domestic and pipeline gas supply. As a result of the recovery of hydroelectric reservoir levels following the historic drought of 2021, LNG imports in Central and South America decreased substantially by 38%. Imports of LNG into Brazil decreased by 72% compared to 2021.

Russia's LNG exports grew by 10% in 2022, and approximately 43% of Russia's LNG output landed in the European Union, as compared to 35% in 2021. It was in stark contrast to the decreasing trend in Russia-EU pipeline flows. Norway's LNG exports returned to 2020 levels in 2022. Africa was the only exporting region whose output declined in 2022 by 6%.

The volume of global LNG trade is projected to increase by 4.3% in 2023. A rise in European imports to an all-time high of 180 bcm (billion cubic meters) due in part to new import infrastructure and a modest recovery in Asia following the region's demand decline in 2022 are driving the expansion of LNG demand.

As per the Gas Market Report for Q1 2023, oil prices reached their highest level since 2013 due to heightened geopolitical uncertainty and tightening supply. This, in turn, exerted upward pressure on oil-indexed LNG contract prices, which increased by 70% in 2022 to an estimated average of US\$ 15 per million British thermal units. Consequently, the value of LNG traded under long-term oil-indexed LNG contracts rose by 90% to an estimated US\$ 220 billion, accounting for approximately 60% of global LNG trade. Russia's steep

Europe drove LNG import growth and North America led LNG export growth in 2022, a pattern expected to continue in 2023



Source: IEA, Gas Market Report, Q1-2023

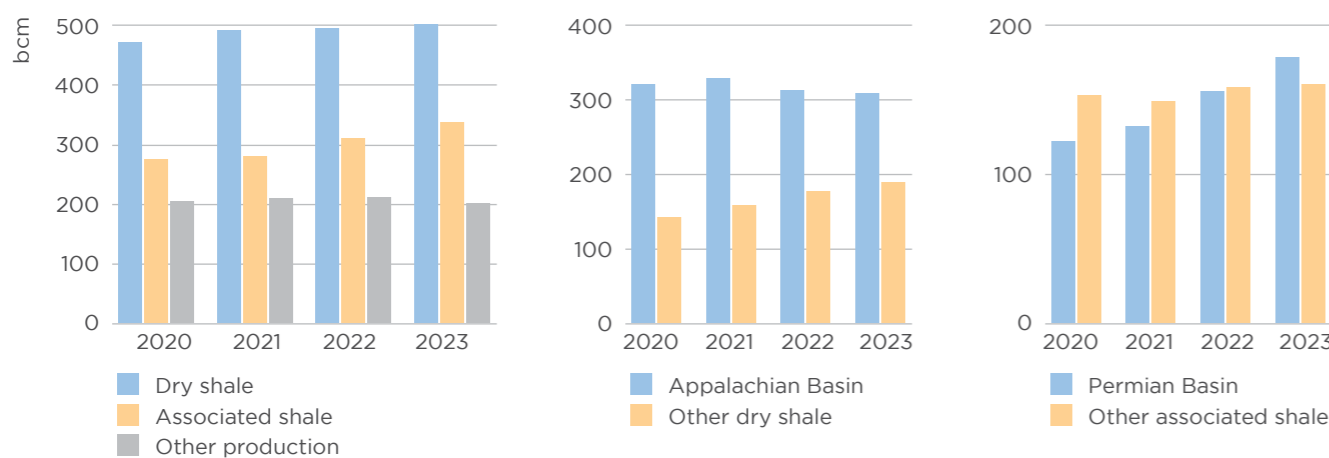
supply cuts to the European Union drove European hub prices, and indirectly, Asian spot LNG prices to all-time highs in 2022. Asian spot LNG prices averaged US\$ 34/MBtu in 2022, their highest level on record and more than five times their five-year average during 2016-2020.

SHALE DISCOVERY

The growth of US shale production and capital expenditures in 2022 is driven by the corporations' construction and utilization of an integrated infrastructure. Natural gas production from oil-driven shale fields benefited from the estimated 620 kb/d increase in tight oil production in 2022. In the Permian Basin, the largest associated gas-producing shale field

and the second largest gas-producing basin after the Appalachian, daily average tight oil production increased by 14% in 2022, while associated natural gas production increased by 17% during the same timeframe. In 2022, drilling activity in the Permian Basin increased by 50% year-on-year, with the number of wells drilled increasing from 341 in January to 432 in December 2022. The monthly well completion rate remained above the number of wells drilled, resulting in a reduction of drilled but uncompleted wells from 1,381 in January 2022 to 1,061 in December 2022. The increase in the average gas-to-oil ratio (GOR) of Permian production was a result of a shift in drilling activity to Permian Basin regions with increased associated gas content.

Dry gas production by main source, United States, 2020-2022



Source: IEA, Gas Market Report, Q1-2023



OIL AND GAS IN INDIA

The oil and gas industry forms one of India's eight essential industries and has a significant impact on the economic decisions of all major sectors. The demand for oil and gas is expected to increase due to the correlation between India's economic growth and its energy demand, making the sector quite attractive for investment. India maintained its position as the world's third-largest energy consumer as of 2022.

With geopolitical and financial uncertainties anticipated in the next few years, oil and gas companies have been securing supply in the near term. On the basis of sustained, robust economic development, India's energy demand is projected to grow faster than that of all other major economies worldwide. India's primary energy demand is expected to nearly double to 1,123 MMT of oil equivalent, as India's gross domestic product (GDP) is expected to increase to US\$ 8.6 trillion by 2040.

Crude Oil

The total crude oil and condensate output in India declined by 1.7% in FY23 to 29.2 MMT (million metric tons) compared to 29.7 MMT recorded in the same period previous year. India imported 232.4 MMT of crude oil in FY23, up from 212.4 MMT in FY22, an increase of 9.4% due to an increase in imports of all products except lubes/LOBS, fuel oil (FO), bitumen, etc. Crude oil imports from OPEC countries dropped to 59% of overall imports in FY23, down from 72% in FY22. During FY23, crude oil was imported mainly from the Middle East (55.3%), Africa (7.6%), North America (7.4%), South America (2.6%), and Eurasia (26.3%). In FY23, India's consumption of petroleum products reached a new high, demonstrating robust demand for transportation fuels and other refined products. Crude oil consumption witnessed a growth rate of 5.6%, growing from 241.7 MMT in FY22 to 255.2 MMT in FY23.

Domestic Production, Consumption and Imports of Crude Oil (Unit: MMT)

Particulars	Change (y-o-y)				
	FY21	FY22P	FY23P	FY22P	FY23P
Production	30.5	29.7	29.2	-2.6%	-1.7%
Imports	196.5	212.4	232.4	8.1%	9.4%
Consumption / Crude Processed	221.8	241.7	255.2	9.0%	5.6%

P: Projected
Source: PPAC - Snapshot of India's Oil & Gas data - March 2023

Natural Gas

Natural Gas is used as a feedstock in a number of industries, including the production of fertilizers, polymers, and other commercially significant organic compounds, as well as a fuel for the production of electricity and heating in industrial and commercial buildings. Natural gas is also used for cooking and as a vehicle fuel in households. The overall gross natural gas production of 34,450 mmscm (million metric standard cubic meters) for FY23 was 1.3% higher than the corresponding period last year.

India's natural gas consumption decreased by 6% in FY23 as rising prices dampened demand for gas in power generation, refineries, and the petrochemicals industry. Consumption in the fertilizer segment and other end uses, including agriculture, upstream operations, and other industries, grew modestly in 2022, but not nearly enough to offset the steep declines in the more price-sensitive sectors of the economy. The total natural gas consumption was 60,311 mmscm during the year under review, as compared to 64,159 mmscm recorded in FY22.

City Gas Distribution (CGD) is expected to be a growth driver for gas demand. After completion of 11 A CGD bidding round, 295 Geographical Areas (GAs)

covering about 98% of the population and 88% of total geographical area of the country spread over around 630 districts in 28 States/UTs including all cities under these GAs, have been covered under the CGD network.

India's imports of LNG have declined due to rising prices, both before and after Russia's invasion of Ukraine. Cumulative LNG imports fell 14.1% YoY in FY23 to 26,647 million metric standard cubic meters (mmscm). India's demand for LNG imports declined significantly due to high spot LNG prices and increasing domestic supply. The decline in LNG demand occurred in price-sensitive industries such as power and refining, where users can easily shift to cheaper alternative fuels. However, these sustained price levels have begun to impact demand in other industrial sectors where transitioning is a costly and time-consuming process.

According to the IEEFA (Institute of Energy Economics and Financial Analysis), in 2023, India plans to operate 12.5 GW of peaking gas units as part of a special program in which a state-owned gas Company will purchase gas supplies in advance. India is actively seeking new long-term LNG supply contracts with an array of suppliers. Globally, however, there are a limited number of long-term LNG supply contracts commencing before 2026. Existing contractors are unable to increase supplies in the short term; therefore, incremental growth in LNG demand may have to come from volatile spot markets until then.

Domestic Production, Consumption and Imports of Natural Gas (Unit: MMSCM)

Particulars	Change (y-o-y)				
	FY21	FY22(P)	FY23(P)	FY22P	FY23P
Production	28,672	34,024	34,450	18.70%	1.30%
Imports	33,198	31,028	26,647	-6.50%	-14.10%
Consumption / Crude Processed	60,982	64,159	60,311	5.20%	-6.00%

Source: PPAC - Snapshot of India's Oil & Gas data - March 2023

Infrastructure

Gas pipeline infrastructure is an economical and safe mode of transporting natural gas by connecting gas sources to gas-consuming markets. The gas pipeline grid determines the structure and growth of the gas market. To assure the adequate availability and equitable distribution of natural gas throughout the country, a National Gas Grid with interconnections has been envisioned.

The overall authorized length of natural gas pipelines as of December 2022 is 33,131 km, of which 12,002 km are under construction. Several new pipelines are planned, like the Kochi-Koottanad-Bangalore-Mangalore Phase II project, which is expected to commence operations in 2025 and will be owned by GAIL.

Major natural gas pipeline network (Km) and Capacity (mmscm) as on December 31, 2022

	GAIL	GSPL	PIL	IOCL	AGCL	RGPL	GGL	DFPCL	ONGC	GIGL	GITL	OTHERS	TOTAL
Operational													
Length	9,582	2,695	1,479	143	107	304	73	42	24				14,449
Capacity	167.2	43.0	85.0	20.0	2.4	3.5	5.1	0.7	6.0				337.3
Partially Commissioned													
Length	4,778			282						1,255	365		6,680
Total Operating													
Length	14,360	2,695	1,479	425	107	304	73	42	24	1,255	365		19,398
Under Construction													
Length	5,095	100		1,149						1,077	1,666	2,915	12,002
Capacity		3										149	-
Overall Total													
Length	19,455	2,795	1,479	1,574	107	304	73	42	24	2,332	2,031	2,915	33,131

Source: PPAC - Snapshot of India's Oil & Gas data - March 2023, IBEF

As of April 2023, India had 10,420 km of crude pipeline with a capacity of 147.9 million metric tons per year (mmtpa). Indian Oil Corporation Limited (IOCL) controls 50.8%, or 5,301 km, of the length of India's petroleum pipeline network. To meet the market demand in Karnataka fed areas, BPCL is constructing a pipeline to meet the demand from its existing terminal at Irugur (Coimbatore). The pipeline shall originate from the existing pipeline receipt cum pumping station at Irugur to Devangonhi in the state of Karnataka.

Major crude oil pipeline network as on April 01, 2023

	ONGC	OIL	Cairn	HMEL	IOCL	BPCL	HPCL	Other	Total
Length (km)	1,284	1,193	688	1,017	5,301	937			10,420
Capacity (MMTPA)	60.6	9.0	10.7	11.3	48.6	7.8			147.9

Source: PPAC - Snapshot of India's Oil & Gas data - March 2023

GLOBAL OIL & GAS MARKET

Americas

U.S. crude oil production reached record highs, and production of natural gas and petroleum, and other liquids is rising amid growing demand for exports and industrial uses. Crude oil output in the U.S. is expected to average 12.53 mb/d in 2023, as compared to 11.9 mb/d in 2022. The EIA (U.S Energy Information Administration) expects crude oil production to reach 12.7 mb/d in 2024.

Short-term EIA - energy outlook May 2023, report estimates that the country's dry gas production will reach 101.1 billion cubic feet per day (Bcf/d) in 2023 and 101.2 Bcf/d in 2024, up from a record-setting 98.1 Bcf/d in 2022. More pipeline infrastructure expansion projects have been scheduled, and these projects are expected to contribute to increases in dry natural gas production.

In 2023, U.S. Federal Offshore Gulf of Mexico (GOM) marketed natural gas production will average 2.3 Bcf/d, while in 2024, it will average to 2.1 Bcf/d. The associated natural gas production from new natural gas fields is anticipated to offset a portion of the production declines from aging natural gas fields. Seven new projects are anticipated to come online in the GOM in 2023 and 2024. These new initiatives would contribute 6% of the total natural gas output.

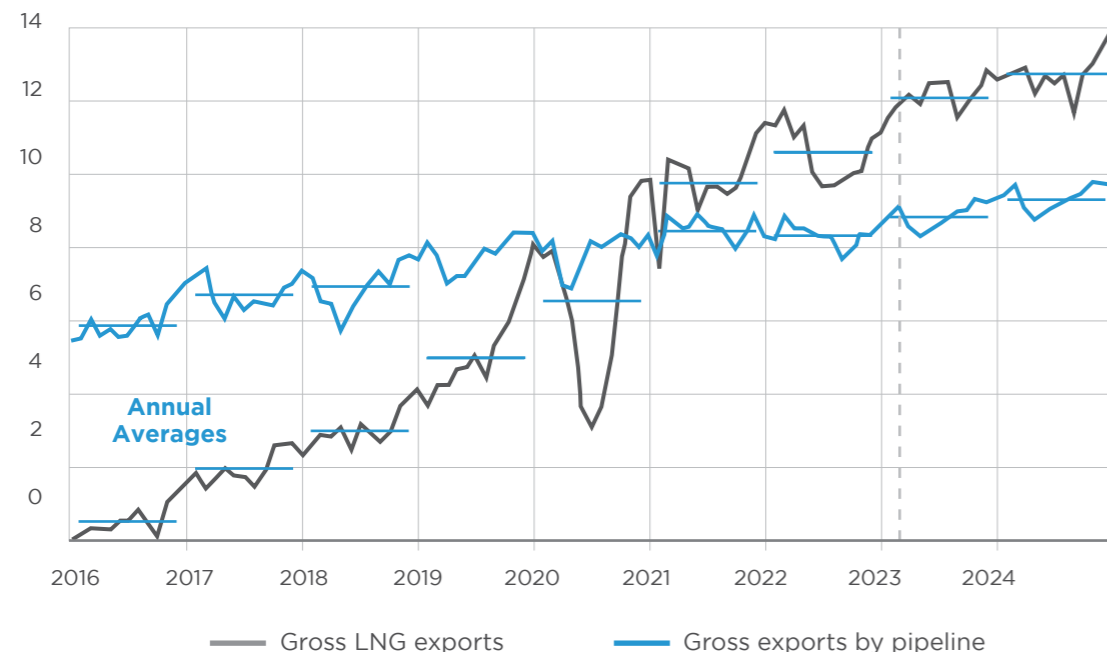
Natural gas consumption in the U.S. is expected to average 87.5 Bcf/d in 2023, as against 88.5 Bcf/d recorded in 2022, due to mild winters and recent low natural gas consumption in the residential and commercial sectors.

A rise in U.S. LNG exports has been anticipated due to high global demand, as LNG continues to replace natural gas pipeline exports from Russia to Europe. Mild winter temperatures and above average storage have resulted in lower LNG prices so far this year, which could be an incentive for price-sensitive Southeast Asian nations to import more LNG. In 2023, U.S. LNG exports is expected to average at 12.1 (Bcf/d), an increase of 14% (1.5 Bcf/d) over last year. An increase of an additional 5% (0.7 Bcf/d) in LNG exports has been anticipated in 2024.

The restoration to service of the Freeport LNG export terminal and the commissioning of new LNG export projects by the end of 2024 would support the anticipated increase in exports. In 2023 and 2024, U.S. natural gas exports via pipeline are anticipated to increase by 0.5 Bcf/d, primarily due to increased exports to Mexico. A number of new pipelines in Mexico, including Tula-Villa de Reyes, Guaymas-El Oro, the Mayakan pipeline on the Yucatán Peninsula, and a few minor interconnects, are scheduled to become operational by 2024. To supply the proposed floating liquefaction (FLNG) project off the east coast of Mexico, an increase in exports via the Sur de Texas-Tuxpan underwater pipeline has also been anticipated.



U.S. annual natural gas pipeline and LNG exports (in BCF/D)



Source: U.S. Energy Information Administration - EIA - Independent Statistics and Analysis

Rising global demand for natural gas is a growth opportunity for US LNG producers but delivering on the opportunity will depend on timely construction of natural gas pipeline infrastructure to support new US LNG supplies. The Biden administration gave a green light for the 300-mile Mountain Valley Pipeline to run through the Jefferson National Forest. With a vast supply of natural gas from Marcellus and Utica shale production, the Mountain Valley Pipeline is expected to provide up to two million dekatherms per day of firm transmission capacity to markets in the Mid- and South Atlantic regions of the United States.

LNG imported into Central America and the Caribbean from October 2022 to February 2023 nearly doubled thanks to increased imports into Jamaica and Panama. During the period from October 2022 until March 2023, LNG flows from the United States increased by 30% (or nearly 10 bcm) YoY to account for over 45% of Europe's additional LNG supply. This further strengthened the United States' position as Europe's largest supplier, supplying over 40% of the region's total LNG imports and nearly 15% of its gas demand.

In 2022, Canada's gas consumption increased by close to 7%. Both residential, commercial, and wholesale customers including large industry and electricity generators, contributed to this growth. The transition away from coal in the generation of electricity has progressively increased the demand for natural gas.

The winter season began with an increase in residential and commercial natural gas consumption due to below-average temperatures, but this trend reversed in the first quarter of 2023 due to higher-than-average temperatures and with the onset of summer season.

Source: U.S. Energy Information Administration Article, dated March 8, 2023

Middle East

The natural gas consumption in the Middle-East would increase to 588 bcm in 2023 from 575 bcm as witnessed in 2022, thereby growing by 2%, primarily led by demand growth in Iran and Saudi Arabia. Natural gas production is expected to grow to 727 bcm in 2023 from the 712 bcm recorded in 2022.

Iran is expected to lead the Middle East in oil and gas trunk/transmission pipeline additions between 2022 and 2026. By 2026, natural gas and product pipelines will account for the vast majority of pipeline additions in Iran. The Iranian Gas Trunk line-IGAT XI is the main upcoming pipeline for transporting natural gas, with a total length of 1,200 km. More than 90 pipelines in Iran account for 35% of the total active (operational) trunk/transmission pipeline length in the Middle East. As one of the foremost oil and gas producers in the region, the nation has constructed a robust transmission pipeline network. It is now planning to construct gas and petroleum product pipelines to meet both domestic and international demand.

Saudi Arabia had the highest annual growth rate among the world's 20 biggest economies in 2022, according to the latest data from OECD and has plans for a huge growth in infrastructure projects. Presently, Saudi Arabia accounts for approximately 15% of the length of the Middle East's 84 active pipelines. From 2022 to 2026, seven planned and announced initiatives would add 1,559 km to the length of the nation's pipelines. These pipelines assist the nation in increasing its hydrocarbon and gas production. Saudi Arabia is expanding its "maximum sustainable" oil production capacity to 13 million bpd by 2027. In this regard, Saudi Aramco is greatly expanding the capacity of its offshore oilfields, which is a crucial element of its strategy to boost the country's oil production. Its own capital expenditure this year is expected to be between US\$ 45 billion and US\$ 55 billion, with capex increasing through the decade.

Turkey's 45 pipelines account for approximately 14% of the Middle East's active pipeline length. From 2022 to 2026, three natural gas pipelines totaling 620 km would be constructed, with two serving domestic demand and the remaining Igdir-Nakhchivan pipeline serving exports to Azerbaijan.

Iraq is one of the largest contributors to the active pipeline length in the Middle East, with an 11% share of 17 active pipelines. From 2022 to 2026, three proposed and announced initiatives are anticipated to add a total of 358 km. All three are primarily export-oriented hydrocarbon pipelines.

Other notable contributors to the active pipeline length in the Middle East include the United Arab Emirates with a 7% share, Oman with a 6% share, and Qatar with a 4% share. From nine upcoming pipelines, these nations are expected to contribute a total of 2,249 km of pipeline length.

Source: IEA, Gas Market Report, Q2-2023

Africa

During the period from October 2022 till March 2023, pipeline gas deliveries from North Africa decreased by 8%, or 1.4 bcm YoY, with flows to Iberia decreasing by 25%, or 1.3 bcm and flows to Italy remaining relatively unchanged. Compared to the previous heating season, gas deliveries from Azerbaijan via the Trans Adriatic Pipeline increased by 15%, or 0.80 bcm. The natural gas consumption in Africa would grow to 168 bcm in 2023 from the 164 bcm recorded in 2022. While Africa's natural gas production is expected to grow to 262 bcm in 2023 from the 251 bcm recorded in 2022.

Leading energy producers in Africa are prioritizing cross-border cooperation to address inadequate or obsolete infrastructure, which has impeded the continent's oil and gas resources' full exploitation and commercialization to date. Consequently, a

number of regional oil and gas pipeline projects have been announced, advanced, or will be expedited in the coming years.

In June 2022, the energy ministers and chiefs of national oil companies of Nigeria, Niger, and Algeria established a taskforce and roadmap for the development of the Trans-Saharan Gas Pipeline, a project that has been in the works for nearly half a century.

Equatorial Guinea's Minister of Mines and Hydrocarbons, H.E. Gabriel Mbagi Obiang Lima, launched the Central African Pipeline System (CAPS) in September 2022. It will connect Central, East, and West African countries, including Cameroon, Central African Republic, Chad, Equatorial Guinea, Gabon, the Republic of the Congo, the Democratic Republic of the Congo, Rwanda, and Burundi, to combat energy poverty and reduce reliance on non-African energy imports. The infrastructure will include refineries, gas-fired power facilities, terminals for LNG, and international oil and gas pipelines. With seven countries signing a Memorandum of Understanding (MoU) to implement the project at the 2022 Central Africa Business Forum and the African Petroleum Producers' Organization's support, the project is anticipated to reach new milestones in 2023. The project's completion is scheduled for 2030 and will support broader efforts to stimulate employment creation, improved energy access, and industrialization throughout the region.

In September 2022, MoU was signed between the Nigerian National Petroleum Corporation (NNPC), Morocco's National Office of Hydrocarbons and Mines (ONHYM), and the Economic Community of West African States (ECOWAS) for the construction of the 6,000-km, US\$ 25 billion Nigeria-Morocco Gas Pipeline. It is expected to make substantial progress beginning in 2023.

The Trans-Saharan Gas Pipeline is anticipated to enter a new phase of accelerated rollout in 2023 as the three countries seek to increase their consumption of gas resources to boost regional energy security and exports to Europe. The 4,128-km pipeline will have an annual capacity of 30 bcm of natural gas and represents a strategic opportunity to diversify European gas supplies, especially in light of the sanctions presently in place against Russian gas.

The 1,443-km, US\$ 10 billion East African Crude Oil Pipeline (EACOP) received approval from the East African Legislative Assembly (EALA) in November 2022, marking a significant project advancement. When finished in 2025, the pipeline will convey up to 2,46,000 barrels per day of crude oil from Uganda to the port of Tanga in Tanzania for export to global markets. In the meantime, regional

cooperation and development are anticipated to reach new heights in 2023, with the governments of Tanzania and Uganda seeking to increase upstream activities and hydrocarbon extraction to fuel economic growth.

Source: IEA, Gas Market Report, Q2-2023

Australia

The importance of the Australian Oil and Gas sector to the nation's economic and green energy future has increased, and ensuring a reliable investment environment would provide greater benefits to the country. Australia is the largest exporter of liquefied natural gas in the world, with an extensive pipeline network spanning the entire country. Compared to crude oil pipelines, gas pipeline capacity dominates the landscape. Australia's pipeline and gas industries will have numerous opportunities in 2023.

The Vali Gas field was constructed in the South Australian Copper Basin to provide the country with a new source of gas. The project includes installing metering facilities at the Vali facility, flowlines connecting the field's three completed wells to the metering facility, and two export gas pipelines from the field to connect with the Moomba gas gathering network at the Becker gas field. The export pipelines' installation and pressure testing were concluded in December 2022.

Source: The Australian Pipeliner, March 2023 report



Hydrogen Pipelines

In 2021, the demand for hydrogen reached 94 million tons (Mt), recovering to pre-pandemic levels (91 Mt in 2019) and comprising approximately 2.5% of the world's final energy consumption. The majority of the growth was attributable to traditional applications in refining and industry, though demand for new applications increased to approximately 40 thousand tons, up 60% from 2020, though from a low base.

The use of hydrogen and ammonia is gaining traction in the power sector, with announced projects totaling nearly 3.5 GW of potential capacity by 2030.

The International Energy Agency (IEA) estimates that the demand for hydrogen will reach 115 MT by 2030, with less than 2 MT coming from new uses. This compares to the 130 MT that would be required to meet existing climate commitments made by governments around the world, and the nearly 200 MT that will be required by 2030 to achieve net zero emissions by 2050. A substantial proportion of projects are presently in the advanced planning phases, whereas only 4% are under construction or have reached the final investment decision (FID) stage. Although it is anticipated that the project pipeline will continue to expand in the future years, there is a need to provide early support for projects so that they can attain FID and scale-up.

This will require a massive infrastructure build-out as pipelines will be required to transport Hydrogen. Rystad Energy estimates that there are about 91 planned hydrogen pipeline projects in the world, totaling 30,300 km and due to come online by around 2035. Today, more than 4,300 km already exists for hydrogen transportation with more than 90% located in Europe and North America.

New hydrogen infrastructure is starting to materialize as the world seeks to accelerate its path to net-zero. Hydrogen has a high gravimetric energy density and a low volumetric energy density. This means that among options, hydrogen pipelines will be far better than vessels at moving hydrogen over short to medium range distances.

In cases where hydrogen will be shipped (as hydrogen or its derivatives), it will eventually be distributed on land using hydrogen pipelines, which makes transport via pipelines a critical transportation mode for the gas. Hydrogen pipelines are already used to supply industrial hubs (at petrochemical plants for example). As supply scales up and moves from areas with abundant and renewable energy to demand centers, long transmission lines will be a necessity and these pipelines would require larger diameters and higher pressure for cost effectiveness and consequently higher steel grades.

Globally, Europe is at the forefront of efforts to produce and import green hydrogen and its attention is now turning to building the necessary infrastructure to get it to demand centers. According to Rystad Energy research, Spain, France, and Germany are among the countries committed or considering cross-border pipelines to facilitate energy flows, while the UK with its extensive gas grid finds itself in a strong position to switch from natural gas to hydrogen.

Several policies and guidelines have been established by India to promote green hydrogen, including the Green Hydrogen Policy, Harnessing Green Hydrogen by Niti Aayog, and the National Green Hydrogen Mission (NGHM). The NGHM aims to achieve a green hydrogen production capacity of at least 5 MMT per year, generate investments of over ₹ 8 lakh crore, and create over 6 lakh jobs. The government has taken significant steps, such as waiving inter-state transmission charges and providing GH2 plants with open access to the grid. The government has announced ₹ 19,744 crore in the latest budget for several programs to encourage green hydrogen, including domestic manufacturing of electrolyzers and GH2 production.

Source: IEA, News Articles

Carbon Capture

CCUS (Carbon Capture, Utilization, and Storage) is a collection of technologies that can contribute significantly to global energy and climate objectives. It involves capturing carbon dioxide (CO₂) from large emission sources like power plants or industrial facilities that use fossil fuels or biomass. The CO₂ can also be captured directly from the atmosphere. Once captured, the CO₂ is compressed and transported to be used in various applications or stored in deep geological formations for long-term storage.

While CCUS has not progressed as quickly as anticipated in the past, there has been substantial growth and momentum in recent years. Currently, there are approximately 35 commercial CCUS facilities worldwide, encompassing industrial processes, fuel transformation, and power generation. Additionally, there are around 300 projects in different stages of development across the CCUS value chain. Ambitious plans have been announced by project developers, aiming to have over 200 new capture facilities operational by 2030, with a capacity to capture more than 220 million metric tons of CO₂ annually.

However, even with these developments, CCUS deployment would fall short of the requirements outlined in the Net Zero Emissions by 2050 Scenario. To bridge this gap, policymakers need to provide additional policy support and establish suitable legal and regulatory frameworks. There is a growing acknowledgment of the role of CCUS technologies in achieving net-zero goals, leading to increased policy support in various countries. For instance, the United States has enacted the Inflation Reduction Act (IRA) of 2022, which, along with funding under the Infrastructure Investment and Jobs Act, is expected to incentivize greater CCUS deployment.

Overall, CCUS holds significant potential for mitigating carbon emissions and aiding in the transition to a low-carbon future. Continued policy support and collaborative efforts between governments, industries, and researchers are crucial for realizing the full benefits of CCUS technology and achieving ambitious climate targets. Pipelines are the cheapest way of transporting CO₂ in large quantities onshore and, depending on the distance and volumes, offshore. Transport by pipeline has been practiced for many years and is already deployed at large scale.

Source: IEA

WATER SECTOR

Global

Water is central to economic and social development; it is essential for maintaining health, cultivating sustenance, managing the environment, and generating employment. Despite the significance of water, 2 billion people lack access to securely managed drinking water and 3.6 billion lack access to safely managed sanitation on a global scale. The Sustainable Development Goals (SDGs) on Water and Sanitation propose a broader agenda, which includes universal and equitable access to safe and affordable drinking water for all, as well as access to adequate and equitable sanitation and hygiene for all, and an end to open defecation, with special attention paid to the needs of women and girls as well as those in vulnerable situations by the year 2030. Additional aims that go beyond access are also being discussed, such as improving water quality by lowering pollution and greatly boosting water-use efficiency. In the past decade, the World Bank Group (WBG), the largest multilateral source of financing for water supply and sanitation (WSS) in developing countries, has sanctioned 262 water projects totaling US\$ 31.2 billion, of which US\$ 21.3 billion, or 68%, are being classified as WSS projects.

In recent years, the increased value of adding environmental, social, and governance (ESG) and water stewardship scopes has become apparent, not only in a commercial sense, but also in the broader context of overall water sustainability, in order to provide positive outcomes for all parties. Even though the water, sanitation, and hygiene (WASH) and health sectors are linked, there is a lack of coordination and governance since they are headed by separate ministries, local authorities, international

organizations, non-governmental organizations, and players from the business sector. For this reason, coordinated relationships at the scientific, strategic, and operational levels are essential in order to optimize and expedite the beneficial health outcomes that may be achieved via WASH.

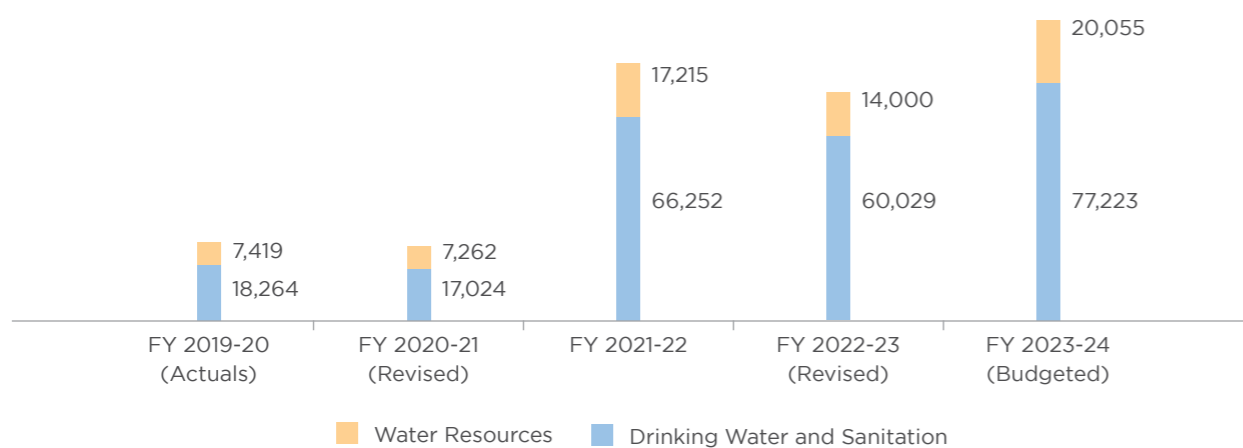
Source: UN World Water Development Report 2023

India

Water resources are crucial to the economy of a state because they are used in agriculture and related industries, rural development, drinking water and sanitation, energy production, and transportation. India requires an integrated water management strategy. Due to the pandemic, the importance of water, sanitation, and hygiene as critical determinants of health and nutrition has increased over the past two years. It is well established that safe, potable water, adequate sanitation, and excellent hygiene contribute to the prevention and promotion of disease. Therefore, all three have positive long-term economic consequences. This includes the Jal Jeevan Program, which comes under the Ministry of Jal Shakti and seeks to promote water conservation in the majority of India's severely water-stressed districts.

India has made substantial investments in the water infrastructure required to provide irrigated agriculture to vast areas of the country over the past 50 years. The Ministry of Jal Shakti was allocated a budget of ₹ 97,278 crore for FY24. This is consistent with the government's aim of providing functional tap water connections to all households by 2024. The Union Budget allocated ₹ 77,223 crore to the Department of Drinking Water and Sanitation and ₹ 20,055 crore to the Department of Water Resources, River Development, and Ganga Revitalization.

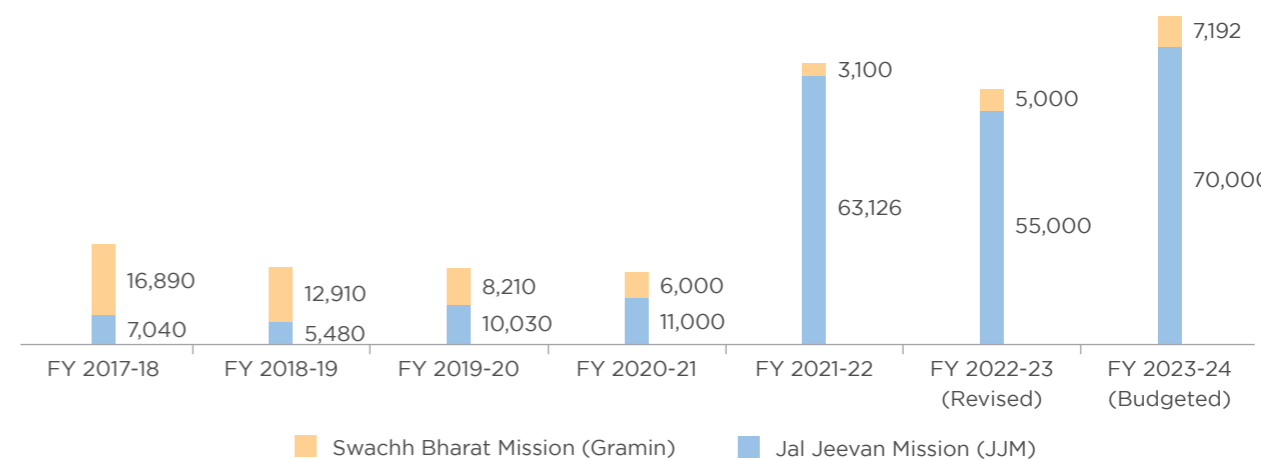
Budgetary allocation to the Jal Shakti Ministry (in ₹ Crore)



Source: FY24 Union Budget

The Jal Jeevan Project has been allotted ₹ 70,000 crore for FY24 in order to provide every household with a tap water connection. The budget for the Jal Shakti Ministry increased to ₹ 97,278 crore from ₹ 74,029 crore in the previous year. In FY24, the Swachh Bharat Mission (Gramin) was allocated ₹ 7,192 crore, a significant increase from the previous budget allocation of ₹ 5,000 crore. More than 1.55 million villages in India, or 25% of the total number of villages, have reported 'Har Ghar Jal,' which means that every household in these villages has access to pure drinking water via taps on the domestic property. During the first three months of 2023, the Jal Jeevan Mission installed an average of 86,894 new tap water connections per day.

Budgetary Allocations for JJM (Jal Jeevan Mission) and Swachh Bharat Mission (in ₹ Crore)



Source: Union Budget FY24

During the non-monsoon season, agriculture is nearly impossible without irrigation facilities. For India to increase its economic competitiveness and emerge as a global power, it is necessary to develop a modern, world-class water infrastructure by integrating all stakeholders into comprehensive planning and implementation to achieve efficiencies and synergies in large-scale project execution.

All National Perspective Plan (NPP) priority river linking initiatives will be completed by 2030. Connecting rivers would enhance the quantity of water available for domestic and industrial use as well as the area of land irrigated. The Accelerated Irrigation Benefit Programme (AIBP) was established in 1996-97 to provide financial assistance to states and allow them to expedite the implementation of major/minor irrigation projects that had been stalled due to financial constraints. In 2023-24, the AIBP has been allocated ₹ 3,122 crore. This scheme has created approximately 620 hectares of irrigation potential as of February 6, 2023. AIBP has incurred a total expenditure of ₹ 23,902 crore and states have received ₹ 4,536 crore in central assistance. This contains six new AIBP initiatives initiated after 2021-22. As farmers become less dependent on rainwater, their incomes and consumption will increase. Water usage would be reduced if traditional tank and canal irrigation were replaced with more effective alternatives such as the use of pipeline for transporting water to curb loss due to evaporation.

Source: World Bank, Union Budget FY24

Water Segment in Middle East

In light of the increasing water deficit and the projected continuous growth in water demand over the next few years, advancing the non-conventional water resources (NCWR) agenda in an integrated and cross-cutting manner has become an irreplaceable strategic option for achieving more sustainable water security in the Arab Region in the future. More than ever, dialog between diverse actors is required to explore innovative solutions and mobilize public and private actions to improve the integrity of water resources and ensure their sustainability. Investment in new initiatives is an essential matter, whereas securing the necessary funds is a significant obstacle to implementing government plans.

According to UNICEF, eleven of the world's seventeen most water-stressed nations are in the MENA (Middle East and North African) region. Due to economic and population growth, these nations have adapted desalination techniques to meet their rising water demand. The development of desalination will continue to be crucial to the Gulf's social and economic growth. Governments are accelerating their efforts to increase industry investment through PPP methods. With the UAE (United Arab Emirates) and KSA (Kingdom of Saudi Arabia) taking significant measures, other countries in the region are expected to follow suit. According to the Arab Water Convention report, US\$ 73.6 billion worth of water initiatives are planned for or under construction in this region in 2023. The UAE Water Security Strategy 2036 seeks

to reduce demand for water resources, increase water productivity, increase water-use efficiency across all sectors, improve water quality by reducing pollution, and ensure equitable access to safe, affordable water. Saudi Arabia is also making substantial investments in its water infrastructure, with US\$ 14 billion worth of water initiatives currently under construction. Water desalination projects worth US\$ 33.6 billion are under construction in Saudi Arabia. This includes a water desalination plant project worth US\$ 14.58 billion, a water distribution network project worth US\$ 11.11 billion, a dam/reservoir project worth US\$ 6.45 billion and US\$ 1.47 billion worth of other water infrastructure projects in Saudi Arabia. Water infrastructure projects totaling US\$ 14.47 billion are under construction in the UAE, US\$ 6.12 billion in Oman, US\$ 4.87 billion in Jordan, US\$ 2.44 billion in Kuwait, and US\$ 1.55 billion in Qatar.

Recent reforms in Saudi Arabia have resulted in a significant decrease in water use by the agricultural sector, the construction of more energy-efficient reverse osmosis (RO) and solar-supported water systems, and the elimination of longstanding water subsidies that kept the cost of water to consumers between 5 and 10% of the actual production cost. In 2018, the KSA introduced a new National Water Strategy to resolve these challenges and ensure cost-effective and sustainable solutions for the kingdom's water needs over the next decade.

The largest desalination corporation in the world, Saudi Arabia's Saline Water Conversion Corporation (SWCC), intends to increase the private sector's contribution to water desalination from two million m³/day to seven million m³/day by 2026. Given the vast geography of

Saudi Arabia, transportation of desalinated water to its demand centers is of key importance. Today around 13.9 million cubic meters per day can be transported across the country. This capacity is currently being increased by 56%, and a further expansion by 44% is planned by 2030.

In FY23, WCL's associate Company, East Pipes Integrated Company for Industry in the Kingdom of Saudi Arabia has announced signing contracts for the supply of Steel Pipes for Water Transmission with NEOM with total value of around SAR 373 million inclusive of value-added tax.

Source: 2023 Arab Water Convention report, US-Saudi Business Council

STEEL INDUSTRY

During 11M FY23, the crude steel production and finished steel production increased by 4% and 6.2%, respectively, on a y-o-y basis. Domestic consumption of finished steel increased by 11.6% y-o-y to 107 million tons during this period.

Domestic finished steel production grew by 18.1% y-o-y to 114 million tons and consumption grew to 106 million tons in FY22, up from 95 million tons in FY21, an increase of 11.4% y-o-y, on account of the increased pace of execution of infrastructure projects as well as the resumption of real estate and construction activities on a lower-base of FY21.

According to CareEdge Research, India's steel production is estimated to be within the range of 123-127 million tons, representing a growth rate of 4-7% in FY24. The domestic consumption growth rate is also

expected to be healthy at 8-10% in FY24, driven by increased infrastructure spending, a surge in real estate and construction activities, and strong auto sales.

In April 2022, the average domestic finished steel prices reached their peak at ₹ 96,079 per ton largely due to the Russia-Ukraine crisis. However, after a sharp increase, they began to decline and fell to ₹ 69,084 per ton in December 2022, representing a 17% year-on-year drop. This decline was caused by the imposition of an export duty on a range of finished steel products, leading to lower exports and an increase in domestic inventories. Additionally, the prices of iron ore softened by about 21% to ₹ 4,100 per ton until December 2022, compared to ₹ 5,965 per ton in May 2022. This was due to an increase in domestic supply following a hike in the duty on iron ore exports to 50% since May 2022.

After the reduction in export duty on iron ore in November 2022, domestic prices began to rise. In January 2023, NMDC increased the prices for iron ore lumps and fines, which further boosted the prices. In February 2023, iron ore prices increased by 2% month-on-month to ₹ 4,400, resulting in higher domestic steel prices. Going forward, it is expected that domestic steel prices will continue to track global prices. Global Prices could trend lower under the combined weight of a slowdown in global demand, influx of cheap imports from far-eastern Asia and Russia and cooling raw material prices.

Source: Company, CARE Ratings

REBARS

Infrastructure investment is witnessing an impetus from the government as India aims to achieve a US\$ 5 trillion economy. A series of structural reforms have been announced that have set the foundation for economic growth on the back of infrastructure development. One such reform was the launch of the PM Gati Shakti National Master Plan. The ₹ 100 lakh

crore mega plan was launched with a digital platform to bring 16 ministries together for integrated planning and implementation of projects.

Under the Pradhan Mantri Awas Yojana-Urban's (PMAY-U) 'Housing for All' mission, central assistance has been provided to states and Union Territories (UTs) since 2015 for giving all-weather "pucca" houses to eligible urban beneficiaries including homeless people.

Overall, the focus on development is visible and the demand for Long Steel Products will be supported by increased spending on infrastructure and construction.

The key target market for WCL is the state of Gujarat where the estimated annual demand is 3 million MT per annum driven by spending on housing and construction.

Within Gujarat, there is a healthy demand in Kutch which will be a priority market for WCL due to its strong presence.

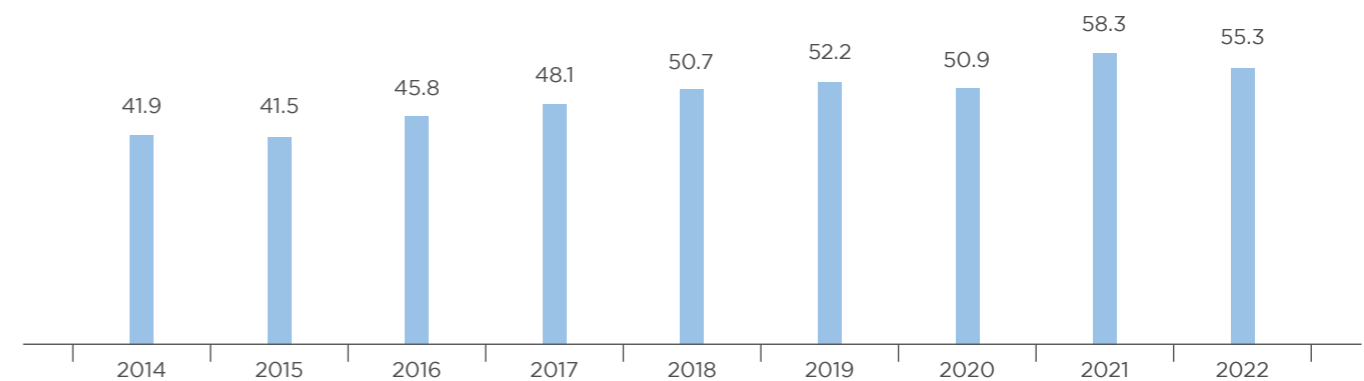
STAINLESS STEEL

Stainless Steel is a crucial component in numerous industrial applications, including building & construction, infrastructure, railways, automotive & transportation, and the process industries. It has a distinct advantage over carbon steel due to its unique combination of properties, including malleability, strength, corrosion resistance, aesthetic properties, minimal maintenance costs, and an average product life cycle. The global stainless-steel production decreased by 5.2% YoY to 55.3 MMT in 2022, as compared to 58.3 MMT recorded in 2021, primarily due to supply chain disruptions.

China continued to lead the world in production despite a 2% decline in output to 32 MMT in 2022. The production in the remainder of Asia decreased by 4.9% to 7.4 MMT. The United States production decreased 14.8% in 2022 to 2 MMT.

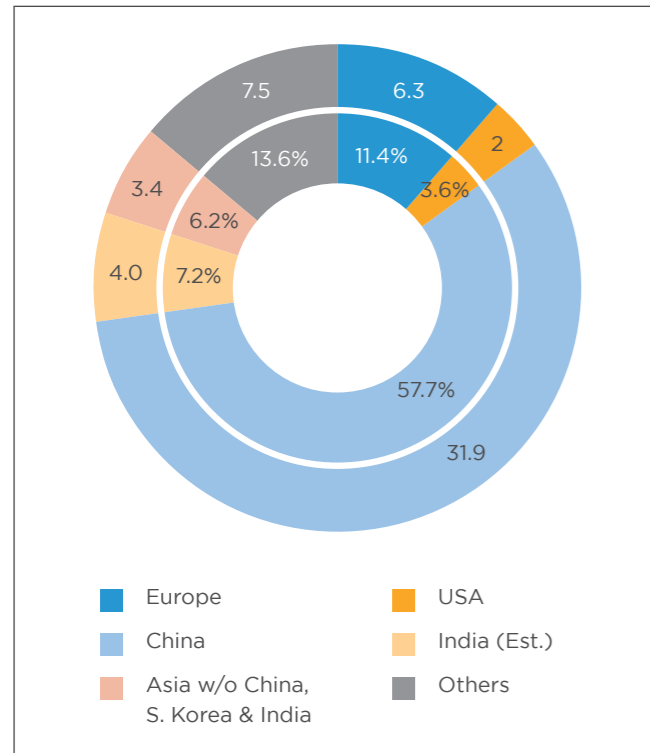


Global Stainless-Steel Production (in MMT)



Source: International Stainless-Steel Forum

Share in stainless and heat resisting steel melt shop production (ingot/slab equivalent): 2022 (In MMT)



Source: International Stainless-Steel Forum

The market for stainless steel is anticipated to be driven by demand in mechanical, chemical, and energy applications. These diverse applications include oil industry tubulars, heat exchangers, heat vessels, boilers used in power plants and furnace plants, and components used in pulp & paper, chemical, and food & beverage processing machinery.

SINTEX BAPL

WCL has acquired Sintex-BAPL through a resolution plan approved by the Hon'ble National Company Law Tribunal, Ahmedabad. This Transaction is in line with WCL's strategy to build a building material portfolio and create a robust distribution channel (B2C Strategy) which is in sync with Welspun Group's Vision.

WCL will be leveraging Sintex's vast distribution network of 900 Distributors and 13,000 Retailers.

Sintex is a powerful brand and gives WCL access to the market. It is one of the only truly National brands in the country with a premium positioning. Sintex is the best-known brand in water storage tanks in India. The brand connect with Sintex is synonymous with Water tanks.

The estimated Market Size of Water Tanks is in the range of ₹ 4,500 - 5,000 crore with 60% of the market consisting of unorganized players.

The current market share of Sintex in Water Tanks is estimated to be at about 9%. At its peak, Sintex was the undisputed market leader with more than double the current market share. But in the last few years, several new entrants have made a dent in the market. WCL's endeavor will be to recoup as much market share as possible.

WCL will make every effort to re-energize the distribution network, product & brand and combine this with its strength in Supply Chain efficiencies.

The Company has two distinct product portfolios. On the consumer portfolio, the Company produces Sintex water storage tanks for residential and commercial storage. Apart from this, the Company also manufactures UPVC based interior products and has a pan-India after-sales service. On the institutional portfolio, Sintex manufactures several products like industrial containers, electrical boxes, underground tanks for water and fuel storage, large capacity SMC panels, packaged sewage treatment plants, septic tanks and biogas plants. In addition, the Company makes parts and panels for metro and railway business and has also been exporting these products to the US market.

The Company has manufacturing facilities at six locations, including Kalol in Gujarat, Nalagarh in Himachal Pradesh, Namakkal in Tamil Nadu, Uluberia in West Bengal, Butibori in Maharashtra and Guwahati in Assam. All the facilities manufacture water tanks, except Kalol, where all other products are also manufactured. The combined capacity of these plants put together is close to 70,000 tons. The plants are equipped with technologies like roto molding, blow molding, sheet molding compound, UPVC extrusion and fiber reinforced plastics.

Manufacturing Presence: Pipes & Steel

The Company's multi-product capacity is spread across the key markets of India, US and Saudi Arabia.

Capacity Products / City	India				US	Saudi Arabia	Total
	Anjar	Mandya	Bhopal	Jhagadia	Little Rock	Dammam	
LSAW	350						350
HSAW	250	150	305		350	375	1,430
ERW/ HFIW	200				175		375
Total Line Pipes (KMT)		1,255			525	375	2,155
TMT Bars (KMT)	350						350
DI Pipes (KMT)	400						400
SS Bars (KMT)					150		150
SS Pipes (KMT)					18		18

Business Moat (Line Pipes):



FY23 Highlights

Order Book (Line Pipes)

The Company has an order book (including Saudi Arabia) of 1.1 million metric tons (₹ 14,600 crore) as on May 30, 2023.

Line Pipe Sales

FY23 has been a success as the Company has achieved 1,002 KMT of Line Pipe Sales through its plants in USA, Saudi Arabia and India. This is the 8th time in the last 10 years the Company has sales of more than a million metric tons.

ESG

During the year, WCL has taken several interventions aligned with global ESG standards. WCL was ranked in the Top 7% in the Steel Industry on DJSI's Corporate Sustainability Assessment.

Business Growth & Diversification

WCL completed the acquisition of the Plastic Products business of Sintex BAPL and Specified Assets of ABG Shipyard.

Dividend

For FY23, based on the Company's growth plans and cash position, the Board of Directors have recommended a dividend of ₹ 5.00 per equity share.

ENTERPRISE RISK MANAGEMENT

Sr. No.	Risk Description	Risk Direction	Risk Response/Mitigation
1	Oil prices drop and slow recovery Cyclical nature of business	↓	<ol style="list-style-type: none"> 1. Conducting rigorous stress tests and considering hypothetical scenarios to assess the firm's ability to weather an economic downturn can then help improve efficiency and productivity 2. Undertake operational savings initiatives with a strong ROI 3. Strong customer engagement - Prioritize initiatives that enable high value customers to be identified and retained 4. Focus on water & structural business to de-risk operations 5. Tap on the future CAPEX prospects of oil & gas giants 6. Reduced dependency of the overall business on the O&G sector through Business Diversification
2	Commodity Price Risk Cost of Components - increase / decrease	↓	<p>To mitigate the commodity price risk, the following actions are initiated:</p> <ol style="list-style-type: none"> 1. Develop a dedicated strategy for components that are subject to volatility 2. Use financial and operational hedging 3. Monitor pricing trends 4. Manage inventory to soften impact of price changes e.g. stockpiling 5. Manage multi-currency business through proper hedging 6. Continuous engagement with Steel and Coating materials suppliers 7. De-risking potential value loss by back to back coverage of Steel of Oil and Gas orders
3	Policy shift globally towards Environment and Green Energy (away from O&G)	↑	<ol style="list-style-type: none"> 1. Horizontal diversification of business - DI pipes and HDPE / CPVC pipes 2. Venture into product diversification - Stainless steel pipes 3. Explore opportunities to develop new products with focus on environment and green energy 4. Strong Research and Development team to support new products including futuristic hydrogen pipeline
4	Increased Competition	↑	<ol style="list-style-type: none"> 1. Regular customer satisfaction survey and engagement mechanism to sustain strong relationship with customers 2. Continue to undertake operational savings initiatives to remain cost efficient 3. Data analysis to help businesses spot trends and gain a competitive edge 4. Gather intelligence and assess risk 5. Use industry research and advisory firms to scan for competitive risk 6. Periodic monitoring of all actions of competitors 7. Improve competitive analysis 8. Leveraging technology and innovation to enhance customer experience
5	Damage of Reputation/Brand	↔	<ol style="list-style-type: none"> 1. Maintaining highest product quality through rigorous operational processes, quality control and inspection at multiple stages is built into the Welspun ecosystem 2. Zero tolerance to non-compliance and unethical practices at Welspun 3. Statements in public forums and media can only be as per defined internal policies 4. Adhere to Corporate Communication guidelines 5. Address social concerns with the support of a dedicated CSR team to enhance social license to operate

Sr. No.	Risk Description	Risk Direction	Risk Response/Mitigation
6	Cyber Attack Data Breach Business Continuity Management	↑	<ol style="list-style-type: none"> 1. Get the essentials in place e.g. anti-virus, firewalls, password use, whitelisting, access control, SSL, SSO Network and data encryption 2. Conduct component-driven and system-driven risk assessments 3. Conduct security audits regularly 4. Have a procedure which will be triggered in the event of loss or a suspected attack 5. Restricted access control to the physical equipment 6. Logical access to shared data using Active Directory 7. Symantec Endpoint Protection against Viruses, Malware, Adware, Spyware 8. Review Privilege access on regular interval and implement Central Logging Server 9. Critical servers are stored at multi locations with parallel run 10. Invest in Research and Development team 11. Beta test new technology
7	Succession Planning Talent Management Internal Management Bandwidth and Resources	↑	<p>Human Capital plays an important role in achieving purpose and strategy. We have carved out below strategy for robust implementation of succession planning:</p> <ol style="list-style-type: none"> 1. Identify the key personnel to succeed the Senior/Middle Management 2. Formulate a one/two year training and upskilling plan for the incumbents depending on the future role 3. Invest in training in Group Leadership Programs 4. Attend senior managerial courses from reputed institutes 5. Invest in training of all identified second line Managers 6. Allow the person to engage independently post a pre-decided grooming period 7. Periodic Job rotation
8	Failure to Innovate / Keep pace with modern technology Meet Customer Needs	↔	<p>Innovation found in smaller, incremental changes – such as creating operational efficiencies, finding new ways to serve customers or even creating new solutions to address more traditional risks – is equally as important as the headline-making transformative technologies.</p> <p>For innovation, data analytics improve organizations' understanding of consumer needs and provide perspective on how to shift their business model to keep up with consumers' demands.</p> <p>There is a dedicated research & development team that focuses on continuous engagement with customers to develop niche products.</p> <p>The below initiatives are undertaken for innovations -</p> <ol style="list-style-type: none"> 1. Off-loading and stockpiling leading to customer satisfaction 2. Moved to shared service center model wherein back-office functions are moved to shared service and new-age technologies are being implemented with well-defined performance parameters (SLAs) 3. Continuous engagement with clients to produce and supply niche products 4. Continuous training of manpower and upgradation of technology 5. Strong Research and Development team 6. Move towards more patenting technology 7. Sustaining the brand value and customer loyalty through fulfilling stakeholder expectation towards better climate resilient operation

Sr. No.	Risk Description	Risk Direction	Risk Response/Mitigation
9	Business Interruptions a) Geopolitical Issues b) Trade Sanctions c) Natural Disasters / Acts of God	↑	<ol style="list-style-type: none"> 1. Identified areas of vulnerability from external forces that could disrupt operations and extent of potential losses, as well as the probability of an occurrence 2. Strong liaisoning across multiple locations 3. Considered proactive steps (including risk engineering, risk financing and change management) to handle business interruption risks 4. Respond to sanctions through the legal process 5. Insurance cover to shield against natural disasters 6. Identification of physical risk due to Climate Change and implementation of mitigation & resilient actions
10	Compliance	↔	<ol style="list-style-type: none"> 1. Ensure adherence to Code of Conduct 2. Legal compliance through We Comply 3. Adherence to Regulatory Compliance 4. Continuous internal audit 5. Ensure adherence to ethical guidelines 6. Closely monitoring of all government guidelines/notifications 7. Commitments on enhancing Renewable Energy consumption 8. Adherence to Perform, Achieve, Trade (PAT) scheme by Bureau of Energy Efficiency (BEE) to reduce specific energy consumption
11	Relationship	↓	<ol style="list-style-type: none"> 1. Strong engagement with customers 2. Managing relationship with bankers 3. Maintaining relationship with steel suppliers 4. Strong engagement with logistics vendors 5. Address social concerns with the support of a dedicated CSR team to enhance social license to operate
12	Trade Policy Changes	↔	<ol style="list-style-type: none"> 1. Proactive engagement and representations through Industry Associations to various Government Agencies 2. Policy advocacy undertaken to advocate best available practices
13	Project Financing	↓	Tied up with lenders for Project Financing & leveraging strong relationships with bankers
14	Working Capital Limits	↓	Maintaining strong relationships with the bankers and through continuous engagement and timely resolution of the Banker's queries. There are effective internal controls in place which ensure that all the banking related issues are resolved within given timelines.

SWOT (STEEL)

STRENGTHS

- Established Brand Equity in the global large dia. pipe market
- Global reach, clientele and supply chain base
- Technical capability (Deep water and Sour service capability) and strong execution track record
- Technological leadership
- Local presence in major markets
- Diversified order book
- Diversified product portfolio
- Experienced management team

WEAKNESS

- Relatively low capacity utilization in the Indian mills
- Excess capacity and aggressive competition in India

OPPORTUNITIES

- New products/applications
- New markets across the World
- Ability to deliver on technologically challenging specifications
- Replacement pipe demand potential

THREATS

- Volatile commodity prices
- Preference for local producers and tariff/non tariff barriers in many export markets
- Potential delays in large projects
- Delay in ramp-up of new businesses

Human Resource:

At Welspun Corp Limited, with diverse businesses expanding across geographies, it is imperative to remain agile and be well equipped to adapt to these developments. That entails a philosophy to groom & develop internal talent and for future roles in the organization.

We strive to bring in the right fit in alignment with fostering diversity and inclusion. Our focus is on employee development, well-being and benefits which results in enhanced productivity, and an engaged workforce that delivers superior results.

Employee Development & Engagement

We have a structured talent management framework to provide our employees with skill sets that make them future-ready and help them get better outcomes and results to boost the Company's profitability.

As communication and transparency play a major role in boosting employee morale, our focus has always been to update our employees through various communication channels on business updates, challenges and the way forward. To ensure the right set of communication with our employees, we have many platforms and tools that encompass transparency for our employees as well as our customers.

This comprises Employee Communication, Employee Connect & Branding, Learning Interventions and Reward and Recognition. Periodic Town halls and skip level meetings are examples of offering a platform to keep them informed about organization progress, initiatives and understand their aspirations & concerns.

Apart from the above, various engagement drives are initiated to engage employees. Monthly birthdays and anniversaries, festivals, International and National

day celebrations, and safety week celebrations are some of the initiatives that keep our employee's engagement levels high. Annual day celebrations at site locations creates enthusiasm and its helps to have family bonding as well. In this celebration, we recognize employees with long service awardees, excellence awards.

Annual Sports is a powerful medium that brings employees together as they develop sense of oneness. Sports and games impart the essential skills of teamwork, team spirit, cooperation, health and fitness and are engaging methodology for employee engagement and culture building. Various sports, like, cricket, chess, badminton and table tennis tournaments, along with running competitions, were organized at plant locations.

Employer Branding through Campus Hiring and technical tie-up for skill availability were good initiatives to bring in fresh ideas to work along with experienced professionals to achieve blended workforce. We have designed and implemented Campus to Corporate programs with structured periodical assessment, panel interviews to facilitate development of GETs, DETs and MTs. They also get exposure to behavioral training programs that help them to acclimatize themselves to the organization's culture. During this year, we have joined hands with technical institutions like engineering, ITI colleges to hire a technically skilled workforce that enables businesses to get key engineering know-how that can bring technological enhancement in the organization.

Learning interventions are crafted considering the diverse strata of talent within an organization. Our customized learning journey covers functional, behavioral, and leadership development programs.

Our programmes focus on various drives that are designed in line with Welspun's Values, and our self-learning platforms like WeWisdom and WeLearn provide our employees with the opportunity to learn anywhere, any time through micro-learning modules, book reviews, and videos that are designed based on current practices and success stories from across the globe.

To create a competitive environment, we have initiated face-off challenges & leaderboards to ensure employees endeavor to get revamped. Recognizing top learners boost their confidence and urge for learning.

Wisdom through Video (WTV) is an initiative where employees are invited to watch TED Talk videos together and brainstorm on various learnings from them. Topics of WTV are also recommended by the eminent team members.

Monday Morning Read (MMR) to conquer the Monday morning blues, we send a fable to all the employees across locations to kickstart the week.

Welspun Culture & Values Integration Workshops were organized, referring to expansion of WCL Family with new SBUs. This was arranged to imbibe and cascade Welspun Values.

Functional Competency Framework: To standardize functional competencies across various functions and locations. A functional competency framework has been crafted for Pipes vertical. With a defined competency framework, we will have clear visibility into employee's development plans.

ESG

We have embarked on our ESG journey with a focused approach to promote health, well-being of all stakeholders and inclusive growth. Ensuring a healthy and safe work environment is never compromised at WCL. We strive to maintain the highest safety standards to reduce incidents from occurring. The safety culture is driven by the top management and executed at every level through the EHS Management System. Feedback from employees is regularly obtained on various health and safety considerations. In each level of the committee, there is participation from non-managerial workers.

Under **Environment**, being responsible for management of natural resources and to sensitize employees on carbon emission while they opt travel modes to the workplace, we carried out Carbon footprint survey & advisory to curb carbon footprint.

Under **Social**, Gender Diversity becomes the foremost important parameter in line with an inclusive environment and with a focused approach we are improving. We started our journey with 81 and now we have reached 133 female employees across WCL.

WeVolunteer, an online volunteering opportunity, provided a unique opportunity to give back to society. Our employees showed keen interest and supported Health and Education pillars through Wel Netrurva, Wel Shiksha, Storytelling initiatives whole-heartedly. Daan Utsav is one of the most appreciated initiatives where across WCL employees are supported.

Under **Governance**, with an objective to carry out business operations in a fair and ethical manner, initiated compliance awareness and training modules of CoC, PoSH, Ethical Dilemma and ABC's of Sustainability.

Employee Wellbeing

Our employees are our greatest resource and we ensure we provide adequate opportunities for their professional development as well as wellbeing. We diligently

promote a conducive work environment with a good work-life integration for all employees. We have a comprehensive employee benefit plan which includes parental leave, mediclaim policy that covers employees immediate family, personal accident insurance, term life insurance, travel insurance, leave benefits, provident fund, and car lease, among other benefits, to all our employees. Besides this, socio-cultural activities like get-togethers, yoga, meditation, sports competitions, festival celebrations and community programs are also organized. Wellness corner, Welspun Radio and WeVolunteer app has provided a technical edge to it in line with continual improvement process.

Awards & Recognition

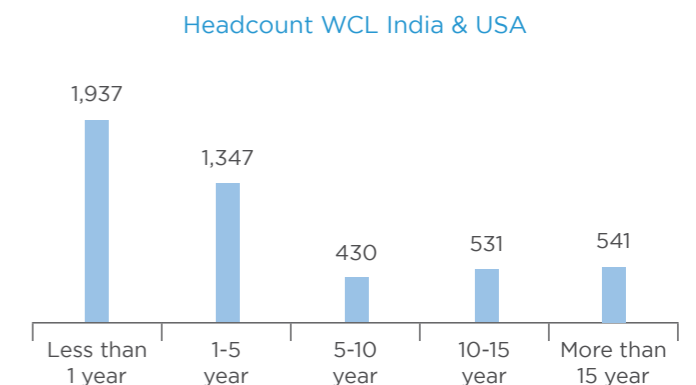
- Leadership Award for promoting Behavior Based Safety Approach for "Health, Safety & HIV prevention at world of work by **CSD Gujarat - May 2023**
- "PLATINUM AWARD in 14th EXCEED Green Future Award & Conference 2023" in Environment Sustainability category by **EKDKN - May 2023**
- Green Leaf Award 2022 "PLATINUM AWARD" under "Environment Excellence" by **Apex India Foundation - Mar 2023**
- International Safety Award from British Safety Council UK - Winner of MERIT by **British Safety Council UK - Mar 2023**
- PLATINUM AWARD in Apex India "Occupational Health & Safety" in Engineering Sector by **Apex India Foundation - Aug 2022**
- OHS Champion Award 2022 (Mr. Vikram Jaish) by **Apex India Foundation - Aug 2022**
- WINNER of "22nd Greentech Environment Award 2022" for outstanding achievements in "Environment Protection" category by **Greentech Foundation - Jul 2022**
- Certificate of Appreciation - From Allseas & Santos for BAROSSA Gas Export Pipeline Project, For contribution & achievement of 500,000 safe man-hours without reportable incident during the project by **Allseas (Client Appreciation) - Apr 2022**
- "FAME NATIONAL AWARD 2023" in Platinum category for Outstanding Project on "Quality Excellence" in Construction & Engineering Industry by **FAMA India - Apr 2023**
- "GOLD AWARD" for the 14th QCI - **D.L. Shah Award 2021 - Oct 2022**
- Golden Peacock National Quality Award - 2023
- WCL Mandya received Gold Award for KAIZEN participation in 6th Chapter Convention on Quality Circle of Mysuru chapter 2022.

- WCL Bhopal received Gold Award in 11th Exceed Occupational Health, Safety award in 2022 in Manufacturing sector on the National level.
- WCL Bhopal received Gold Award in 12th Exceed Environment Sustainability Award in 2022 in Pipe Manufacturing Sector on the National level.

Employee Count as of March 31, 2023

Category	Headcount (Nos.)
Staff + Associates	4,786
Contract Labor	2,031

More than 31% employees have over 5 years of experience.



Note: WCL India & LR, WDI/ML, ATMT, WCL - Steel Division, WSSL

Internal Control & Adequacy

The management of the Company ensures that the internal control system is adequate and commensurate with the size and scale of the Company's operations and designed to provide reasonable assurance that assets are safeguarded and transactions are rightly executed and recorded in accordance with management authorization and accounting policies. The existing policies are subject to periodic reviews to align with the changing business needs, improve governance and to enhance compliance with evolving regulation.

All the records are adequately maintained for preparation of financial statements and other financial information. Apart from internal controls, the Company also audits the efficiency and security of its operations, its information technologies and data, in accordance with the global standards. The Audit Committee of the Company met 17 times during this year to review, among others, the internal audit reports as well as the internal control systems and financial disclosures.

DISCUSSION OF FINANCIAL ANALYSIS

This discussion on Financial Analysis is for consolidated financials of the Company during 2022-23. The FY22 numbers are shown on a comparable basis for all

statements of Profit and Loss and Balance Sheet items discussed below:

1. Volumes

Production and Sales in KMT – Line Pipes (including Saudi Arabian JV)

- Pipe production volume for FY23 (including Saudi) stood at 1,076 KMT.
- Pipe Sales volume (including Saudi) for FY23 stood at 1,002 KMT.
- The overall installed capacity of pipes is 2.2 million MTPA, making the Company one of the largest line pipe companies in the world.

Sales Volume - Line Pipes (KMT)

FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
1,019	1,152	1,100	936	1,082	1,279	1,502	1,003	796	1,002

Sales in KMT – Billets & TMT

- Billet Sales volume for FY23 stood at 136 KMT.
- TMT Bars Sales volume for FY23 stood at 18 KMT.

Sales in KMT – Pig Iron & DI Pipes

- Pig Iron Sales volume for FY23 stood at 158 KMT.
- DI Pipes Sales volume for FY23 stood at 37 KMT.

Sales in MT – Stainless Steel (SS)

- SS Bars volume for FY23 stood at 6,869 MT.
- SS Pipes volume for FY23 stood at 4,059 MT.



2. Consolidated Revenues

Revenue from Operations

Total Revenue from Operations higher due to higher volumes

Breakup of various cost items as a %age of Sales (Consolidated)

Particulars	FY23		FY22	
	₹ Crore	%	₹ Crore	%
Continuing Operations				
Total Revenue from Operations	9,758	100.0%	6,505	100.0%
Cost of goods sold	7,254	74.3%	4,758	73.1%
Employee benefit expense	541	5.5%	383	5.9%
Other expenses	1,479	15.2%	892	13.7%
Total Expenses	9,274	95.0%	6,033	92.7%
Other Income	320	3.3%	551	8.5%
EBITDA	805	8.2%	1,023	15.7%
Depreciation and Amortization	303	3.1%	255	3.9%
Finance Cost	243	2.5%	102	1.6%
Profit before tax and share of JVs	258	2.6%	666	10.2%
Share of profit/(loss) from Associates and JVs	75	0.8%	(6)	-0.1%
Tax expense	134	1.4%	216	3.3%
Non-controlling interest	(8)	-0.1%	5	0.1%
PAT after Minorities, Associates & JVs	207	2.1%	439	6.7%

- a. **Cost of goods sold**
Increased as a % of Sales due to high raw material costs in Welspun Metallics Limited
- b. **Employee Benefit Expenses**
Higher employee expenses due to ramp-up of US plant and the greenfield plants in India
- c. **Other Expenses**
Increased by 66% YoY due to ramp-up of US plant and the greenfield plants in India
- d. **Other Income**
Lower as FY22 included Gain on Sale of ₹ 359 crore on listing of Joint Venture Company in Kingdom of Saudi Arabia. FY23 includes Gain on Sale of Land in Dahej of ₹ 104 crore.
- e. **EBITDA**
EBITDA margin decreased to 8.2% in FY23 from 15.7% in FY22 primarily due to EBITDA loss in Welspun Metallics Limited
- f. **Depreciation/Amortization charge**
Depreciation/amortization increased due to the addition to Gross Block primarily due to new greenfield plants in India
- g. **Finance Costs**
Finance costs increased by 139% in FY23, mainly on account of higher gross debt for the new greenfield plants and acquisitions
- h. **Share of profit/(loss) from Associates and JVs**
Higher due to profits in Saudi JV for the year

- i. **Tax Expense**
Effective tax rate is high this year because of deferred tax asset created at a lower rate in the new businesses which made a loss and creation of tax provision on undistributed profits in associates.
- j. **PAT after Minorities, Associates & JVs**
Lower in FY23 vs. FY22 primarily on account of loss in Welspun Metallics Limited

3. Table: Balance Sheet (Consolidated)

(₹ in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Net Worth	4,844	4,528
Long-Term Debt	1,926	1,429
Short-Term Debt	1,390	592
Gross Debt	3,316	2,021
Cash & Cash Equivalents	2,178	2,195
Net Debt / (Cash)	1,138	-173
Net Fixed Assets (incl. CWIP)	4,423	3,216
Current Assets	9,650	4,316
Current Liabilities	8,165	2,956

- 4. Networth:**
Networth as on March 31, 2023 has increased due to higher retained earnings



5. Net Debt / (Cash):

Net Debt position stands at ₹ 1,132 crore as of March 31, 2023 after accounting for cash & bank balances and liquid investments. There has been an increase in the Net Debt position primarily due to the Capex undertaken for the Ductile Iron Pipe plant and acquisition of Sintex BAPL and Specified Assets of ABG Shipyard.

6. Net Fixed Assets (including CWIP):

Net Fixed Assets have increased due to addition in the Ductile Iron Pipe plant and acquisition of Sintex BAPL and Specified Assets of ABG Shipyard.

7. Current Assets & Liabilities:

Current Assets & Current Liabilities have increased mainly on account of ramping up of US Operations.

8. Cash Flows:

The table below summarizes our cash flow for the periods indicated:

(₹ in Crore)

Particulars	FY23	FY22
Net cash generated from operating activities	(185)	218
Net cash generated from investing activities	(417)	(209)
Net cash generated from financing activities	909	453
Net change in cash and cash equivalents	307	462

9. Return on Net Worth:

Return on net worth was 4.3% in FY23 vs. 10.2% in FY22. The decrease was on account of an increase in Net Worth and lower profit for the period.

CHANGES IN KEY FINANCIAL RATIOS:

S.No.	Ratios	31-Mar-23	31-Mar-22	Comments
1	Debt Equity Ratio	0.68	0.45	Higher due to increase in gross debt
2	Interest Service Coverage Ratio	2.97	9.73	Lower earnings before interest on borrowings and tax & higher interest on borrowings led to a lower ratio
3	Current Ratio	1.18	1.49	Lower ratio driven primarily by an increase in current liabilities
4	Debtors Turnover (no. of days)	43	46	Increase in trade receivables offset by higher sales
5	Inventory Turnover (no. of days)	169	86	Change driven by higher average inventory in FY23
6	Operating EBIDTA Margin (%)	8.84%	15.52%	Impacted by loss in Welspun Metallics Limited
7	Net Profit Margin (%)	2.04%	6.83%	Impacted by loss in Welspun Metallics Limited

TRANSFORMING INTO A CONGLOMERATE

	Complete Pipe Solutions			Building Materials	
Business	Large Diameter Pipe and Coating	DI Pipes	SS Pipes	Water Storage Tanks, Plastic Pipes*, Interiors, Fittings, Adhesives*	TMT Rebars
Our position	Amongst the Top 3 manufacturers globally	Integrated producer from steel-making to finished products	Integrated producer from steel-making to finished products	One-stop solution in Building material Brand Sintex with pan-India presence	
Focus	O&G, API, Water & New Energy	Sewage, Drinking water under Jal Jeevan Mission	Nuclear, Defense & Power	B2C	

*Planned

Guidance for FY24

- Top line of ₹ 15,000 Crore (growth of ~ 50%)
- EBIDTA of ₹ 1,500 Crore (growth of ~ 90%)
- ROCE of 16% + (from 7% in FY23)
- Only Maintenance Capex
- Strong focus on growth of Sintex, DI Pipes and WSSL
- Increase in DJSI ESG rating to 60+

Directors' Report

To,
The Members,
Welspun Corp Limited

Your Directors present their 28th Report together with the audited financial statements of your Company for the financial year ended 31st March, 2023.

1. FINANCIAL RESULTS

(₹ in crore, except EPS)

Particulars	Standalone		Consolidated	
	For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Revenue from operations	6,916.67	5,287.87	9,758.10	6,505.11
Other income	289.73	482.62	319.98	551.22
Total income	7,206.40	5,770.49	10,078.08	7,056.33
Profit before finance cost, depreciation & tax	965.10	787.02	804.55	1,022.92
Less : Finance costs	149.28	76.88	243.16	101.89
Profit before depreciation & tax	815.82	710.14	561.39	921.03
Less: Depreciation and amortization expense	108.98	115.28	302.97	254.75
Add: Share of profit/ (loss) of joint venture and associates (net)	-	-	75.21	(5.72)
Profit before tax	706.84	594.86	333.63	660.56
Less : Tax expense				
Current Tax	149.00	109.46	170.58	229.71
Deferred Tax	29.20	(0.32)	(36.12)	(13.32)
Profit for the year	528.64	485.72	199.17	444.17
Net profit/ (loss) attributable to:				
Owners	-	-	206.69	438.81
Non-controlling interest	-	-	(7.52)	5.36
Earnings per share				
(a) Basic (in ₹)	20.23	18.61	7.91	16.82
(b) Diluted (in ₹)	20.17	18.57	7.89	16.77
Appropriations to Reserves:				
Opening balance in Retained Earnings	1,955.99	1,598.81	2,825.53	2,519.69
Profit for the year	528.64	485.72	206.69	438.81
Re-measurements of post-employment benefit obligations, net of tax	0.05	1.93	(0.07)	1.40
Share of OCI of Joint ventures and associates	-	-	(0.44)	(0.43)
Dividend on equity shares	(130.47)	(130.47)	(130.47)	(130.47)
Share issue expenses during the year	-	-	(0.11)	(3.48)
Closing balance in Retained Earnings	2,354.21	1,955.99	2,901.12	2,825.52

2. HIGHLIGHTS FOR THE YEAR & OUTLOOK.

(a) Sales highlights for the year under the Report are as under:

Product	Standalone (in MT)		Consolidated(in MT)	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Line Pipes	5,72,514	5,06,483	10,01,262	7,95,826
SS Pipes	-	-	4,059	2,915
DI Pipes	-	-	34,383	-
SS Bars	-	-	6,869	1,531
Billet	1,36,222	1,11,738	1,36,222	1,11,738
TMT Bars	-	-	17,717	-
Sponge Iron	33,157	17,625	33,157	17,625
Pig Iron	-	-	1,58,052	-
Hot Metal	-	-	53,899	-

(b) The year under Report was a successful year for your Company as it executed upon its Business Growth & Diversification Strategy. Your company completed the acquisition of the Plastic Products business of Sintex BAPL Limited & Specified Assets of ABG Shipyard Limited. The traditional business of Line Pipes demonstrated a steady performance while significant strides were made in stabilizing and ramping up the Ductile Iron Pipes, TMT Bars and Stainless Steel businesses.

(c) Pig Iron, Ductile Iron Pipe and TMT Bar facilities in Anjar

As mentioned in the previous report, the Company's wholly owned subsidiaries commissioned state-of-the-art Blast Furnace, Sinter plant, Coke Oven, TMT Bars and DI Pipes facilities during FY 2022-23.

The Blast Furnace can produce approximately 500,000 MT of Hot Metal per annum which will primarily be used for manufacturing Ductile Iron (DI) Pipes and balance for Pig Iron.

The Coke Oven facility has a production capacity of approximately 210,000 MT per annum of Coke which will primarily be used in the Blast Furnace for manufacturing of Hot Metal. This will help with continuous supply of high-quality coke at a competitive cost to run the plant efficiently.

The Ductile Iron Pipe plant can produce 400,000 MT of Ductile Iron Pipes and the integrated complex is equipped with the latest cutting-edge technology. The facility has recently received BIS certification as well. Production capacity is being ramped up on gradual basis.

The TMT bar manufacturing facility has a capacity of 350,000 MT per annum. The Company has an existing manufacturing set-up of BIS Certified Steel Billets and Direct Reduced Iron which will be used as inputs for the manufacture of TMT bars.

The DI pipes and the TMT bars are a natural fit for the expansion of your Company's product portfolio and have good synergies with the Company's existing business. These plants with best in class equipment and technology, world class processes and quality standards will further strengthen your Company's efforts in providing access to safe, reliable and clean drinking water for all, and in developing nation's infrastructure.

During the few months of its commencement, the Pig Iron facility has received multiple export orders of ~43 KMT for Pig Iron across South East Asia and Europe.

(d) Acquisition of the Specified Assets of ABG Shipyard Limited

During the year under Report, your Company has received the possession of moveable properties (partially built ships, metal and scrap) from the Liquidator of ABG Shipyard Limited (a company under liquidation) at a consideration of ₹ 589 crore. Further, the Company's wholly owned subsidiary i.e. Nauyaan Shipyard Private Limited ("Nauyaan") has received the possession of immovable property at Dahej, Gujarat from the Liquidator of ABG Shipyard Limited at a consideration of ₹ 70 crore. The partially built ships, equipment and metal scrap acquired under the Company is estimated to be over ~ 150,000 MT. It is estimated that the Metal/ Metal scrap not required for business

purposes will be disposed over 12-15 months. During this period, we will evaluate new business areas like ship re-cycling and ship repair which will not require any major capex.

During the next few quarters, your Company's management will evaluate and study potential new business areas like Green Steel, Defense Ship Building, Off-shore wind and O&G structures etc. to ensure optimal utilization of assets.

(e) Acquisitions of Sintex-BAPL Limited and Sintex Prefab Infra Limited by the subsidiaries

As mentioned in the previous report, to implement the strategy of creating a diversified product portfolio, repurposing its business to add new target segments, expanding its offerings to address both the B2B and B2C markets, and making well-considered strategic acquisitions to expand its base, enhance its brand, penetrate new markets, build a distribution network and provide opportunities to develop new products, your Company's Board is pleased to inform that:-

- Big Shot Infra Facilities Private Limited ("Big Shot") (a wholly owned subsidiary of the Company has acquired Sintex Prefab Infra Limited ("SPIL") in terms of the resolution plan submitted for SPIL and as approved by the Hon'ble National Company Law Tribunal, Ahmedabad by its order dated December 21, 2022 ("Resolution Plan"). The acquisition consideration was discharged to the creditors of SPIL for an amount aggregating ₹ 30 Crore in the form of Upfront Cash. Further, SPIL entered into definitive documents for discharge of deferred consideration with the lenders for ₹ 20 Crore in the form of unsecured loan to be discharged at earlier of a) 3 years from the Effective Date (February 24, 2023) or b) upon monetization of identified properties. Pursuant to the said implementation and in accordance with the Scheme of Arrangement provided under the Resolution Plan, Big Shot has been merged with SPIL with effect from February 24, 2023 and consequent to the merger, SPIL has become a wholly owned subsidiary of the Company.
- Propel Plastic Products Private Limited ("Propel") (a wholly owned subsidiary of the Company, has acquired Sintex-BAPL Limited in terms of the resolution plan

submitted by the Consortium for SBAPL and as approved by the Hon'ble National Company Law Tribunal, Ahmedabad by its order dated March 17, 2023. Propel has discharged the consideration to the creditors of SBAPL for an amount aggregating ₹ 1,251 Crore in the form of Upfront Cash in terms of the Approved Resolution Plan. Pursuant to the implementation of the Resolution Plan, Propel has been merged with SBAPL with effect from March 29, 2023 and consequent to the merger, SBAPL has become a wholly owned subsidiary of the Company with effect from the said date. Further, as required under the Resolution Plan, the Auto Components Business of SBAPL is transferred to bidding consortium member effective March 29, 2023.

(f) Sale of Dahej Unit

During the year under Report, your Company sold land and civil structures, situated at Dahej unit of the Company in the state of Gujarat and had received ₹125.6 crores as the consideration from the Buyer.

The said unit comprises of insignificant portion of the operations of the Company and the management feels that the transaction would not have any material and adverse effect on operations of the Company.

(g) Scheme of Arrangement between Welspun Metalics Limited ("the Transferor Company") and Welspun Corp Limited ("the Transferee Company") and their respective shareholders ("the Scheme")

Your Board of Directors have, inter alia, considered and decided to propose to National Company Law Tribunal ("NCLT") for its approval a Scheme under Sections 230-232 of the Companies Act, 2013.

The Scheme, inter alia, provides for transfer and vesting of the entire assets and liabilities of the Transferor Company in the Company with effect from the Appointed Date of April 1, 2022. As the entire share capital of the Transferor Company is held by your Company, upon the Scheme becoming effective, no shares of your Company shall be issued and allotted and the investment by the Company in the Transferor Company shall stand cancelled on the Effective Date (as defined in the Scheme) without any further act, instrument or deed.

The Scheme is expected to achieve the following:

- (i) The Transferor Company and the Transferee Company are engaged in the business of manufacture and sale of steel and steel products and their proposed merger will create synergies between the businesses, including by pooling of their financial, managerial, technical, distribution, marketing and other resources. The proposed merger is expected to, inter-alia, result in reduction of costs, better alignment, coordination and streamlining of day-to-day operations of the units;
- (ii) The consolidation will result in earning predictability, stronger revenue and improved competitiveness, with diversification in product portfolio thereby reducing business risks for the benefit of the shareholders. This will result in strong presence across market segments, provide access to new markets and product offerings along-with better bargaining power with customers / suppliers;
- (iii) Consolidation and optimization of stockyards could significantly reduce logistics and distribution costs for both companies. Clubbing of shipments may help reduce shipping costs, port terminal charges and ocean freight;
- (iv) Greater economies of scale and operational efficiencies which will provide a larger and stronger base for potential future growth;
- (v) The Transferor Company is a new company which is yet stabilizing production and scaling up, while the Transferee Company is an existing stable company with a strong balance sheet, and by merging the Transferor Company with the Transferee Company there are many cost reductions and efficiencies that can be created;
- (vi) Presently the loan borrowed by the Transferor Company are guaranteed by the Transferee Company and has higher cost of debt. The proposed merger will enable raising funds at relatively lower cost by leveraging on the strong fundamentals of the Transferee Company;
- (vii) Streamlining the structure of the Transferee Company and making it simple and transparent; and

(viii) Reducing the multiplicities of legal and regulatory compliances

(h) **Scheme of Arrangement between Mahatva Plastic Products and Building Materials Private Limited (“the Transferor Company”) and Sintex-BAPL Limited (“the Transferee Company”) and their respective shareholders (“the Scheme”).**

The Board of Mahatva Plastic Products and Building Materials Private Limited and Sintex-BAPL Limited (both wholly-owned subsidiaries of the Company) have, inter alia, considered and approved the Scheme of Amalgamation of Mahatva Plastic Products and Building Materials Private Limited (“the Transferor Company”) with Sintex-BAPL Limited (“the Transferee Company”) and their respective shareholders (the “Scheme”), by way of merger by absorption pursuant to a scheme of amalgamation under the provisions of Sections 230 - 232 of the Companies Act, 2013 and other applicable regulatory requirements.

The Scheme, inter alia, provides for transfer and vesting of the entire assets and liabilities of the Transferor Company in the Transferee Company with effect from the Appointed Date of opening hours of March 29, 2023.

Upon the coming into effect of the Scheme, the Transferee Company shall without any further application or deed, issue and allot shares as fully paid up to the shareholders of the Transferor Company, whose names appear in the register of members of the Transferor Company as on the Effective Date or to their successors-in-title, as the case may be, in the following manner:

“1 (One) equity share of the Transferee Company of the face value of INR 10 (Rupees Ten Only) each fully paid up, shall be issued and allotted for every 1 equity share of the Transferor Company of the face value of INR 10/- (Rupees Ten Only) each fully paid”

The Scheme is expected to achieve the following:

- (i) The Transferor Company was incorporated inter alia for the purposes of acquisition of the Transferee Company and / or acquisition of the loans / debentures of the Transferee Company. The Transferor Company has completed the acquisition of the debentures and Corporate Insolvency Resolution Process in respect of the Transferee Company is completed;

- (ii) Currently, the Transferor Company and the Transferee Company are held by a common holding company and are part of the same group. The proposed merger will eliminate the inter-company transactions and investments for the group and will help in streamlining the structure (as there is no requirement of the Transferor Company) and making it simple and transparent; and
- (iii) Reducing the multiplicities of legal and regulatory compliances.

(i) **ESG Initiatives**

In continuation to the ESG initiatives undertaken by your Company during the year bygone, your Company has published its maiden Sustainability Report for FY 2021-22, comprehensively reporting its sustainability performance across the environment, social, and governance domains, highlighting the progress made by the Company over its sustainability goals and its alignment with global frameworks like the GRI, UN SDGs, and SASB standards.

In addition, your Company published its first-ever Tax Transparency Report, explaining not only your Company's compliance with tax laws and disclosure requirements and guidelines, but also your Company's overall approach that sets the context for our tax liabilities. The voluntary disclosures through this report demonstrate that your Company strives to uphold the highest standards of tax transparency.

Your Company was ranked in the Top 7 Percent in Global Steel Industry in S&P Global's DJSI Corporate Sustainability Assessment.

(j) **Outlook**

The business outlook for your company remains promising. The Government of India has set a target to raise the share of natural gas in the energy mix from the current 6% to 15% by 2030. Gas demand will be driven by Fertilizers, City Gas Distribution Players, Petrochemicals and Refineries. This will result in continuously expanding the gas and City Gas Distribution pipeline network on Pan India basis, and will be a key driver for the growth of the line pipe industry.

There is a strong intent to meet the ambitious targets as envisaged in various Government schemes. The focus by both the Central and State Governments on developing water

infrastructure is expected to drive the demand for large diameter HSAW pipes and DI Pipes.

In the US after years of under-investment in oil and gas exploration and infrastructure, the focus is on boosting its oil and gas supply to cater to domestic energy needs as well as for exports to cater the energy needs in Europe. Your Company's HSAW plant in the US is fully booked till December 2023. The current business environment is favorable and active discussions are on to book new orders beyond 2023.

The newly commissioned state-of-the-art TMT plant, having a capacity of 350,000 MT, has received the BIS certification and commenced dispatches. The key growth drivers are spend on infrastructure, housing and construction. The key target market is Gujarat which has a consistent annual demand of 3 million MT per annum, of which only ~ 2 million MT is produced in the state. Your Company is confident to establish its product as a leading B2C brand in its target markets.

The Stainless Steel business has seen a strong turnaround in performance, both operational and financial. The improved performance is expected to sustain, on the back of several new customer approvals, accreditations, development of new products and penetrating new markets.

Sintex is a National brand with a premium positioning. It is the best known brand for water storage tanks in India with the brand connect being synonymous with Water tanks. Every effort is being made to increase the market share in FY24 by re-energizing the distribution network, product & brand positioning and combining this with Supply Chain efficiencies.

3. RESERVES, DIVIDEND & DIVIDEND POLICY.

The Board is pleased to recommend a dividend @ 100% for the year ended March 31, 2023 i.e. ₹ 5.00 per equity share of ₹5/- each fully paid-up out of the net profits for the year. In respect of the dividend declared for the previous financial years, ₹73,68,780 remained unclaimed as on March 31, 2023.

The equity dividend outgo for the Financial Year 2022-23 would absorb a sum of ₹130.76 crores as against ₹ 130.47 crores comprising the dividend of ₹ 5.00 per Ordinary (Equity) Share of the face value of ₹ 5/- for the previous year. Dividend will be payable subject to approval of members at the

ensuing Annual General Meeting and deduction of tax at source to those Shareholders whose names appear in the Register of Members as on the Record Date.

During the year under Report, the Company has transferred dividend of ₹ 4,36,335 remaining unclaimed for the financial year 2014-15 to the Investor Education and Protection Fund. Detail of unclaimed dividend is available on the website of the Company at the web-link: "http://www.welspuncorp.com" under the tab "Investors -> Unclaimed Dividend"

<https://www.welspuncorp.com/unclaimed-dividend.php>

The Board does not propose to transfer any amount to General Reserves.

In terms of the Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors approved and adopted Dividend Distribution Policy of the Company setting out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to the shareholders and/ or retaining the profits earned by the Company. The Policy is annexed to this Report as **Annexure - 1** and is also available on the website of the Company at the web-link: "http://www.welspuncorp.com" under the tab "Investors -> Company Policies"

https://www.welspuncorp.com/uploads/investor_data/investorreport__116.pdf

4. INTERNAL CONTROLS & INTERNAL AUDIT

Your Company has adequate internal control system, which is commensurate with the size, scale and complexity of its operations. Your Company has a process in place to continuously monitor existing controls and identify gaps and implement new and / or improved controls wherever the effect of such gaps would have a material impact on your Company's operation. The controls were tested during the year under Report and no reportable material weaknesses either in their design or operations were observed. In other observations, appropriate corrective actions were taken as advised by the Audit Committee.

At the beginning of each financial year, a risk-based annual audit plan is rolled out after it is approved by the Audit Committee and the Board. The audit plan aims to evaluate the efficacy and adequacy of the internal control system(s) and compliance(s) thereof, robustness of internal processes, policies and accounting procedures, compliance with laws and regulations.

The Internal Audit is carried by independent external audit firm consisting of qualified accountants, domain & industry experts, fraud risk and information technology specialists.

Based on the reports of internal auditor, corrective actions are taken, wherever required. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

5. SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES AND THEIR PERFORMANCE

- **Welspun Tradings Limited**, a wholly owned subsidiary and a trading arm of the Company, has reported a Revenue of ₹ 369.81 crores in the current year as compared to ₹ 162.35 crores in the previous year, registering an increase of 127.79%. Its profit after tax is ₹ 14.05 crores as compared to ₹ 3.89 crores in the previous year, registering an increase of 261.18%.
- **Welspun Wasco Coatings Private Limited**, a joint-venture and subsidiary (51% holding by the Company), engaged in concrete weight coating, has reported a Revenue of ₹ 12.85 crore in the current year as compared to ₹ 27.17 crore in the previous year, registering a decrease of 52.71%. Its loss after tax is ₹ 2.32 crore as compared to ₹ 32.22 crore in the previous year.
- **Welspun Pipes Inc., Welspun Tubular LLC and Welspun Global Trade LLC**, are wholly owned subsidiaries in the USA. Welspun Pipes Inc. which is holding investment in Welspun Tubular LLC and Welspun Global Trade LLC has reported a consolidated Revenue of ₹ 1,548.72 crores in the current year as compared to ₹ 1,163.02 crores in the previous year, registering an increase of 33%. Its consolidated loss after tax is ₹ 52.53 crores as compared to Profit after tax of ₹ 84.21 crores in the previous year.
- **Welspun Mauritius Holdings Limited**, a subsidiary in Mauritius holding investment in pipes & coating business in the Kingdom of Saudi Arabia has reported a Revenue of Nil in the current year as well as previous year. Its loss after tax is ₹ 17.15 crores as compared to profit of ₹ 249.52 crores in the previous year mainly due to sale of equity share of East Pipes Integrated Company for Industry in FY 2021-22.
- **Welspun Metallica Limited**, a wholly owned subsidiary engaged in production of hot metal has reported a Revenue of ₹ 968.72 crores in the current year as compared to ₹ 62.88 crores in the previous year, an increase

of 1441%. Its loss after tax is ₹271.15 crores as compared to ₹ 10.67 crores in the previous year, registering an increase of 2441%.

- **Welspun DI Pipes Limited**, a wholly owned subsidiary engaged in production of DI Pipes has reported a Revenue of ₹ 265.72 crores in the current year as compared to ₹ 0.27 crores in the previous year, an increase of 98315%. Its loss after tax is ₹ 22.68 crores as compared to ₹ 4.30 crores in the previous year, registering an increase of 427%.
 - **Anjar TMT Steel Private Limited**, a wholly owned subsidiary engaged in production of Billets and TMT Bars has reported a Revenue of ₹ 138.88 crores in the current year as compared to Nil in the previous year. Its loss after tax is ₹ 13.21 crores as compared to ₹ 0.67 crores in the previous year, registering an increase of 1872%.
 - **Welspun Specialty Solutions Limited** a subsidiary engaged in business of specialty steel & tubes has reported a Revenue of ₹417.83croresinthecurrentyearascomparedto ₹163.29 crores in the previous year, an increase of 156%. Its profit/(loss) after tax is ₹ (13.74) crores as compared to loss of ₹ (32.44) crores in the previous year, registering a decrease in loss of 57.66%.
 - **Sintex Prefab and Infra Limited**, a wholly owned subsidiary with the objective of engaging in business of pre-fabricated Structures, Infra Project Services and turnkey projects in India has reported Nil Revenue in the current year and the previous year. Its loss after tax is ₹ (0.38) crores as compared to ₹ 0.00* crores in the previous year.. Sintex Prefab and Infra Limited become a wholly owned subsidiary of the Company w.e.f. February 24, 2023.
- * amount is below rounding off norms.
- **Sintex-BAPL Limited**, a wholly owned subsidiary engaged in business of manufacturing of polymer and polymer products has reported a Revenue of ₹ 9 crores in the current year. Its profit after tax is ₹ 1.16 crores. Sintex-BAPL Limited become a wholly owned subsidiary of the Company w.e.f. March 29, 2023.
 - **Sintex Holdings BV**, a step down wholly owned subsidiary in Netherlands acts as a finance company, has reported Nil Revenue and Profit After Tax in the current year and the previous year. Sintex Holdings BV become a wholly owned subsidiary of the Company w.e.f. March 29, 2023.

- **Sintex Logistics LLC**, a step down wholly owned subsidiary in the USA is marketing and business development outfit which is sourcing solutions from the Indian operations for its US clients has reported a Revenue of ₹ 1.16 crores in the current year. Its profit after tax is ₹ 0.18 crores. Sintex Logistics LLC become a wholly owned subsidiary of the Company w.e.f. March 29, 2023.
- **Nauyaan Shipyard Private Limited**, a wholly owned subsidiary and SPV with the object of acquiring immovable assets from liquidator of ABG Shipyard Limited has reported Nil Revenue in the current year. Its loss after tax is ₹ 5.08 crores. Nauyaan Shipyard Private Limited become a wholly owned subsidiary of the Company w.e.f. September 19, 2022.
- **Mahatva Plastic Products and Building Materials Private Limited**, a wholly owned subsidiary and SPV with the object of purchasing NCDs of Sintex-BAPL Limited for the purpose of acquisition of Sintex-BAPL Limited has reported Nil Revenue in the current year and the previous year. Its profit after tax is ₹ 15.44 crores as compared to loss after tax ₹ 0.03 crores in the previous year. Mahatva Plastic Products and Building Materials Private Limited become a wholly owned subsidiary of the Company w.e.f. November 26, 2021.
- **Welspun Captive Power Generation Limited**, an associate (21% shareholding) of the Company engaged in business of generation of power for captive consumption of its shareholders has reported a Revenue of ₹ 290.51 crores in the current year as compared to ₹ 437.21 crores in the previous year, a decrease of 33.55%. Its profit after tax is ₹ 11.86 crores as compared to ₹ 17.63 crores in the previous year, registering a decrease of 32.73%.
- **Clean Max Dhyuthi Private Limited**, an associate (26% shareholding) of Welspun Metallica Limited, a wholly owned subsidiary of the Company engaged in business of generation of power for captive consumption of its shareholders has reported a Nil Revenue and loss after tax of ₹ 0.02 crores in the current year. It's a newly incorporated Company and become associate of the Company w.e.f. July 28, 2022.
- **East Pipes Integrated Company for Industry**, an associate (35.01% shareholding) of the Company engaged in business of manufacturing and coating of pipes has reported a Revenue of ₹ 3,088.72 crores in the current year as compared to ₹ 1,187.32 crores

in the previous year, an increase of 160%. Its profit after tax is ₹ 214.18 crores as compared to loss of ₹ 6.45 crores in the previous year.

- During the year under report, pursuant to the resolution plan submitted by True Guard Realcon Private Limited for Sintex Prefab and Infra Limited as approved by Hon'ble National Company Law Tribunal ("NCLT") Ahmedabad Bench vide its order dated December 21, 2022 passed in I.A./ 404 (AHM)/ 2022 in C.P. (IB) No. 321 of 2020 ("Resolution Plan"), Big Shot Infra Facilities Private Limited, a wholly owned subsidiary of the Company got merged in to Sintex Prefab and Infra Limited and ceased to exist w.e.f. February 24, 2023.
- During the year under report, pursuant to the approval of the resolution plan dated January 25, 2023 (as amended by the addendum dated January 28, 2023) ("Resolution Plan") submitted by the consortium of Propel Plastic Products Private Limited (The Implementing Entity) and Plastauto Private Limited (earlier known as Tubular Pipes Private Limited) (together, "Consortium" or "Resolution Applicants") duly approved by the Committee of Creditors (CoC) of Sintex-BAPL Limited on February 6, 2023 and the Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT") vide its order dated March 17, 2023 ("Plan Approval Order") in accordance with the provisions of the Insolvency and Bankruptcy Code 2016 ("Code"), Propel Plastic Products Private Limited, a wholly owned subsidiary of the Company got merged in to Sintex-BAPL Limited and ceased to exist w.e.f. March 29, 2023.

A report on the performance and financial position of each of the subsidiaries, joint venture and associate companies included in the consolidated financial statement is presented in Form AOC-1 annexed to this Report as **Annexure - 2**.

Financial statements of the subsidiaries and joint venture are hosted on the website at the web-link: "<http://www.welspuncorp.com>" under the tab "Investors -> Subsidiary Accounts".

<https://www.welspuncorp.com/subsidiary-accounts.php>

6. DEPOSITS

The Company has not accepted any deposit within the meaning of the Chapter V to the Companies Act, 2013. Further, no amount on account of principal or interest on deposit was outstanding as at the end of the year under report.

7. DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A)

During the financial year under review, no funds have been raised by the Company through preferential allotment or qualified institutions placement, and no such funds raised during the preceding years were lying unutilized as at the beginning of the financial year under review.

8. AUDITORS

i) Statutory Auditors:

Your Company's Auditors M/s. Price Waterhouse Chartered Accountants LLP, who have given their consent and confirmation of qualification for re-appointment as the Statutory Auditors have been re-appointed for second term ending on the conclusion of the 29th Annual General Meeting. The remuneration approved by the Board for the Financial Year 2023-24 is ₹ 1.785 crores p.a. plus applicable taxes (subject to deduction of tax as may be applicable) and travelling and out-of-pocket expenses. However, in view of increase in the activities due to various acquisitions, the remuneration for the Financial Year 2022-23 is proposed to be ₹ 1.985 crores.

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part during the financial year under Report is ₹ 3.55 crores.

ii) Cost Auditors:

The Board had appointed M/s. Kiran J. Mehta & Co, Cost Accountants (Firm Registration No. 000025), as Cost Auditor for conducting the audit of cost records of the Company for the Financial Year 2022-23.

The Board of Directors on the recommendation of the Audit Committee, appointed M/s. Kiran J. Mehta & Co, Cost Accountants (Firm Registration No. 000025), as the Cost Auditors of the Company for the Financial Year 2023-24 under section 148 of the Companies Act, 2013. M/s. Kiran J. Mehta & Co, Cost Accountants have confirmed that their appointment is within the limits of section 141(3)(g) of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under section 141(3) and proviso to section 148(3) read with section 141(4) of the Companies Act, 2013.

As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly the members are requested to approve their remuneration by passing an ordinary resolution pursuant to Rule 14 of the Companies (Audit and Auditors) Rules, 2015 as included in the Notice convening the Annual General Meeting.

iii) Secretarial Auditors:

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Mihen Halani & Associates, Practicing Company Secretary (Certificate of Practice Number: 12015) to undertake the Secretarial Audit of the Company, for the Financial Year 2022-23.

As per the rotation policy of the Company, the Board of Directors have appointed M/s. M. Siroya and Company, Practicing Company Secretary, as the Secretarial Auditor of your Company for the Financial Year 2023-24.

9. AUDITORS' REPORT

(a) Statutory Auditors' Report:

The Auditor's observations read with Notes to Accounts are self-explanatory and therefore do not call for any comment.

(b) Cost Audit Report :

As required under the Companies (Accounts) Rules, 2014, the cost accounting records, as specified by the Central Government under Section 148(1) of the Companies Act, 2013, were made and maintained by the Company.

The Company had appointed M/s. Kiran J. Mehta & Co., Cost Accountants as the Cost Auditors of the Company for auditing cost accounting records for the financial year 2022-23. The Cost Audit Report for the year 2021-22 was e-filed on August 24, 2022. The Cost Audit for the financial year 2022-23 is in progress and the report will be e-filed to the Ministry of Corporate Affairs, Government of India, in due course.

(c) Secretarial Audit Report :

Secretarial Audit Report given by M/s. Mihen Halani & Associates, Company Secretaries is annexed with the Report as **Annexure 3**. The Report, read with the annexure thereto, contain following statement of facts, which

are explained / commented by the Board as under:-

- Due to resignation of Mr. Dogra from independent directorship of the Company w.e.f. 14.03.2023, composition of the Audit Committee was not in compliance with the regulation 18(1)(a) of the SEBI (LODR), Regulations, 2015 from 14.03.2023 till 31.03.2023. However, the Company has re-constituted the Audit Committee by inducting Mr. Anjani Agrawal as a member of Audit Committee w.e.f. 01.04.2023, who has been appointed as an independent director of the Company w.e.f. April 1, 2023.

The Board noted that the vacancy in the Audit Committee was caused due to the resignation tendered by an independent director and a member of the Committee, which was then filled within the time prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and therefore, as such, there was no non-compliance.

- The Company has paid fine of ₹ 2,360 levied by BSE Limited for delay in furnishing prior intimation with respect to date of payment of interest to Non-Convertible Debenture holders (paid in the month of February 2021 and May 2021) under regulation 50(1) of the SEBI LODR Regulations, 2015.

The Board noted the inadvertent delay and recommended furnishing the intimation with respect to date of payment of interest to Non-Convertible Debenture holders of all series of NCDs at the beginning of the financial year.

The Company has undertaken an audit for the Financial Year 2022-23 for all applicable compliances as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Certificate duly signed by M/s. Mihen Halani & Associates, Company Secretaries has been submitted to the Stock Exchanges and is annexed at **Annexure 4** to this Board's Report. For explanation and comments of the Board on the statement of facts with respect to imposition of penalty of ₹ 2,360 by BSE Limited as reported in the Annual Secretarial Compliance Certificate, please refer to the para above.

There is no Material Unlisted Indian Subsidiary of the Company as on March 31, 2023 and as such the requirement under Regulation 24A of the Listing Regulations regarding the Secretarial Audit of Material Unlisted Indian Subsidiary is not applicable to the Company for the Financial Year 2022-23.

(d) **Reporting of Frauds by Auditors**

During the year under review, the Statutory Auditors, the Cost Auditors and the Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013.

10. SHARE CAPITAL & LISTING

A) The Company does not have any equity shares with differential rights and hence disclosures as per Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 are not required. Further, the Company has not issued any sweat equity shares and hence no disclosure is required under Rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014.

B) The Company had granted stock options during the financial year 2018-19 and the financial year 2022-23. Disclosure as required under Regulation 14 of the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 and Part-F of Schedule I to the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 are as under:

(I) A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including -

(a) Name of the ESOP Plan	Welspun Employee Stock Option Plan	Welspun Employee Stock Option Plan	Welspun Corp Employee Benefit Scheme - 2022
(b) Date of shareholders' approval	September 30, 2005		July 29, 2022
(c) Total number of options approved under ESOS	5,614,752		1,30,00,000
(d) Vesting requirements	30% on end of one year from the date of grant; 35% on end of second year from the date of grant and 35% on end of third year from the date of grant.		25% each year on and from the end of one year from the date of grant.
(e) Exercise price or pricing formula	₹ 100/-		The exercise price shall be decided by the Nomination & Remuneration Committee) subject to minimum of face value i.e. ₹ 5 per Share
(f) Maximum term of options granted	3 years from vesting date		3 years from vesting date
(g) Method of Settlement	Equity		Equity
(h) Source of shares (primary, secondary or combination)	Primary		Either by way of Secondary acquisition from the market and/or direct allotment from the Company
(i) Variation in terms of options	No modifications were made to the schemes during the year except change in the Exercise Price from market linked exercise price to fixed exercise price of "₹ 100/- per ESOP" was approved by the Shareholders at the Annual General Meeting held on July 29, 2022. The scheme is in compliance with the regulations.		No modifications were made to the schemes during the year. The scheme is in compliance with the regulations.

(II) Method used to account for ESOS - Intrinsic or fair value.

	Welspun Employee Stock Option Plan	Welspun Employee Stock Option Plan	Welspun Corp Employee Benefit Scheme - 2022
	The Company has recognized compensation cost using fair value method of accounting. The Company has recognized stock option compensation cost of ₹NIL in the statement of profit and loss for the financial year 2022-23.	The Company has recognized compensation cost using fair value method of accounting. The Company has recognized stock option compensation cost of ₹5.58 crores in the statement of profit and loss for the financial year 2022-23.	The Company has recognized compensation cost using fair value method of accounting. The Company has recognized stock option compensation cost of ` NIL in the statement of profit and loss for the financial year 2022-23.

(III) Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.

	The Company accounted for employee compensation cost on the basis of fair value of the options.	The Company accounted for employee compensation cost on the basis of fair value of the options.
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(IV) Option movement during the year

Number of options outstanding at the beginning of the period	1,935,000	Nil	1,30,00,000
Options granted	Nil	11,00,000	Nil
Options forfeited / lapsed	10,000	Nil	Not applicable
Options vested	Nil	Nil	Not applicable
Options exercised	5,80,000	Nil	Not applicable
The total number of shares arising as a result of exercise of option	5,80,000 Equity shares were allotted during FY 2022-23 for 5,80,000 ESOPs exercised during FY 2022-23.	Not Applicable	Not applicable
The exercise price	₹ 100/-	₹ 100/-	Not applicable
Money realized by exercise of options	₹ 5,80,00,000	Not Applicable	Not applicable
Loan repaid by the Trust during the year from exercise price received	Not applicable	Not applicable	Not applicable
Number of options outstanding at the end of the year	13,45,000	11,00,000	Not applicable
Number of options exercisable at the end of the year/total number of options in force	13,45,000	Not applicable	Not applicable

Employee wise details of options granted to:-			
• Key managerial personnel	Granted during the financial year 2018-19: Mr. Vipul Mathur, MD & CEO - 15,00,000	Granted during the financial year 2022-23: Mr. Vipul Mathur, MD & CEO - 11,00,000	Not applicable
• Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year	Granted during the financial year 2018-19: • Mr. Godfrey John - CEO (Pipes) : 150,000 • Mr. T. S. Kathayat - President & Global Operation Head - Pipe Business :150,000 • Mr. Chintan Thaker-Head - Corporate Affairs and Strategic Planning Cell: 150,000	Not applicable	Not applicable
• Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	Nil	Nil	Nil
Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 "Earnings Per Share".	₹ 20.17	₹ 20.17	₹ 20.17
Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	The Company accounted for employee compensation cost on the basis of fair value of the options.	The Company accounted for employee compensation cost on the basis of fair value of the options.	The Company accounted for employee compensation cost on the basis of fair value of the options.

Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted-average exercise prices - ₹ 100 Weighted-average fair value - ₹ 52.01	Weighted-average exercise prices - ₹ 100 Weighted-average fair value - ₹ 132.31	Weighted-average exercise prices - Not Applicable Weighted-average fair value - Not Applicable
The number and weighted average exercise prices of stock options			
Opening balance	₹ 100	₹ 100	Not Applicable
Granted during the year	Not Applicable	₹ 100	Not Applicable
Exercised during the year	₹100	Not Applicable	Not Applicable
Forfeited during the year	Not Applicable	Not Applicable	Not Applicable
Expired during the year	₹100	Not Applicable	Not Applicable
Closing balance	₹100	₹100	Not Applicable
Exercisable at the end of the year	₹100	₹100	Not Applicable

A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:

i. the weighted average values of share price,	₹ 100	₹ 100	Not Applicable
ii. the weighted average values of exercise price	₹ 100	₹ 100	Not Applicable
iii. expected volatility	50%	50%	Not Applicable
iv. expected Option life	0.89 years	4.4 years	Not Applicable
v. expected dividends	0.55%	2.16%	Not Applicable
vi. risk-free interest rate	7.49 % to 7.85 %	6.34 % to 6.90 %	Not Applicable
vii. Method used and the assumptions made to incorporate the effects of expected early exercise;	Black Scholes method is used for fair valuation of ESOP.	Black Scholes method is used for fair valuation of ESOP.	Black Scholes method is used for fair valuation of ESOP.
viii. how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;	The measure of volatility used in ESOP pricing model is the annualized standard deviation of the continuously compounded rates of return. Expected volatility for fair valuation is considered based on average of previous 6 years annualized volatility.	The measure of volatility used in ESOP pricing model is the annualized standard deviation of the continuously compounded rates of return. Expected volatility for fair valuation is considered based on average of previous 6 years annualized volatility.	The measure of volatility used in ESOP pricing model is the annualized standard deviation of the continuously compounded rates of return. Expected volatility for fair valuation is considered based on average of previous 6 years annualized volatility.
ix. whether and how any other features of the options granted were incorporated into measurement of fair value, such as a market condition.	The following factors have been considered (a) Share Price (b) Exercise price (c) Historical volatility (d) Excepted option life (e) Dividend Yield	The following factors have been considered (a) Share Price (b) Exercise price (c) Historical volatility (d) Excepted option life (e) Dividend Yield	The following factors have been considered (a) Share Price (b) Exercise price (c) Historical volatility (d) Excepted option life (e) Dividend Yield
x. the price of the underlying share in market at the time of option grant.	₹ 126.10	₹ 224.05	Not Applicable

Details related to Trust			
(i) Name of the Trust	Not Applicable	Not Applicable	Welspun Corp Employees Welfare Trust
(ii) Details of the Trustee(s)	Not Applicable	Not Applicable	Mr. Parasmal Jain; Mr. Yogesh Mehta
(iii) Amount of loan disbursed by company / any company in the group, during the year	Not Applicable	Not Applicable	Nil
(iv) Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	Not Applicable	Not Applicable	Nil
(v) Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee	Not Applicable	Not Applicable	Nil
(vi) Any other contribution made to the Trust during the year	Not Applicable	Not Applicable	Nil
Brief details of transactions in shares by the Trust			
(i) Number of shares held at the beginning of the year	Not Applicable	Not Applicable	Nil
(ii) Number of shares acquired during the year through (i) primary issuance (ii) secondary acquisition, also as a percentage of paid up equity capital as at the end of the previous financial year, along with information on weighted average cost of acquisition per share	Not Applicable	Not Applicable	Nil
(iii) Number of shares transferred to the employees / sold along with the purpose thereof	Not Applicable	Not Applicable	Nil
(iv) Number of shares held at the end of the year	Not Applicable	Not Applicable	Nil
Secondary acquisition by the Trust			
	Not Applicable	Not Applicable	Nil

A Certificate obtained from M/s. Mihen Halani & Associates, Company Secretaries, Secretarial Auditors of the Company with respect to the implementation of Welspun Employee Stock Option Plan would be placed before the members at the ensuing Annual General Meeting of the Company and a copy of the same shall be available for inspection at the registered office of the Company.

Information as required under Regulation 14 read with Part F of Schedule I of the SBEB Regulations 2021 has been uploaded on the Company's website and can be accessed at the Web-link:

<http://www.welspuncorp.com> under the tab "Investors -> Company Disclosures

https://www.welspuncorp.com/uploads/investor_data/investorreport__998.pdf

C) Disclosure of Shares held in suspense account in terms of Regulation 39 read with Clause F of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

	No of shareholders	No of Shares
Outstanding Balance in the suspense account lying at the beginning of the year	20	5,530
Number of shareholders who approached issuer for transfer of shares from suspense account during the year	11	4,060
Transferred/Credited during the year	11	4,060
Balance outstanding	9	1,470

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

D) Listing with the stock exchanges

The Company's equity shares are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Secured/ Unsecured, Redeemable, Non-Convertible Debentures are listed on the BSE.

Applicable annual listing fees for the year 2022-23 and 2023-24 have been paid to both the BSE and the NSE as per the invoices received by the Company.

11. Annual Return of the Company.

Pursuant to section 134(3)(a) and section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, a copy of the Annual Return in Form MGT-7 of the Companies (Management and Administration) Rules, 2014 is placed on the website of the Company and can be accessed at the web-link: "<http://www.welspuncorp.com>" under the tab "Investors -> Annual Return"

<https://www.welspuncorp.com/annual-return.php>

12. Proceedings Under The Insolvency And Bankruptcy Code, 2016 (31 Of 2016)

There were no proceeding initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016.

13. Conservation of energy, technology absorption and foreign exchange earnings and outgo

A) Conservation of energy:

a) Initiatives taken for conservation of energy, its impact are as under:

Sr. No.	Description of Energy Efficiency Improvement Measure	Energy Savings [kWh/Annum]	Savings [₹ In Crores Annum]
Anjar Pipe & Coating Plants			
1	Replacement of conventional lights with LED lights - High way, Inspections, High Mast , and admin area	3,23,441	0.323
2	Compressed air for pipe operations from a centralized air network directly from power plant	13,35,207	1.335
3	Replacement of L-Saw Canteen Ceiling fans (17 no's) from 75W to 26W energy efficient fans.	1,202	0.001
4	Conventional AC convert in Energy Efficient AC	23,512	0.024
5	15 kW VFD installation in ECP-3 Blasting blowout blower motor	4,167	0.004
6	45 kW VFD installation for ECP-1 Blasting blowout blower motor	18,431	0.018
7	Installation of a 45 kW VFD for ICP-1, ISB-1 & ISB-2 dust collector blower motors	1,682	0.002
8	Installation of a 15 kW VFD for ECP-3 final ID cleaning blower motor	841	0.001
9	Coating 2 Plant External ABO Drive installed (ABO Star-Delta starter converted to 45 kW VFD Drive)	20,454	0.021

Sr. No.	Description of Energy Efficiency Improvement Measure	Energy Savings [kWh/Annum]	Savings [₹ In Crores Annum]
Anjar Pipe & Coating Plants			
10	Power saving in DM transfer pump at Coating 2 for LSAW plant (5.5 kW pump near RO plant).	9,258	0.009
11	Power saving in DM water transfer pump (2.2 kW Pump near RO plant)	2,631	0.003
12	HFW 1- Installation of VFD in conveyor motors (15 kW x 4 No. VFD, 2.2 kW x 4 no. motor per group, four group conveyor)	2,553	0.003
13	HFW 1- Provision of 450 KVAR APFC panel for Power Factor improvement of HF welder 600 KW.	42,786	0.043
14	HFW2: Provision of 225 x 2 KVAR APFC panel for Power Factor improvement of Seam Annealer 2 x 400 KW.	51,022	0.051
	Sub-Total	18,37,187	1.837
Bhopal Pipes & Coating Plants			
1	Pressure setting of main compressor ZH-450 from 7.0 to 6.5 bar	75,000	0.053
2	Stoppage of process cooling tower fan at night time during winters	14,789	0.011
3	Installed Air Regulators in Mill Plasma Cutting machine	22,680	0.016
4	Power saving from Rain Water Harvesting 5000 KL during monsoon season	2,700	0.002
	Sub-Total	115,169	0.082
Mandya Pipe Plant			
1.	Replaced conventional starter with VFD	39,675	0.030
2.	Replacement of conventional lights with LED lights	54,094	0.036
	Sub-Total	93,769	0.066

b) **The steps taken by the company for utilizing alternate sources of energy** - Alternate Power - 1 MW solar power is considered in FY 23-24 for Mandya plant.

c) **The capital investment on energy conservation equipment-**

- I) Anjar: With a total capital investment of ₹ 4.56 Crores in FY 22-23, we are having energy savings of ₹ 1.83 Crores per year at ₹ 10/kWh.
- II) Bhopal: With a total capital investment of ₹ 0.954 crore in FY 22-23, we are having energy savings of roughly ₹ 0.081 crore per year at ₹ 7/kWh.
- III) Mandya: With a total capital investment of ₹ 0.023 crore in FY 22-23, we are having energy savings of roughly ₹ 0.066 crore per year at ₹ 7.6/kWh.

Anjar Pipe & Coating Plants:

- Automatic Inquiry Management System is live and is in use for LSAW, HSAW, HFW, and Coating.
- Development of an automated documentation management system for compiling manufacturing record.
- Development of Material Test Certificate (MTC) with QR code.

Bhopal Pipe & Coating Plant:

- DFBE commissioned for the first time in Bhopal.
- In-house erection and commissioning of a Flux Recovery system.
- Rain water harvesting has been established thereby saving more than 16000 KL of water.

B) Technology absorption and Research & Development

(a) Innovation.

Details of plant-wise innovations are as under:

- Plant modification and successful execution of 143" diameter pipes.
- Plant modification and successful execution of 98" diameter pipes with wall thickness of 25 mm (Pipe weight - 18.5 MT).
- Air Drier provided offline to improve weld quality of pipes.
- PU coating booth made from scrap material saving ₹ 9 Lakhs.

(b) Research & Development carried out by the Company.

Anjar Pipe & Coating Plants:

A total expenditure of ₹ 4.08 crore was made during FY 22-23 for the following R&D projects:

- Development of Pipelines for transportation of Pure Hydrogen/ blended with Natural Gas. Carrying out tests required for qualification of pipelines as per ASME B31.12 standard.
- Successfully demonstrated readiness of SAWL product after completing extensive testing as per ASME B31.12 duly certified by RINA.
- Participation in JIP program on revising the guidelines for Design and Operation of Hydrogen Pipelines.
- Participated in the subcommittee for development of Line Pipe Specification by Bureau of Indian Standards.
- Actively involved in the ASME subcommittee for development of pipelines for Hydrogen transportation.
- Development of Sour Grade Steel for ERW application is being carried out with M/s TATA Steel, one of the leading Indian steel makers.
- Developing various coating material suppliers after successful trials:-
 - A) Food Grade Liquid Epoxy from Berger, Shalimar, JSW, Grant Polycot Paints
 - B) HDPE Material from KLJ, BLS polymers & Hyundai
 - C) High-Temperature FBE powder from Jotun & 3M India.

- Development of pipelines for deep offshore application with Alfa-fab ≥ 1.0 requirements in coating simulated condition.
- Development of extra thick pipelines for deep offshore & sour service application.

Bhopal Pipe & Coating Plants:

- Reusing of Discarded Oil through filtration thereby saving ₹ 1 Lakh approx.
- Through-Beam Sensors have been replaced by DISC sensors at Internal Blaster 1 & 2, improving the life of the sensors.
- Development of a substitute hydraulic pump causing inventory control, cost reduction and standardisation of spares.

(c) Technology Up gradation

Anjar Pipe & Coating Plants:

HFW Plant:

- Existing Coil UT system "UNIVIS" Electronics is obsolete and no spares are available. System requires up gradation as per compliances, PO placed to OEM and will complete by end of 2023.
- Coil UT automatic paint marking system developed for IOCL, APA and Shell who have mandated that the defect be located and automatically measured.
- Centralized operation of slitting line from one integrated workstation.
- Automatic data transfer from Spectrometer to SAP to avoid manual feeding and eliminate human intervention in the process.

LSAW Plant:

- Successful installation and execution of an indigenous laser based robotic pipe end measurement system as per SCR pipes specification.

Coating-2 Plant:

- Installation of a robotic probe with camera and laser which is used for visual inspection of the inside surface of pipes.

Digitalization:

- Automated processing of inquiries through an AI based software.

Quality:

- Installation of a Ring Expansion testing facility to comply with KUR.3367-SP-L-0001 specification to test samples for Australian projects.

Bhopal Pipe & Coating Plant:

Spiral Plant:

- New Digital System Installed at Hydro Tester to eliminate Chart Recorder and save paper.

Coating Plant:

- Installed sensors in internal painting system to reduce paint wastage, cycle time and human error and has been reduced by 2% in comparison to existing norms.
- Changed Plant PLC and Drive Profi-net Network from series to star to avoid Profi-net communication issues.
- Weld Seam Applicator installed to reduce the overall PE consumption by 2%.

Mandya Pipe Plant:

Spiral Plant:

- Laser Scanner System development and installation for ID & OD welding.
- Installation of VFDs for air compressors as an energy saving initiative.
- Conventional starters replaced with VFDs at EOT Crane - 40T, a safety and an energy saving initiative.
- Installation of RMU for HT-Power Changeover as an safety initiatives using technology in operation

(d) Process & System Improvement**Anjar Pipe & Coating Plants:**

Spiral 2 Plant:

- Stop & Go assembly installation at Hydro tester (IS) entry and re-routing of hydraulic piping accordingly for smooth movement of large diameter pipe (above 80" OD).

LSAW Plant:

- Strengthening of JCO press by using Finite Element Analysis on the structure.
- Hambleman provision in sample exit bed to eliminate scratches on pipe surface

Coating 2 Plant:

- Improved illumination in the plant in day time by providing transparent shed

sheets saving energy and enhancing process efficiency.

Skill development:

- Established a dedicated Technical Centre of Excellence (TCOE center) for the development of employees' skill and provide them with practical training in the field of Welding, NDT, Hydraulics, Mechanics, Electronics, Workshop and Quality etc.

ESG:

- Installation of a paper shredder for zero land fill, paper waste is now being shredded and sent for recycling.
- Implementation of ESG projects (Energy saving by VFD installation, LED lights, power factor improvement)
- SAVE WATER project: Process & reject drinking RO water utilization for gardening purposes for WCL Anjar Campus-1 plant.

Bhopal Pipe & Coating Plant:

Spiral Plant:

- Installed 2 Nos of AC Drives (Siemens) for Edge Milling-1 Machine.

Coating Plant:

- Internal Blaster turbine modified for 18" pipe by performing changes in the Lunette outer ring and installing new 70 mm OD PU rollers, saving the cost for a new Boom (₹ 46 Lacs).
- Reusing of conveyor rollers from application area to blasting line by following 3R, saving ₹ 1.8 Lacs.
- PU coating paint booth relocated to reduce change over time during 3LPE to PU.
- Conveyor alignments done in coating line to avoid coupling of pipes for sizes 24" to 60".
- Emergency lighting provided in Coating Plant considering the frequent power cut.
- Air Conditioner installed at External Blaster, Application, Internal Blaster, Extruder Electrical control rooms to avoid overheating of electronic components.
- UPS installed at all electrical control rooms for PLC and HMI to protect the system failing due to power fluctuation.
- End brush assembly modification to optimize the use of end brush, saving ₹ 96,984.

- Provided DSL end stopper at every 10-metre distance for EOT crane - 25T to restrict displacement of DSL. Through this modification, DSL breakdown has reduced up to 90%
- RYB indication lamp provided at internal 7.5T crane DSL to indicate that DSL is switched on. (Safety requirement)

Mandya Pipe Plant:

Spiral Plant:

- Installed 800KL Pond to promote Rainwater Harvesting.
- Hydro Tester Water recirculation by passing through a sand filter unit as well as using RO drainage water for the testing process as a water conservation project.
- High Mast LED Lights installed at Pipe Yard for better visibility and safe pipe handling.
- LED Display Board installed for displaying Environment data as a digitalization initiative.

(e) Key Initiatives for Future**Anjar Pipe & Coating Plants:****Digitalization:**

- Development of an HSE Management System for structured data entry with auto report generation.
- HFW Plant:
- Weld box up gradation to ensure sound welding in HFW process, essential for proper fusion in higher grade and thickness.
 - Installation of a new Squeeze roll force measurement system to cater to the requirement of clients such as PDO, SAUDI ARAMCO, etc.
 - Automated Pipe dimension measurement system for ERW pipes (Final)

Spiral-2 Plant:

- Real-Time measurement of coil width and thickness during uncoiling.
- Up-gradation of the Fluoroscopy system.

LSAW Plant:

- Automatic Bead Profile, Bead height, and Plate Offset Inspection.
- Overhauling of the hydraulic system in JCO Press.
- Up gradation of Final UT System.

- Yield improvement by various initiatives through process control.

Coating Plant:

- Development of a facility for 3LPE external coating on induction bends
- Development of an automatic bend dimension measurement facility as per Qatar Gas compliance.
- Facility for inspection of internal surface by a high resolution camera.
- Installation of a new 500 kW induction heater at ECP-3 for pipe pre-heating before shot blasting.

PBM Plant:

- Expansion of the inspection bed from existing size of 8.68 m x 7.3 m to 12 m x 10 m to comply with observation made during API audit.

Bhopal Pipe & Coating Plant:

- Optimization of Existing Compressor to save power cost.
- Automation of Cooling Tower Fan Motors by VFD drive and temperature sensor.

Spiral Plant:

- 2 Nos. AC Drives (Siemens) to be commissioned at Spiral Mill Edge Miller-2 machine
- New FUT and RTR Machine to be installed at SP#2 Plant
- New Air conditioning system at Spiral Offline for better results and save electronic components and power saving.

Coating Plant:

- To increase port life of paints in order to prevent wastage (under discussion with Paint Supplier).
- New EOT Crane commissioning.
- Procurement of a new 300 mm die to reduce adhesive wastage in small sized pipes.
- Automation in Coating Quenching area to save power.
- Installation of an additional Graco pump in Coating plant to increase productivity of PU coating.

Mandya Pipe Plant:

- 1 MW rooftop solar powered system is under implementation for Mandya plant.

- Installation of FUT Machine for automatic UT testing.
- Digital Flat Panel Detector along with imaging software for 10 to 15% RT.
- SAP Integration of UTM and Spectrometer.
- Installation of VFDs in offline ID OD Blowers to conserve energy.
- Installation of EOT Crane - 25T in online system.

(f) Expenditure on R&D:

- (i) Capital : ₹ 0.58 crore
- (ii) Recurring : ₹ 3.51 crore
- (iii) Total : ₹ 4.09 crore
- (iv) Total R&D expenditure as a percentage of revenue from operations : 0.06%

(g) Total Foreign exchange earnings and Outgo:

- Used - ₹ 2,642.14 crore
- Earned- ₹ 2,180.50 crore

14. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Disclosures as required under Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are annexed to this Report as **Annexure 5.**

15. DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Changes in Directors and Key Managerial Personnel

Since the last report, following changes took place in the Board of Directors and Key Managerial Personnel:-

- Mr. K. H. Viswanathan, Lead Independent Director resigned from the position of directorship w.e.f. July 1, 2022;
- Mr. Arun Tadarwal has been appointed as an independent director w.e.f. July 1, 2022 and designated as the Lead Independent Director;
- Mr. Vipul Mathur was re-appointed as the Managing Director & CEO for a further period of five years w.e.f. December 1, 2022;
- Mr. Deshra Dogra resigned from the position of directorship w.e.f. March 14, 2023;
- Mr. Manish Chokhani has been appointed as an independent director for the first term of four consecutive years w.e.f. February 2, 2023;
- Mr. Anjani K. Agrawal has been appointed as an independent director for the first

term of four consecutive years w.e.f. April 1, 2023.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Rajesh Mandawewala is retiring by rotation at the forthcoming Annual General Meeting and being eligible, he has been recommended for re-appointment by the Board.

Details about the directors being (re)-appointed are given in the Notice of the forthcoming Annual General Meeting which is being sent to the members along with the Annual Report.

The following have been designated as the Key Managerial Personnel of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- Mr. Vipul Mathur, Managing Director & CEO (re-appointed w.e.f. December 1, 2022);
- Mr. Percy Birdy, Chief Financial Officer;
- Mr. Pradeep Joshi, Company Secretary, Compliance & Nodal Officer.

B) Independent Directors

The independent directors have individually declared to the Board that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and the SEBI (LODR), 2015 at the beginning of the year and there is no change in the circumstances as on the date of this Report which may affect their status as an independent director.

Your Board confirms that in their opinion the independent directors fulfill the conditions of the independence as prescribed under the Companies Act, 2013 and the SEBI (LODR), 2015 and they are independent of the management.

Further, in the opinion of the Board the independent directors, possess requisite skills, expertise, experience and integrity. For details on the required skills, expertise, experience, please refer to the disclosure made under Point No. II - Board of Directors of the Corporate Governance Report annexed as Annexure 6 to this report.

The key additional criteria for independence are mapped as under:

Key Independence Criteria	AA	AM	AT	MC	RA
The director must not have been employed by the Company in an executive capacity within the last five years.	✓	✓	✓	✓	✓
The director must not accept or have a "Family Member who accepts any payments from the company or any parent or subsidiary of the company in excess of \$60,000 during the current fiscal year", other than those permitted by SEC Rule 4200 Definitions, including i) payments arising solely from investments in the Company's securities; or ii) payments under non-discretionary charitable contribution matching programs. Payments that do not meet these two criteria are disallowed	✓	✓	✓	✓	✓
The director must not be a "Family Member of an individual who is, or during the past three years was employed by the Company or by any parent or subsidiary of the Company as an executive officer.	✓	✓	✓	✓	✓
The director must not be (and must not be affiliated with a company that is) an adviser or consultant to the Company or a member of the Company's senior management	✓	✓	✓	✓	✓
The director must not be affiliated with a significant customer or supplier of the Company	✓	✓	✓	✓	✓
The director must have no personal services contract(s) with the Company or a member of the Company's senior management	✓	✓	✓	✓	✓
The director must not be affiliated with a not-for-profit entity that receives significant contributions from the Company	✓	✓	✓	✓	✓
The director must not have been a partner or employee of the Company's outside auditor during the past three years	✓	✓	✓	✓	✓
The director must not have any other conflict of interest that the board itself determines to mean they cannot be considered independent	✓	✓	✓	✓	✓

AA - Mr. Anjani K. Agrawal, AM - Ms. Amita Misra, AT - Mr. Arun Tadarwal, MC - Mr. Manish Chokhani, RA- Ms. Revathy Ashok

All the independent directors on the Board of the Company are registered with the Indian Institute of Corporate Affairs, Manesar, Gurgaon as notified by the Central Government under Section 150(1) of the Companies Act, 2013 and shall undergo online proficiency self-assessment test, as may be applicable, within the time prescribed by the IICA.

C) Formal Annual Evaluation

Background:

The performance evaluation of the Board, its committees and individual directors was conducted by the entire Board (excluding the Director being evaluated) on the basis of a structured questionnaire which was prepared after taking into consideration inputs received from the Directors covering various aspects of the Board's functioning viz. adequacy of the composition of the Board and its Committees,

time spent by each of the directors; accomplishment of specific responsibilities and expertise; conflict of interest; integrity of the Director; active participation and contribution during discussions, governance and ESG parameter. The questionnaire is reviewed periodically and updated in line with the change in the business and regulatory framework. As recommended last year, such updation was done during the financial year 2022-23 by adding more probing assertions.

Mode of evaluation:

Assessment is conducted through a structured questionnaire. Each question contains a scale of "0" to "3". The Company has developed an in-house digital platform to facilitate confidential responses to a structured questionnaire. All the directors participated in the evaluation process.

For the financial year 2022-23 the annual performance evaluation was carried out by

the Independent Directors, Nomination and Remuneration Committee and the Board, which included evaluation of the Board, Independent Directors, Non-independent Directors, Executive Directors, Chairman, Committees of the Board, Quantity, Quality and Timeliness of Information to the Board.

Results:

The evaluation results were discussed at the meeting of Board of Directors, Nomination & Remuneration Committee and the Independent Directors meeting. The Directors were satisfied with the overall corporate governance standards, Board performance and effectiveness. The results are summarized below:

	Key parameters	No. of evaluation parameters	Score %
Board of Directors	<ul style="list-style-type: none"> Board structure and composition Board meeting practices (agenda, frequency, duration) Board culture and effectiveness Core Governance & Compliance Functions of the Board (Strategic direction, ESG etc.) Execution, Mergers & Acquisitions Risk Management Interest of all stakeholders Functioning of Board Committees 	23	92%
Board Committees	<ul style="list-style-type: none"> Composition, roles & responsibilities and effectiveness of the committee Meeting structure and information flow Contributions to Board decisions Core Governance & Compliance 	10-17	88-94%
Independent directors	<ul style="list-style-type: none"> Independence from company (no conflict of interest) Independent views and judgement Skills & Experience in emerging issues such as cyber security and ESG. Objective contribution to the Board deliberations 	12	89-93%
Chairperson	<ul style="list-style-type: none"> Promote effective decision-making Encourage high quality of constructive debate Open-minded and listening to the members Effectively dealing with dissent and work constructively towards consensus Shareholders' interest supreme while taking decisions. 	8	100%
Executive Directors	<ul style="list-style-type: none"> Relevant industry experience Performance vis-à-vis business plan Capabilities to deal with challenging situations Established leadership position Development of expertise and general competence of people under him 	13	96%
Non-executive non-independent director	<ul style="list-style-type: none"> Contribution to the Board discussions with his/her expertise and experience Depth of understanding about the business model and the industry Skills & Experience in emerging issues such as cyber security and ESG. 	11	90-100%

Board of Directors

Parameters with high performance scores:

- Sensitive to the interest of all stakeholders, including minority shareholders, and has adequate mechanism to communicate with them.
- Considerable attention to the quality of financial reporting process and internal financial controls and effectively oversees them.
- Effective direction on key decisions impacting the performance of the Company.
- Monitoring of actions taken on key issues
- Adequate discussion on investments and M & A proposals.

Key suggestions / focus areas:

- More time should be spent on strategic issues related to new businesses (**Action Plan** - More frequent and separate presentations with the CEO of each businesses to understand challenges of each business and specific strategies).
- Robust succession plan for the key management team (**Action Plan**-Develop long term succession plan considering diversity, domain expertise).

Board of Committees

Parameters with high performance scores:

- Size, composition and diversity of each committee
- Strong oversight on financial reporting process, internal financial controls, potential conflict of interest and reporting to Board on key control gaps
- Performance monitoring of subsidiaries
- Reporting of exposure to the risks
- Transparent mechanism to CSR projects undertaken and the amount of expenditure
- Well-defined objective criteria for evaluation of the Board/ Committees/ directors
- Adequacy of information and effective monitoring of security transfer system
- Monitoring of actions taken on key issues
- Open and objective meeting environment
- Frequency of meetings are sufficient to discharge the duties assigned

Key focus areas for next year:

- In-depth understanding of the expectations of the stakeholders (**Action Plan**- Obtain and discuss feedback from various stakeholders and invite them to present their view point to the Board Committee).
- Effective Communication between the Committees and the executives to discuss the issues within the Committee's scope (**Action Plan**- More frequent meeting with the senior executives and presentation by them on their respective functional areas).
- Robust succession plan for the key management team (**Action Plan**-Develop long term succession plan considering diversity, domain expertise).
- Review the process evaluating the Company's risk appetite and specific risk tolerance levels in conjunction with strategic objectives (**Action Plan**- Focussed discussion on the Company's risk appetite and specific risk tolerance levels in conjunction with strategic objectives

Key actions taken as a result of previous year's evaluation:

- The Board / Committee / Directors' evaluation questionnaire has been revisited and updated in line with the emerging business and regulatory framework.
- To strengthen capabilities in the Board with respect to in-depth business and commercial understanding of the B2C business control related capabilities, supply chain, global operations, composition of the Board of subsidiaries formed / acquired for new businesses have been reconstituted considering the long term objectives.
- The Board and Committee meetings planned in the Annual Calendar were followed

except where the unplanned meetings were convened for urgent business requirements.

- Focused Risk Management Committee meetings in the presence of the CEO's of the businesses to understand challenges/ risks of each business and specific strategies.

D) Nomination and Remuneration policy: For Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of directors and other matters provided under sub-section (3) of section 178, please refer to the Para IV - Nomination and Remuneration Committee of the "Corporate Governance Report" annexed to the Directors' Report as Annexure 6.

E) Committees of the Board of Directors

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulations; which concern the Company and need a closer review. Majority of the Members constituting the Committees are Independent Directors and each Committee is guided by its Charter or Terms of Reference, which provide for the composition, scope, powers & duties and responsibilities. The Chairperson of the respective Committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the Meeting of all Committees are placed before the Board for review.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.

Information on the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders' Relationship, Share Transfer and Investor Grievance Committee, the Risk Management Committee and the ESG & CSR Committee and meetings of those committees held during the year under Report and recommendations, if any, of the Committees not accepted by the Board is given under Para No. (III) to (VII) of the "Corporate Governance Report" annexed to the Directors' Report as Annexure 6.

F) Board and Committee Meetings: For disclosure on the number of Board Meetings and Committee Meetings, the date on which the meetings were held and the attendance of each of the directors, please refer to the Para (II) to Para (VII) of the "Corporate Governance Report" annexed to the Directors' Report as Annexure 6.

16. PARTICULARS OF OUTSTANDING LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 ARE AS UNDER:

(₹ in Crore)

Name of the Entity / beneficiary	Investment	Joint Bonds/ Security	Corporate Guarantee	Loans	Purpose for which the loans, guarantees and investments are proposed to be utilised
Welspun Pipes Inc.	0.04	-	246.51	-	The corporate guarantees were given to secure credit facilities availed by the subsidiaries / joint ventures of your Company, to guarantee export obligations of the subsidiaries / joint ventures to the custom authorities and to guarantee performance of the subsidiaries of the Company.
Welspun Tradings Limited	5.02	-	-	-	The Long-term investments are made only in subsidiaries, joint-ventures and associate companies for business expansion, business transformation as per the object clause in the Memorandum of the Company
Welspun Captive Power Generation Limited	71.52	-	-	-	
Welspun Mauritius Holdings Limited*	29.85	-	-	-	
Welspun Wasco Coatings Private Limited (provision made)	25.47	-	8.67	21.17	
Welspun Metallics Limited	472.18	283.26	1,476.00	214.93	
Welspun DI Pipes Limited	214.58	467.64	959.00	7.50	
Welassure Private Limited	0.11	-	-	-	
Welspun Global Services Limited**	0.00	-	-	-	
Mahatva Plastic Products and Building Materials Private Limited	3.83	-	-	-	
Anjar TMT Steel Private Limited	65.00	-	400.00	-	
Welspun Specialty Solutions Limited	283.65	-	337.39	182.63	
Sintex-BAPL Limited	331.05	-	150.00	-	
Sintex Prefab and Infra Limited	30.27	-	-	-	

Name of the Entity / beneficiary	Investment	Joint Bonds/ Security	Corporate Guarantee	Loans	Purpose for which the loans, guarantees and investments are proposed to be utilised
Nauyaan Shipyard Private Limited	87.01	-	-	-	The corporate guarantees were given to secure credit facilities availed by the subsidiaries / joint ventures of your Company, to guarantee export obligations of the subsidiaries / joint ventures to the custom authorities and to guarantee performance of the subsidiaries of the Company.
Mounting Renewable Power Limited (provision made)	0.11	-	-	-	The Long-term investments are made only in subsidiaries, joint-ventures and associate companies for business expansion, business transformation as per the object clause in the Memorandum of the Company
Welspun Transformation Services Limited	0.57	-	-	-	

* Investment carried at fair value through profit and loss.

**Amount below rounding off norms

17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the year under Report were on an arm's length basis and were in the ordinary course of business. During the year under review, your Company had not entered into any Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements. There were no materially significant related party transactions undertaken by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which might have a potential conflict with the interest of the Company at large.

Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for financial year 2022-23 and hence does not form part of this report. Details of related party transactions entered into by the Company, in terms of Ind AS-24 have been disclosed in the Note No. 42 of the standalone financial statements.

The Company's policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at the web-link: "http://www.welspuncorp.com" under the tab "Investors --> Company Policies".

https://www.welspuncorp.com/uploads/investor_data/investorreport__121.pdf

18. MANAGERIAL REMUNERATION

a. Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Non-executive, independent directors are paid sitting fees at a fixed rate per meeting of the Board or the Committee or other meetings attended by them and as such the same are not comparable with the remuneration to the employees.

The remuneration of each Director, Chief Financial Officer and Company Secretary, percentage increase in their remuneration during the Financial Year 2022-23 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2022-23 are as under:

(Amount in ₹ crore)

Sr. No.	Name of Director / KMP	Designation	Remuneration of Director/ KMP for the Financial Year 2021-22	Remuneration paid to Director/ KMP for the Financial Year 2022-23	% increase in Remuneration in the Financial Year 2022-23	Ratio of Remuneration of each Director to median remuneration (Including perquisite value of ESOPs exercised) of employees for the Financial Year 2022-23
1	Mr. Balkrishan Goenka [§]	Non-Executive Chairman	3.07	1.16	(62.21)	30.93
2	Mr. Vipul Mathur	Managing Director & CEO	6.00	6.34 ⁻	7.89	169.05
3	Ms. Amita Misra [^]	Independent Director	0.177	0.157	(11.30)	4.19
4	Mr. Arun Tadarwal [^]	Independent Director	N/A	0.305	N/A	8.13
5	Mr. Deshraj Dogra ^{^&}	Independent Director	0.214	0.170	(20.56)	4.53
6	Ms. Dipali Goenka [*]	Non-Executive Director	N/A	Nil	N/A	N/A
7	Mr. K.H.Viswanathan ^{^%}	Independent Director	0.384	0.064	(83.33)	1.71
8	Mr. Manish Chokhani [^]	Independent Director	N/A	0.015	N/A	0.40
9	Mr. Rajesh Mandawewala [*]	Non-Executive Director	Nil	Nil	N/A	N/A
10	Ms. Revathy Ashok [^]	Independent Director	0.163	0.134	(17.79)	3.57
11	Mr. Percy Birdy	Chief Financial Officer	1.846	2.191	22.98	N/A
12	Mr. Pradeep Joshi	Company Secretary	0.574	0.639	15.36	N/A

[§] 1% Commission on the consolidated net profits of the Company is paid

[^] Only Sitting fees is paid.

^{*} Opted not to draw any remuneration or receive sitting fees.

[&] Ceased to be a director w.e.f. March 14, 2023

[%] Ceased to be a director w.e.f. July 1, 2022

- Mr. Vipul Mathur has exercised 450,000 stock options of the Company, vested during the year. The perquisite amount on exercise of these options is ₹ 4.86 crores. Remuneration excludes amortization of fair value of employee share based payments under IND-AS 102. The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.

(The expression "median" means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one).

- (i) The percentage increase in the median remuneration of employees in the financial year: 4.84%.
- (ii) The number of permanent employees on the rolls of the Company: 2,105.
- (iii) Average percentage increase / (decrease) already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase / (decrease) in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Aggregate remuneration of employees excluding KMP decreased by 0.23% Change in the remuneration of the KMP- increased by 11.67%.
- (iv) The key parameters for any variable component of remuneration availed by the directors:
 - 1) Cash PAT
 - 2) Operating Cash-Flow
 - 3) Gross Debt
 - 4) ESG Goals
- (v) Affirmation that the remuneration is as per the remuneration policy of the Company: YES, Employees increment in remuneration is based on the individual performance and the Company performance for the Financial Year.

b. Details of the top ten employees in terms of remuneration drawn and the name of every other employee as required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under:

Sr. No.	Name	Designation	DOB	Age Completed years	Joining Date	Remuneration FY 22-23*	Previous Company	Qualification	Nature of Employment	% Of Equity Shares held in the Company	Relative of any Director/ Manager of the Company
1	Mr. Vipul Mathur	Managing Director & CEO	21-Mar-1970	53	2-Feb-2001	11,20,16,574	Man Industries (India) Ltd	MBA	Permanent	0.18	No
2	Mr. Godfrey John	Director#	30-Aug-1965	57	11-Jun-2012	3,71,76,143	Ferro Tech India Pvt. Ltd.	MBA	Permanent	Negligible	No
3	Mr. Tribhuvan Singh Kathayat	President	10-Jan-1971	52	20-Jun-1996	2,48,03,209	Jindal Organisation	B.Sc., DME, MBA	Permanent	Negligible	No
4	Mr. Percy Birdy	President	22-Jan-1968	55	11-Jun-2018	2,19,12,183	Allanasons Group	CWA, CA	Permanent	Nil	No
5	Mr. Navin Agarwal	Senior Vice President	1-Jan-1972	51	2-Jun-2008	1,46,15,924	Mahindra & Mahindra Ltd.	B.Com (Hons), PGDBM Finance	Permanent	Nil	No
6	Mr. Nitin Agarwal	Vice President	6-Feb-1983	40	20-Apr-2007	1,38,47,764	Welspun Tubular LLC	MBA, PGDM	Permanent	Nil	No
7	Mr. Manish Pathak	President	20-Jan-1968	55	26-Jun-2008	1,24,31,650	Man Industries (India) Ltd	BE Mech	Permanent	Nil	No
8	Mr. Suresh Chander Darak	President	2-Jan-1968	55	2-Jan-2008	1,23,95,962	Reliance Industries Ltd.	B. Com, DITM	Permanent	Nil	No
9	Mr. Vijay Manjrekar	Vice President	24-Jun-1978	44	7-Jun-2021	1,23,20,000	Lodha Group	B.Com, LL.B., DIP CUSTOM & EXCISE	Retainer	Nil	No
10	Mr. Rupak Ghosh	President	17-Oct-1969	53	29-Oct-2007	1,22,28,141	Blue Star Ltd.	CA, CWA	Permanent	Negligible	No
11	Mr. Anil Nimbargi	Senior Vice President	13-Oct-1965	57	9-Sep-2009	1,13,97,448	Ispat Industries	B.Sc., MBA	Permanent	Nil	No
12	Mr. Atul Trivedi	President	3-Jan-1974	49	14-May-2007	1,07,15,841	Tata Consultancy	CA	Permanent	Nil	No
13	Mr. Gaurav Merchant	Vice President	11-Sep-1973	49	15-Jan-2014	1,02,55,375	Essar Steel Ltd.	B.Com., MBA Finance	Permanent	Nil	No
14	Mr. Chintan Thaker	President	18-Dec-1977	46	01-Apr-03	51,82,850	Gujarat Infra	B.Sc+MBA Marketing	Permanent	Nil	No
15	Mr. Abhijeet Shinde*	Vice President	19-Jul-1983	39	5-Dec-2022	50,83,660	Lodha Group	LLM	Retainer	Nil	No
16	Mr. Priyaranjan Kumar*	President	2-Aug-1969	53	4-Jan-2023	41,71,233	Navin Fluorine International Ltd	B.Sc, BGL, MBA - HR	Permanent	Nil	No
17	Mr. Neeraj Kant*	Retainer Director#	17-Aug-1963	59	9-Feb-2023	34,93,151	Indian Steel & Wire Products Ltd. (ISWP)	BE, MBA	Permanent	Nil	No

* Mr. Vipul Mathur has exercised 450,000 stock options of the Company, vested during the year. The remuneration is inclusive of perquisite amount on exercise of these options..

^ The remuneration is inclusive of perquisite amount on exercise of the options. The Remuneration excludes amortization of fair value of employee share based payments under IND-AS 102. The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.

* Employed for a part of the year.

Not on the board of the Company.

- c. Managing Director of the Company was not in receipt of any commission from the Company and at the same time, remuneration or commission from the Company's Subsidiary Company.
- d. Particulars of remuneration to the executive directors including the details of remuneration paid/payable to the executive directors for the financial year 2022-23 are as under:

Name of the Director	Salary & Allowance	Perquisites	Commission	Service Contract/ Tenure	performance linked incentives	Notice Period	Severance Fees	Stock Option	Pension
Mr. Vipul Mathur	₹ 6.34 Crore^	4.86 crore-	Nil	5 years	Nil	1 month	Nil	Refer note below	Nil

^ In addition to salary & allowance, entitled for other benefits as per the Company's policy.

- Mr. Vipul Mathur has exercised 450,000 stock options of the Company, vested during the year. The perquisite amount on exercise of these options is ₹ 4.86 crores. Remuneration excludes amortization of fair value of employee share based payments under IND-AS 102. The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.

Note: 15,00,000 Employee Stock Options granted during FY 2018-19 at an exercise price of ₹ 100 per option and can be exercised as per the vesting schedule given under the Welspun Employee Stock Option Plan which is 30%, 35% and 35% each year, from the end of 1st year from the grant date. Exercised 4,50,000 ESOPs during the financial year 2022-23. Further, during the Financial Year 2022-23, 11,00,000 Employee Stock Options were granted at an exercise price of ₹100 per option and can be exercised as per the vesting schedule given under the Welspun Employee Stock Option Plan which is 30%, 35% and 35% each year, from the end of 1st year from the grant date.

Mr. Balkrishan Goenka, Non-Executive Chairman was paid Commission of ₹ 3.07 crores (Gross) i.e. @1% of the Net Profits (consolidated) for the Financial Year 2021-22 in terms of the approval granted by the members of the Company at the 27th Annual General Meeting held on July 29, 2022. The Commission payable @1% of the Net Profits (Consolidated) for the financial year 2022-23 is ₹ 1.16 crores.

No remuneration or perquisite was paid to, and no service contract was entered into with, or stock options granted to any non-executive director, but the sitting fees were paid / payable to the following directors for attending meetings of Board / Committees of the Board and General Meetings. Only Letter of Appointment were issued to the independent directors.

Sr. No	Name of the Director	(₹)
1	Ms. Amita Misra	15,70,000
2	Mr. Arun Tadarwal	30,50,000
3	Mr. Desh Raj Dogra	17,04,000
4	Mr. K. H. Viswanathan	6,42,000
5	Mr. Manish Chokhani	1,50,000
6	Mrs. Revathy Ashok	13,38,000
Total to Non-Executive Directors		84,54,000

The above mentioned sitting fee paid / payable to the non-executive directors was within the limits prescribed under the Companies Act, 2013 for payment of sitting fees. Hence prior approval of the members as stipulated

under Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was not required.

Save and except as disclosed in the financial statements, none of the Directors or Key Managerial Personnel had any pecuniary relationships or transactions vis-à-vis the Company.

19. SHAREHOLDING OF THE DIRECTORS OF THE COMPANY AS ON MARCH 31, 2023.

For detail of shareholding of the directors, refer to the Para No. II - Board of Directors in the Corporate Governance Report annexed to this Report as Annexure 6.

Except as mentioned in the "Corporate Governance Report", none of the other directors hold any shares or convertible securities in the Company.

20. CORPORATE GOVERNANCE CERTIFICATE

The Compliance certificate obtained from M/s. Mihen Halani & Associates, Practicing Company Secretary regarding compliance of conditions of corporate governance as stipulated under Chapter IV read with relevant Schedule to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed with this Report.

21. RISK MANAGEMENT POLICY

With its fast and continuous expansion in different areas of businesses across the globe, the Company is exposed to plethora of risks which may adversely impact growth and profitability. The Company recognizes that risk management

is of concern to all levels of the businesses and requires a structured risk management policy and process involving all personnel. With this objective, the Company had formulated structured Risk Management Policy thereby to effectively address those risks such as, strategic, business, regulatory and operational risks, including cyber security & data Privacy risks. The Policy envisages identification of risks by each business segment and location, together with the impact that these may have on the business objectives. It also provides a mechanism for categorization of risks into Low, Medium and High according to the severity of risks. The risks identified are reviewed by a committee of the Managing Director & CEO of the Company and the relevant senior executives and the appropriate actions for mitigation of risks are advised; the risk profile is updated on the basis of change in the business environment. The Risk Management Committee, periodically reviews the risk management process, risks and mitigation plans and provide appropriate advise in the improvement areas, if any, identified during the review.

For the key business risks identified by the Company, please refer paragraph on Enterprise Risk Management in Management Discussion and Analysis annexed to this Report.

22. VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

For Company's policy on establishment of Vigil Mechanism for directors and employees, please refer to the Para VIII - Details of Establishment of Vigil Mechanism for Directors and Employees of the "Corporate Governance Report" annexed to the Directors' Report as Annexure 6.

23. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

The Directors of the Company are provided opportunities to familiarize themselves with the Company, its Management and its operations. The Directors are provided with all the documents to enable them to have a better understanding of the Company, its various operations and the industry in which it operates.

The roles and responsibilities of the Independent Directors of the Company are informed to them at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

Presentations are made to the Board, where Directors get an opportunity to interact with Senior Management. Directors are also informed of the various developments in the Company through Press Releases, emails, etc.

Pursuant to Regulation 25(7) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company organized various familiarization programs for its Directors including Industry Outlook, Presentations on Internal Control over Financial Reporting, Regulatory updates, Prevention of Insider Trading Regulations, Framework for Related Party Transactions, Plant Visit, Meeting with Senior Executive(s) of your Company, Corporate Social Responsibility Strategy etc.

The details of familiarization program (for independent directors) are disclosed on the website of the Company at the web-link: "<http://www.welspuncorp.com>" under the tab "Investors -> Company Policies".

https://www.welspuncorp.com/uploads/investor_data/investorreport__779.pdf

During the reporting year, on a cumulative basis, the independent directors spent ~80 hours on several familiarization program. During the year, the Company also conducted a separate sessions on ESG familiarization, new business familiarization for directors as part of the committee meetings.

24. CODE OF CONDUCT

Your Company has a Code of Conduct for the Board members and Senior Management Personnel. The Company's Code of Conduct outlines the commitment to principles of integrity, transparency, conflict of interest and fairness that employees, suppliers, distributors and other third parties who work with the Company must comply.

Your Company also has clearly defined policies and procedures, covering areas such as Anti-Bribery and Anti-Corruption, Retention and Monitoring of Third-Party Representatives, Gifts, Travel and Accommodation (Boarding and Lodging), Meals, Entertainment and Other Hospitality, Charitable Contributions and Sponsorship Involving Government Officials or Government Entities, Political Contributions, Suppliers, Vendors & Other Third Parties, specifically recommended by Government Officials, Employment Requests from Government Officials, Facilitating Payments.

A copy of the Code has been put for information of all the members of the Board and management personnel on the website of the Company at the web-link: "<http://www.welspuncorp.com>" under the tab "Investors -> Company Policies".

https://www.welspuncorp.com/uploads/investor_data/investorreport__117.pdf

All the members of the Board and the Senior Management Personnel have affirmed compliance with the same.

A declaration signed by the Managing Director & CEO of the Company is given below:

I hereby confirm that the Company has obtained from all the members of the Board and the Senior Management Personnel, affirmation that they have complied with the Code of Conduct for the financial year 2022-23.

Sd/-
Vipul Mathur
Managing Director & CEO
DIN: 07990476

25. MISCELLANEOUS DISCLOSURES

- a) Except as mentioned in this Report with respect to acquisitions, during the year under Report, there was no change in the general nature of business of your Company.
- b) Except as mentioned in this Report, no material change or commitment has occurred which would have affected the financial position of your Company between the end of the financial year of your Company to which the financial statements relate and the date of the Report.
- c) Except as mentioned in the Para XVI (c) - Non-Compliance of the Corporate Governance Report annexed to this Report, no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority. The Board noted the inadvertent delay in submission as mentioned above and advised furnishing the intimation with respect to date of payment of interest to Non-Convertible Debenture holders of all series of NCDs at the beginning of the financial year.
- d) No significant and material order was passed by the regulators or courts or tribunals which would have impacted the going concern status and your Company's operations in future.
- e) Your Company has not made any provision of money for the purchase of, or subscription for, shares in your Company, to be held by or for the benefit of the employees of your Company and hence the disclosure as required under Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not required.
- f) The Board of Directors affirms that the Directors have devised proper systems to ensure compliance with the provisions of all

applicable Secretarial Standards issued by the Institute of Companies Secretaries of India and that such systems are adequate and operating effectively. The Company has complied with the applicable Secretarial Standards.

- g) The Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions, and hence the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.
- h) There was no revision of financial statements and Board's Report of the Company during the year under review.
- i) The Company has a detailed Policy on Prevention of Sexual Harassment (POSH Policy) in place in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The POSH Policy is gender inclusive, and the framework ensures complete anonymity and confidentiality.
- j) The Company has organized induction training for new joiners, online training and refresher modules, virtual and classroom trainings, emailers and posters to sensitise the employees to conduct themselves in manner compliant with the POSH Policy.
- k) The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The ICC comprises of internal as well external members.
- l) Disclosure of number of complaints filed, disposed of and pending in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as on the end of the financial year under Report are as under:
 - number of complaints pending at the beginning of the financial year: Nil
 - number of complaints received during the financial year: Nil
 - number of complaints disposed-off during the financial year: N/A
 - number of complaints pending as at end of the financial year: Nil

- m) For detail of the Nodal Officer appointed by the Company under the provisions of IEPF and the web-address on which the details are available, please refer to the Point 11 of Para XVIII – General Shareholders Information of the “Corporate Governance Report” annexed to the Directors’ Report as Annexure 6

26. DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) & 134(5) of the Companies Act, 2013, your directors hereby confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and

- for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;
- e. being a listed company, the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

Your directors express their deep sense of gratitude to all stakeholder, bankers, business associates, contractors, customers, employees, government authorities, joint venture partners, suppliers for the support received from them during the year and look forward to their continued assistance in future.

For and on behalf of the Board of Directors

Vipul Mathur
Managing Director & CEO
DIN : 07990476

Balkrishan Goenka
Chairman
DIN: 00270175

Place: Mumbai
Date: May 30, 2023

Welspun Corp Limited’s Dividend Distribution Policy

1. REGULATORY FRAMEWORK

The Securities Exchange Board of India (“SEBI”) on July 8, 2016 inserted Regulation 43A in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top five hundred listed companies (based on market capitalization of every financial year) to formulate a Dividend Distribution Policy.

Welspun Corp Limited (“Company”) being one of the top five hundred listed companies as per the market capitalization as on the last day of the immediately preceding financial year, frames this policy to comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. OBJECTIVE & PHILOSOPHY

The objective of this Policy is to provide predictability of dividend to the investors and at the same time to enable them to plan for utilization of their income and to ensure the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. Through this Policy, the Company would endeavor to maintain a consistent approach to dividend pay-out plans, subject to the applicable laws and conditions.

The philosophy of the Company is to maximize the shareholders’ wealth in the Company through various means. The focus will continue to be on sustainable returns, through an appropriate capital strategy for both medium term and longer term value creation. Accordingly, the Board would continue to adopt a progressive and dynamic dividend policy, ensuring the immediate as well as long term needs of the business.

4. FACTORS FOR DETERMINING DIVIDEND

In determining the Company’s dividend payout, the Board of Directors would consider a variety of factors, including:

A. Internal Factors	B. External Factors
i) Stability / trends of earnings	i) Prevailing legal requirements, tax rules, Government policies, Statutory conditions or restrictions as may be provided under applicable laws
ii) Liquidity of funds	ii) State of the industry or economy of the country
iii) Need for additional capital	iii) Capital market scenario
iv) Acquisitions and/or any other potential strategic action	iv) Financial covenants stipulated by the lenders
v) Expansion of business	v) Covenants in agreement with shareholding group(s)
vi) Past dividend trends	
vii) Dividend type and time of its payment	

3. DIVIDEND DECLARATION - CIRCUMSTANCES AND FINANCIAL PARAMETERS.

The Board will consider present situation of the Company, internal and external factors influencing performance of the Company, its strategy and business plan for the future. After considering such factors, the Board will endeavor to achieve distributing upto 25% of Profit After Tax for a financial year, on standalone basis, with equity shareholders (including by way of dividend and Dividend Distribution Tax thereon).

The shareholders may expect dividend in following circumstances:

- a. The Board will assess the Company’s financial requirement, including present and future organic and inorganic growth opportunities and other relevant factors.
- b. In the circumstances where no material event has occurred affecting the long term business stability of the Company.
- c. No event has happened which may have long term material effect on the business of the Company.

In such circumstances, dividend may be recommended or declared at the discretion of the Board.

Any deviation from the Policy may be disclosed in the Directors’ Report to the Shareholders.

In the event of inadequacy or absence of profits in any year, the Company may declare dividend out of free reserves subject to the fulfillment of the conditions prescribed under applicable laws and in compliance with the terms of sanction from the Banks / Financial Institutions.

5. PARAMETERS WITH REGARDS TO VARIOUS CLASSES OF SHARES

The Company shall first declare dividend on outstanding preference shares, if any, at the rate of dividend fixed at the time of issue of preference shares and thereafter, the dividend would be declared on equity shares.

6. UTILIZATION OF RETAINED EARNINGS

The earnings retained by the Company after distribution of dividend to the members may be used, inter alia, to:-

- Maintain existing operations;
- Acquisitions, expansion or diversification;
- Funding organic and inorganic growth;
- Short-term investment in risk-free instruments with moderate returns;
- Repayment of borrowings;
- Meet contingent and other liabilities;
- Issue of Bonus Shares;
- Buyback of securities;
- Investment in Subsidiaries;
- Research and Development;
- Innovation;
- Acquisition of Intellectual Property Rights;
- Any other purpose as the Board may deem appropriate in the best interest of the Company.

7. AMENDMENTS / MODIFICATIONS

- This Policy would be subject to revision/ amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs, Securities Exchange Board of India or such other regulatory authority as may be authorized, from time to time, on the subject matter.
- The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy.
- In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.
- Any difficulty or ambiguity in this Policy will be resolved by the Board of Directors in line with the broad intent of this Policy. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy and further the objective of good corporate governance.
- When the Company proposes to declare dividend on the basis of parameters other than what is mentioned in the Policy or proposes to change its dividend distribution policy, the same along with the rationale shall be disclosed.

Approved & adopted by the Board of Directors at its meeting held on May 8, 2017.

ANNEXURE 2

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Information in respect of each subsidiary to be presented with amounts in Rupees in crores)

1. Sl. No.	1	2	3	4	5	6	7	8	9	10	11	
2	Name of the subsidiary	Welspun Tradings Limited	Welspun Mauritius Holdings Limited	Welspun Pipes Inc.(see note 3)	Welspun Specialty Solutions Limited	Welspun Metallics Limited	Welspun DI Pipes Limited	Anjar TMT Steel Private Limited	Sintex BAPL Limited	Sintex Prefab and Infra Limited	Mahatva Plastic Products And Building Materials Private Limited	Nauyaan Shipyard Private Limited
3.	The date since when subsidiary was acquired	30.03.2010	19.04.2010	16.08.2006	16.03.2022	03.02.2021	03.02.2021	16.03.2022	29.03.2023	24.02.2023	26.11.2021	19.09.2022
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period :	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. :	INR	USD*	USD*	INR	INR	INR	INR	INR	INR	INR	INR
6.	Share capital :	5.01	0.93	0.00 [^]	318.05	471.00	214.52	65.00	0.11	0.00 [^]	0.00 [^]	0.01
7.	Reserves & surplus:	100.66	(7.05)	1,128.58	(288.66)	(284.81)	(29.72)	(14.40)	66.55	(0.33)	15.40	(5.09)
8.	Total assets :	106.98	322.17	4,734.36	476.79	2,341.18	837.91	352.82	720.52	45.87	56.67	137.51
9.	Total Liabilities :	1.31	328.28	3,605.79	447.40	2,154.99	653.11	302.22	323.16	16.13	37.43	55.58
10.	Investments@ :	26.14	NIL	86.66	NIL	8.35	3.79	40.47	NIL	NIL	NIL	NIL
11.	Turnover	369.81	NIL	1,531.90	417.83	968.71	265.72	138.88	10.16	NIL	NIL	NIL
12.	Profit/ (Loss) before taxation :	18.72	(9.63)	(66.27)	(13.74)	(329.43)	(27.35)	(16.07)	1.33	(0.38)	20.63	(5.08)
13.	Provision for taxation:	4.68	7.53	(13.73)	NIL	(58.27)	(4.68)	(2.88)	NIL	NIL	5.19	NIL
14.	Profit/ (Loss) after taxation:	14.05	(17.15)	(52.53)	(13.74)	(271.16)	(22.68)	(13.20)	1.33	(0.38)	15.44	(5.08)
15.	Proposed Dividend:	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
16.	% of shareholding	100%	89.98%	100%	50.03%	100%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

*USD

Closing Rate USD 1= ₹ 82.170

Average Rate USD 1= ₹ 80.381

1. Names of subsidiary or associates which are yet to commence operations:

- Mahatva Plastic Products and Building Materials Private Limited
- Nauyaan Shipyard Private Limited
- Sintex Prefab and Infra Limited

2. Names of subsidiaries which have been liquidated or sold during the year -

- Big Shot Infra Facilities Private Limited - Merged with Sintex Prefab and Infra Limited
- Propel Plastic Products Private Limited - Merged with Sintex-BAPL Limited

3. Includes performance of step down subsidiaries viz. Welspun Tubular LLC and Welspun Global Trade LLC

@ Excluding investments in subsidiaries.

[^] Amount is below rounding off norms

Sl. No.	1	2	3	4
Name of the joint ventures / associates	East Pipes Integrated Company for Industry (formerly known as Welspun Middle East Pipes Company)#	Welspun Wasco Coatings Private Limited^	Welspun Captive Power Generation Limited@	Clean Max Dhyuthi Private Limited@
1. Latest audited Balance Sheet date	31.03.2023	31.03.2023	31.03.2023	31.03.2023
2. Date on which the Associate or Joint Venture was associated or Acquired	17.10.2010	30.09.2015	16.03.2022	28.07.2022
3. Shares of Associate/Joint Ventures held by the company on the year end				
Numbers of Shares	1,10,27,207	2,54,65,014	67,64,768	48,599
Amount of Investments	187.01	25.47	44.37	7.59
Extend of Holding %	35.01%	51.00%	21.20%	26.00%
4. Description of how there is significant influence	NA	Joint Venture Agreement	NA	NA
5. Reason why the associate/joint venture is not consolidated	NA	NA	NA	NA
6. Net worth attributable to Shareholding as per latest audited Balance Sheet	472.13	(21.95)	95.63	7.59
7. Profit / (Loss) for the year				
Considered in Consolidation	73.02	-	-	-
Not Considered in Consolidation	-	(1.18)	-	-

Reporting currency #SAR

Closing Rate SAR 1=21.912 INR

Average Rate SAR 1= 21.435 INR

^ Welspun Wasco Coatings Private Limited is a subsidiary as per the provisions of the Companies Act, 2013. However, as per the IND-AS 28, it is accounted as joint-venture.

@ Associate Company

For and on behalf of the Board

Vipul Mathur
Managing Director & CEO
DIN : 07990476

Balkrishan Goenka
Chairman
DIN: 00270175

Percy Birdy
Chief Financial Officer
Mumbai, May 30, 2023

Pradeep Joshi
Company Secretary
FCS-4959

Mihen Halani & Associates Practicing Company Secretaries

A-501/L, Jaswanti Allied Business Centre, Kachpada, Ramchandralane Extn. Rd, Malad (West), Mumbai – 400 064, (Tel. 022 – 6236 0279 :: mihenhalani@mha-cs.com

FORM No. MR-3

SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
WELSPUN CORP LIMITED
CIN: L27100GJ1995PLC025609
Welspun City, Village Versamedi,
Taluka – Anjar, Dist. Kutch, Gujarat - 370 110, IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **WELSPUN CORP LIMITED (“the Company”)** Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, **(the “Audit Period”)** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- The Companies Act, 2013 (“the Act”) and the rules made there under;
- The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the Rules made thereunder;
- The Depositories Act, 2018 and the Regulations and Bye-laws framed there under;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, wherever applicable;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”):-

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- The Securities and Exchange Board of India (Issue and Listing Of Non-Convertible Securities) Regulations, 2021;
- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable to the Company during the Audit Period, and**
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable to the Company during the Audit Period;**
- The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.

- vi. We have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other various applicable Acts, Laws, Rules and Regulations to the Company

We have also examined compliance with the applicable clauses of following:

- (i) the Secretarial Standards issued by The Institute of Company Secretaries of India ("ICSI");
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To the best of our knowledge and belief, during the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- a) During the year under review, the Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

The committee of the Board is duly constituted except as mentioned below. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- Due to resignation of Mr. Dogra from independent directorship of the Company w.e.f. 14.03.2023, composition of the Audit Committee was not in compliance with the regulation 18(1)(a) of the SEBI (LODR), Regulations, 2015 from 14.03.2023 till 31.03.2023. However, the Company has re-constituted the Audit Committee by inducting Mr. Anjani Agrawal as a member of Audit Committee w.e.f. 01.04.2023, who has been appointed as an independent director of the Company w.e.f. April 1, 2023.

- b) Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and notes on agenda were sent at least seven days in advance or with due consents for shorter notice from the directors and adequate system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever applicable.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period;

- The Company has paid fine of ₹ 2,360 levied by BSE Limited for delay in furnishing prior intimation with respect to date of payment of interest to Non-Convertible Debenture holders (paid in the month of February 2021 and May 2021) under regulation 50(1) of the SEBI LODR Regulations, 2015.

We further report that during the audit period, the following event/action has taken place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above;

- Pursuant to the Scheme of Arrangement between Welspun Steel Limited (the "Demerged Company") and Welspun Corp Limited ("the Company / "Resulting Company") and their respective shareholders (the "Scheme") as sanctioned by the Hon'ble National Company Law Tribunal, Ahmedabad Bench vide its order pronounced on March 16, 2022, the Company has allotted 35,15,11,571 Coupon 6% p.a. Cumulative Redeemable Preference Shares of the face value of ₹ 10/- each fully paid up "(CRPS)" on April 8, 2022, to the eligible shareholders of Demerged Company in the share exchange ratio of "81 (Eighty-One) 6% CRPS of the Resulting Company of ₹ 10 (Rupees Ten Only) each fully paid up, for every 100 (One Hundred) equity share of the Demerged Company of the face value of ₹ 10/- (Rupees Ten Only) each fully paid up" as provided in the Scheme;
- The Company has redeemed Commercial Papers (with ISIN: INE191B14556) of issue size of ₹ 20 Crores on April 18, 2022;
- The Company has issued and allotted 5,80,000 equity shares of ₹ 5/- each fully paid-up upon exercise of Employee Stock Option under Welspun Employee Stock Option Plan - 2005 ("ESOP Scheme");
- Nomination and Remuneration Committee of the Company has granted 11,00,000 Employee Stock Options to Mr. Vipul Mathur-Managing Director & CEO of the Company;
- The Company has declared and paid final dividend @ 100% (i.e. ₹ 5 per share) on Equity Shares for the F.Y. ended March 31, 2022;
- The Company has declared and paid dividend @ 6% on 35,15,11,571 Cumulative Redeemable Preference Shares for the F.Y. ended March 31, 2022;

- The Company has modified the Welspun Employee Stock Option Plan - 2005 ("ESOP Scheme") vide Special Resolution passed by members at 27th Annual General Meeting ("the AGM") held on July 29, 2022;
- The Company has re-appointed Mr. Vipul Mathur as Managing Director and Chief Executive Officer for 5 years w.e.f. December 1, 2022 vide Special Resolution passed by the members at the AGM held on July 29, 2022;
- The Company has appointed Mr. Arun Tadarwal (DIN:00020916) as an Independent Director of the Company w.e.f. July 1, 2022 vide Special Resolution passed by the members at the AGM held on July 29, 2022;
- The Company has approved Welspun Corp Employee Benefit Scheme - 2022, for the benefit of Employees and Directors of the Company, it's Group Company(ies) including Subsidiary Company(ies) or its Associate Company(ies) as per the said scheme, vide Special Resolution passed by the members at the AGM held on July 29, 2022;
- The Company has approved Welspun Corp Employee Welfare Trust ("The Trust") for the Acquisition of Equity Shares by way of secondary acquisition under Welspun Corp Employee Benefit Scheme - 2022 vide Special Resolution passed by the members at the AGM held on July 29, 2022;
- The members of the Company, vide Special Resolution at the AGM held on July 29, 2022, has approved provision of money by the Company for purchase of its own shares by the Trust / Trustees for the benefit of employees under Welspun Corp Employee Benefit Scheme - 2022;
- The Company has approved borrowing by offer of issue of securities including but not limited to secured / unsecured, redeemable, Non-Convertible Debentures and/ or Commercial Papers upto ₹ 500 crore on Private Placement basis vide Special Resolution passed by the members at the AGM held on July 29, 2022;
- The Company has acquired stake of 100% equity share capital in Nauyaan Shipyard Private Limited;
- The Company has acquired stake upto 19% equity share capital in Welspun Transformation Services Limited;
- The Company has acquired stake of 100% equity share capital in Propel Plastic Products Private Limited;
- The Company has acquired stake upto 100% equity share capital in Big Shot Infra Facilities Private Limited;

- The Company has entered into a Memorandum of Agreement on September 30, 2022 for sale of land, civil structures, excluding plant & machinery, situated at Dahej unit of the Company in the state of Gujarat;
- The Company has redeemed final tranche of outstanding Principal Amount of privately placed Secured, Redeemable Non-convertible Debentures (with ISIN - INE191B07139) on November 9, 2022;
- The Board of Directors of the Company at its meeting held on March 14, 2023 has approved the Scheme of Amalgamation of Welspun Metallica Limited ("Transferor Company") with Welspun Corp Limited (the "Transferee Company") and their respective shareholders ("Scheme") as per terms and conditions mentioned in the Scheme. The Company has filed the Scheme with the National Company Law Tribunal;
- The Board of Directors of the Company at its meeting held on March 29, 2023 has approved the Scheme of Amalgamation of Mahatva Plastic Products and Building Materials Private Limited ("Mahatva"/ "Amalgamating Company"/ "Transferor Company") into Sintex-BAPL Limited (the "Amalgamated Company"/ "Transferee Company")(wholly owned subsidiaries of the Company) and their respective shareholders ("the Scheme"), as per terms and conditions mentioned in the Scheme subject to the requisite approval of the shareholders and / or creditors of the Company and subject to the sanction by the jurisdictional bench of the National Company Law Tribunal ('NCLT') and / or such other competent authority, and subject to such other approvals of the regulatory authorities as may be required;

We further report that during the audit period, the Company has co-operated with us and have produced before us all the required forms information, clarifications, returns and other documents as required for the purpose of our audit.

For **MIHEN HALANI & ASSOCIATES**
Practicing Company Secretaries

sd/-
Mihen Halani
(Proprietor)
CP No: 12015
FCS No: 9926
UDIN: F009926E000425154

Date: 30.05.2023
Place: Mumbai

Note: This report is to be read with our letter of even date which is annexed as "Annexure A" herewith and forms as integral part of this report.

ANNEXURE A

ANNEXURE - 4

To,
The Members,
WELSPUN CORP LIMITED
CIN: L27100GJ1995PLC025609
Welspun City, Village Versamedi,
Taluka - Anjar, Dist. Kutch, Gujarat - 370 110.

Our report of even date is to be read along with this letter.

- Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
- The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **MIHEN HALANI & ASSOCIATES**
Practicing Company Secretaries

sd/-
Mihen Halani
(Proprietor)
CP No: 12015
FCS No: 9926
UDIN: F009926E000425154

Date: 30.05.2023
Place: Mumbai

Annual Secretarial Compliance Certificate

Mihen Halani & Associates
Practicing Company Secretaries

A-501/L, Jaswanti Allied Business Centre, Kachpada, RamchandralaneExtn. Rd,
Malad (West), Mumbai - 400 064, (Tel. 022 - 6236 0279 :: mihenhalani@mha-cs.com

Annual Secretarial Compliance Report of Welspun Corp Limited for the year ended March 31, 2023

To,
The Board of Directors,
Welspun Corp Limited
CIN: L27100GJ1995PLC025609
Welspun City, Village Versamedi,
Taluka - Anjar, Dist. Kutch, Gujarat - 370 110
BSE Scrip Code: 532144 / NSE Symbol: WELCORP /
ISIN: INE191B01025

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Welspun Corp Limited** (hereinafter referred as 'the listed entity'), having its Registered Office situated at Welspun City, Village Versamedi, Taluka - Anjar, Dist. Kutch, Gujarat - 370 110, India. Secretarial Review was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide our observations thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that the listed entity has, during the review period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter:

We, M/s. Mihen Halani & Associates have examined:

- all the documents and records made available to us and explanation provided by **Welspun Corp Limited ("the listed entity")**;
 - the filings / submissions made by the listed entity to the stock exchanges;
 - website of the listed entity;
 - any other document / filing, as may be relevant, which has been relied upon to make this certification;
- for the year ended March 31, 2023 ("**Review Period**") in respect of compliance with the provisions of:
- the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") and the Regulations, circulars, guidelines issued thereunder; and
 - the Securities Contracts (Regulation) Act, 1956 ("**SCRA**"), rules made thereunder and

the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("**SEBI**");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not Applicable during the period under review;
- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not Applicable during the period under review;
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not Applicable during the period under review;
- The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; and
- The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993;

and circulars / guidelines issued thereunder; and based on the above examination, we hereby report that, during the Review Period:

I. a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below;

Sr. No	Compliance Requirement (Regulations / Circulars / guidelines / including specific clause)	Regulations / Circular No	Deviations	Action taken by	Type of action	Details of Violation	Fine Amount	Observations / remarks of the Practicing Company Secretary	Management Response	Remarks
1.	Composition of Audit Committee - Minimum number of members	18(1)(a)	Less than three member in Audit Committee from 14.03.2023 till 31.03.2023	-	-	-	-	composition of Audit Committee was not in compliance with the regulation 18(1)(a) of the SEBI (LODR), Regulations, 2015 from 14.03.2023 till 31.03.2023	Due to resignation of Mr. Dogra from independent directorship of the Company w.e.f. 14.03.2023, there were two independent directors in the Audit Committee from 14.03.2023 till 31.03.2023. The listed entity has re-constituted the Audit Committee by inducting Mr. Anjani Agrawal as a member of Audit Committee w.e.f. 01.04.2023.	

b) The listed entity has taken the following actions to comply with observations made in previous reports:

Sr. No	Compliance Requirement (Regulations / Circulars / guidelines / including specific clause)	Regulations / Circular No	Deviations	Action taken by	Type of action	Details of Violation	Fine Amount	Observations / remarks of the Practicing Company Secretary	Management Response	Remarks
Not Applicable										

II. Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No	Particulars	Compliance Status (Yes / No / NA)	Observations / remarks by the Practicing Company Secretary
1.	Compliances with the following conditions while appointing / re-appointing an auditor		
	<p>i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review / audit report for such quarter; or</p> <p>ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter;</p>	NA	No such event has occurred during the reporting period. Hence, the same is not applicable.
	iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.		
2.	Other conditions relating to resignation of statutory auditor		
	<p>i. Reporting of concerns by Auditor with respect to the listed entity / its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the listed entity / material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information / explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p>	NA	No such event has occurred during the reporting period. Hence, the same is not applicable.
	<p>ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.</p>		

Sr. No	Particulars	Compliance Status (Yes / No / NA)	Observations / remarks by the Practicing Company Secretary
3	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/ CFD/CMD1/114/2019 dated 18th October, 2019.	NA	No such event has occurred during the reporting period. Hence, the same is not applicable.

III. We hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

Sr. No	Particulars	Compliance Status (Yes / No / NA)	Observations / remarks by the Practicing Company Secretary
1.	<u>Secretarial Standard:</u> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).	YES	NA
2.	<u>Adoption and timely updation of the Policies:</u> <ul style="list-style-type: none"> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities All the policies are in conformity with SEBI Regulations and has been reviewed & updated as per the regulations / circulars / guidelines issued by SEBI 	YES	NA
3.	<u>Maintenance and disclosures on Website:</u> <ul style="list-style-type: none"> The Listed entity is maintaining a functional website Timely dissemination of the documents / information under a separate section on the website Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s) / section of the website 	YES	NA
4.	<u>Disqualification of Director:</u> None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	YES	NA
5.	<u>To examine details related to Subsidiaries of listed entities:</u> (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	YES	NA
6.	<u>Preservation of Documents:</u> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015	YES	NA
7.	<u>Performance Evaluation:</u> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations	YES	NA

Sr. No	Particulars	Compliance Status (Yes / No / NA)	Observations / remarks by the Practicing Company Secretary
8.	<u>Related Party Transactions:</u> (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	YES	NA
9.	<u>Disclosure of events or information:</u> The listed entity has provided all the required disclosure(s) under Regulation 30 alongwith Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	YES	NA
10.	<u>Prohibition of Insider Trading:</u> The listed entity is in compliance with Regulation 3(5) & 3(6)SEBI (Prohibition of Insider Trading) Regulations, 2015	YES	NA
11.	<u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No Actions taken against the listed entity / its promoters / directors / subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued bySEBI through various circulars) under SEBI Regulations and circulars / guidelines issued thereunder	No	The Listed entity has paid fine of ₹ 2,360 levied by BSE Limited for delay in furnishing prior intimation with respect to date of payment of interest to Non-Convertible Debenture holders (paid in the month of February 2021 and May 2021) under regulation 50(1) of the SEBI LODR Regulations, 2015.
12.	<u>Additional Non-compliances, if any:</u> No any additional non-compliance observed for all SEBI regulation / circular / guidance note etc.	YES	NA

Assumptions & Limitation of scope and Review:

- Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
- Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
- We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
- This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **MIHEN HALANI & ASSOCIATES**
Practicing Company Secretaries

sd/-

Mihen Halani

(Proprietor)

CP No: 12015

FCS No: 9926

UDIN: F009926E000412361

Date: 30.05.2023
Place: Mumbai

ANNEXURE - 5

The Annual Report on CSR activities for Financial Year 2022-2023

1) A brief outline of the Company's CSR Policy.

The Company is not only committed to complying with regulations relating to Corporate Social Responsibility but also aims at creating Corporate Social value. The CSR vision is enshrined in the 3E's i.e.: (i) Education; (ii) Empowerment of women; and (iii) Environment and Health.

These 3E's are implemented through:

- The programs organized by a trust, Welspun Foundation for Health and Knowledge created by the group;
- Tie-ups with Non-Governmental Organizations / Developmental Agencies / Institutions; and
- Facilitating Government initiatives.

2) The Composition of the ESG & CSR Committee (Erstwhile Corporate Social Responsibility Committee).

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Revathy Ashok [^]	Chairperson/ Independent Director	2	2
2	Mr. Arun Tadarwal [*]	Member/ Independent Director	2	2
3	Ms. Dipali Goenka	Member/ Non-independent Director	2	1
4	Mr. Vipul Mathur	Member/ Managing Director & CEO	2	2
5	Mr. Anjani K. Agrawal ^{&}	Member/ Independent Director	N/A	N/A
6	Mr. K. H. Viswanathan [@]	Chairman / Independent Director	Nil	N/A

[^] Designated as the Chairperson w.e.f. July 1, 2022.

^{*} Inducted as a member w.e.f. July 1, 2022.

[&] Inducted as a member w.e.f. April 1, 2023.

[@] Ceased to be a member of the Committee due to resignation w.e.f. July 1, 2022.

Mr. Pradeep Joshi-Company Secretary acts as the Secretary to the Committee.

The role of the ESG & CSR Committee is to assist the Board in fulfilling its oversight responsibilities on the matters relating to Environmental, Social & Governance factors (including matters related to CSR). The Board has approved the charter of ESG & CSR Committee to ensure full achievement of the purpose.

Detailed Charter of the ESG & CSR Committee is available at the web-link: "http://www.welspuncorp.com" under the tab "Investors --> Board & Committee Charters"

(<https://www.welspuncorp.com/board-and-committee-charters.php>)

3) Provide the web-link where Composition of ESG & CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company-

Composition of the ESG & CSR Committee is available at the web-link: "http://www.welspuncorp.com" under the tab "Investors --> Company Disclosures"

https://www.welspuncorp.com/uploads/investor_data/investorreport__962.pdf

CSR Policy is available at the web-link: "http://www.welspuncorp.com" under the tab "Investors --> Company Policies"

https://www.welspuncorp.com/uploads/investor_data/investorreport__118.pdf

CSR Projects approved by the Board are available at the web-link: "http://www.welspuncorp.com" under the tab "Investors --> Company Disclosures"

<https://www.welspuncorp.com/company-disclosures.php>

4) Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. - Not applicable.

- 5) a) Average net profit / (loss) of the Company sub-section (5) of section 135: ₹ 337.2689 Crore
 b) Two per cent of average net profit of the Company sub-section (5) of section 135: ₹6.7454 Crore.
 c) Surplus arising out of the CSR Projects or programs or activities of the previous financial years - ₹ 1.4525Crore
 d) Amount required to be set-off for the financial year, if any - N/A.
 e) Total CSR Obligation for the financial year [(b) + (c) - (d)] = ₹ 8.1979 Crore.

- 6) a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)- ₹ 7.9989 Crore
 b) Amount spent in Administrative Overheads: ₹ 0.199 crore
 c) Amount spent on Impact Assessment, if applicable: Not applicable
 d) Total amount spent for the Financial Year [(a)+(b)+(c)] - ₹ 8.1979 Crore
 e) CSR amount spent or unspent for the Financial Year: Spent ₹ 8.1979 Crore

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (In ₹ Crore)				
	Total Amount transferred to Unspent CSR Account sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 8.1979 Crore	Nil	N/A	N/A	Nil	N/A

f) Excess amount for set-off, if any - Not applicable

Sr. No.	Particulars	Amount (In ₹ Crore)
(i)	Two Percent of average net profits of the Company as per Sub-Section 5 of Section 135	₹ 6.7454 Crore
(ii)	Total amount spent for the Financial Year	₹ 8.1979 Crore
(iii)	Excess amount spent for the Financial Year [(ii-i)]	Nil
(iv)	Surplus arising out of the CSR Projects or programs or activities of the previous financial year, if any.	Nil
(v)	Amount available for set-off in succeeding financial years [(iii-iv)]	Nil

7) Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

(₹ In crores)

1 Sr. No.	2 Preceding Financial Years	3 Amount Transferred to Unspent CSR Account under Sub-Section (6) of Section 135 (in ₹)	4 Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	5 Amount Spent in the Financial Year (in ₹)	6 Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		7 Amount remaining to be spent in succeeding Financial Years (in ₹)	8 Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1.	2021-22	₹0.6715	Nil	1.453	NA	NA	NA	NA
2.	2020-21	₹0.7815	Nil	NA	NA	NA	NA	NA
3.	2019-20	Nil	Nil	NA	NA	NA	NA	NA
	Total	₹ 1.453		₹ 1.453				

8) Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired: Not applicable.

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s)	Pin-code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
	[including complete address and location of the property]						
1	2	3	4	5	6		
Not Applicable							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/ Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9) Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135 : Not Applicable

For and on behalf of the Board

Vipul Mathur
Managing Director & CEO
DIN : 07990476

Revathy Ashok
Chairperson of the ESG & CSR Committee
DIN: 00391263

Place: Mumbai
Date: May 30, 2023

Corporate Governance Report

I. PHILOSOPHY ON CORPORATE GOVERNANCE

The Board of Directors of the Company acts as a trustee and assumes fiduciary responsibility of protecting the interests of the Company, its members and other stakeholders. The Board supports the broad principles of Corporate Governance. In order to attain the highest-level of good Corporate Governance practice, the Board lays strong emphasis on transparency, accountability and integrity.

II. BOARD OF DIRECTORS

The composition of the Board of your Company is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Chairman of your Company is a Promoter and the number of Non-Executive and Independent Directors is more than one-half of the total number of Directors.

The Company's Board comprises of the required blend of Independent and Non-Independent Directors with considerable experience in diverse fields such as accounts, audit, business strategy finance, ESG, governance, general management, legal and pipes & allied industry etc. to name a few. Further, the Board has mix of executive and non-executive directors. Except the independent directors and the Chairman, office of all other directors are liable to retire by rotation as per the provisions of the Companies Act, 2013.

None of the Directors is a Director (including any alternate directorships) in more than 10 public limited companies (as specified in section 165 of the Act) and Director in more than 7 equity listed entities or acts as an Independent Director in more than 7 equity listed entities or 3 equity listed entities in case he/she serves as a Whole-time Director/ Managing Director in any listed entity (as specified in Regulation 17A of the Listing Regulations). Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (as specified in Regulation 26 of the Listing Regulations), across all the Indian public limited companies in which he/ she is a Director.

The maximum tenure of Independent Directors is in compliance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the Independent Directors have confirmed that they meet the criteria as mentioned in Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 149(6) of the Companies Act, 2013. The Independent Directors provide an annual confirmation that they meet the criteria of Independence. Based on the confirmations/ disclosures received from the Independent Directors, the Board is of the opinion that the Independent Directors fulfil the conditions specified in the Listing Regulations and are Independent of the Management. Further, there is no relationship between the directors' inter-se, except between Mr. B. K. Goenka and Ms. Dipali Goenka, who are spouse of each other.

The Senior Management of your Company have made disclosures to the Board confirming that there are no material financial and commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

The name and categories of Directors, DIN, the number of Directorships, Committee positions held by them in the companies and the list of Listed Entities where he/she is a Director along with the category of their Directorships and other details are given hereafter.

Name of the Director(s)	Age (completed years)	Category	Board Meetings Attended during the Year 2022-23	Attendance at the Last AGM	No. of other Directorship (as last declared to the Company)			Member / Chairman in No. of Board/ Committees including other Companies (as last declared to the Company)*	Number of Shares in the Company
					Pub.	Pvt.	Other Body Corporate		
1 Ms. Amita Misra	67	NE, I	9/9	No	3	-	-	1C, 4M	-
2 Mr. Arun Tadarwal	65	NE, I	6/6	Yes	2	2	5	2C, 3M	-
3 Mr. Balkrishan Goenka	56	NE, P	7/9	Yes	9	-	3	None	117,063,952
4 Ms. Dipali Goenka	53	NE, NI	2/9	No	8	4	2	1C, 2M	2
5 Mr. Manish Chokhani	56	NE, I	1/3	N/A	4	1	-	2C, 3M	-
6 Mr. Rajesh R. Mandawewala	62	NE, P	8/9	Yes	9	6	1	1M	200
7 Mrs. Revathy Ashok	64	NE, I	9/9	Yes	9	2	1	4C, 10M	-
8 Mr. Vipul Mathur	53	E, NI	8/9	Yes	3	1	4	2M	461,000
9 Mr. K.H. Viswanathan [^]	61	NE, I	3/3	N/A	-	-	-	-	20,000
10 Mr. Desh Raj Dogra [#]	68	NE, I	8/8	Yes	-	-	-	-	-

[^] Ceased to be a director due to resignation w.e.f. July 1, 2022 and hence detail of other directorship and committee membership are not given.

[#] Ceased to be a director due to resignation w.e.f. March 14, 2023 and hence detail of other directorship and committee membership are not given.

* Chairmanship/membership of the Audit Committee and the Share Transfer, Investors' Grievance and Stakeholders' Relationship Committee alone considered in both listed and unlisted companies.

Abbreviations:

P = Promoter, I = Independent, NI = Non Independent, E = Executive Director, NE = Non-Executive Director, L = Lenders, C=Chairman, M=Member.

To strengthen capabilities in the Board with respect to in-depth business and commercial understanding of the B2C business control related capabilities, supply chain, global operations, the Nomination and Remuneration Committee recommended optimization of the Group level knowledge pool, including for Independent Directors. Accordingly, Mr. K.H. Viswanathan resigned as Lead Independent Director and in his place Mr. Arun Tadarwal was appointed as Lead Independent Director with effect from July 1, 2022.

Average age of the Board members - - 59 years.

In line with Para 4 of Schedule B of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, it is the endeavor of the Company that the gap between the review of the financial statements of the Company and its subsidiaries by the Audit Committee and Board meeting is as narrow as possible, and the Company is committed to adhere to this requirement.

9 Meetings of the Board of Directors were held during the financial year 2022-23 on the following dates: 23/05/2022, 27/05/2022, 27/06/2022, 04/08/2022, 03/11/2022, 21/12/2022, 02/02/2023, 14/03/2023 and 29/03/2023.

The attendance of the Directors at these Meetings held during the year, was as under:

Name of Directors	Board Meetings Date and Mode										Held During the year	Attended	% of attendance of a Director
	1	2	3	4	5	6	7	8	9	29/03/2023			
Ms. Amita Misra	23/05/2022 Hybrid	27/05/2022 Hybrid	27/06/2022 Hybrid	04/08/2022 Hybrid	03/11/2022 Hybrid	21/12/2022 Hybrid	02/02/2023 Hybrid	14/03/2023 Hybrid	29/03/2023 Hybrid	Yes	9	9	100%
Mr. Arun Tadarwal	N/A	N/A	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	6	6	100%
Mr. Balkrishan Goenka	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	Yes	9	7	78%
Ms. Dipali Goenka	Yes	N/A	N/A	N/A	N/A	N/A	Yes	Yes	N/A	Yes	9	2	22%
Mr. Manish Chokhani	N/A	N/A	N/A	N/A	N/A	N/A	Yes	Yes	No	Yes	3	1	33%
Mr. Rajesh R. Mandawewala	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	9	8	89%
Mrs. Revathy Ashok	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	9	9	100%
Mr. Vipul Mathur	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	9	8	89%
Mr. K.H.Viswanathan [^]	Yes	Yes	Yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3	3	100%
Mr. Desh Raj Dogra [#]	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/A	Yes	8	8	100%

[^] Ceased to be a director due to resignation w.e.f. July 1, 2022

[#] Ceased to be a director due to resignation w.e.f. March 14, 2023.

Average attendance at the Board meetings - - 82%

In addition to the above, a meeting of the Independent Directors was held on March 29, 2023 pursuant to Section 149(8) read with Schedule V and other applicable provisions of the Companies Act, 2013 and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said meeting was attended by Mr. Arun Tadarwal, Ms. Amita Misra, Mr. Manish Chokhani and Mrs. Revathy Ashok.

Mr. Arun Tadarwal has been designated as the Lead Independent Director.

The names of the listed entities where the person is a director and the category of directorship and matrix of the skills/expertise/competence identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board and directors who have such skills / expertise / competence. Details of current members of the Board is given below:

Name of the Director(s)	Skills/expertise/competence	Names of the listed entities where the person is a director	Category of Directorship	Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure (as applicable)
1 Ms. Amita Misra	Finance, Oversight, Procurement, Governance, Technical Cooperation, Framing Policy, Advocacy, Resource Mobilization	<ul style="list-style-type: none"> Dalmia Bharat Sugar Industries Limited Welspun Specialty Solutions Ltd. 	Independent	N/A
2 Mr. Arun Todarwal	Audits, International Taxation, Due Diligence, and Management Consultancy	<ul style="list-style-type: none"> Anuh Pharma Limited 	Independent	N/A
3 Mr. Balkrishan Goenka	Leading figure in textile and steel industry, Strategy & Business Management	<ul style="list-style-type: none"> Welspun India Limited, Welspun Enterprises Limited Welspun Specialty Solutions Limited 	Non-Independent	N/A
4 Ms. Dipali Goenka	General Management and Strategy, Brand Building, Global Business, Finance & Accounts, Diversity, ESG/ Sustainability	<ul style="list-style-type: none"> Welspun India Limited Welspun Enterprises Limited New Delhi Television Limited 	Non-Independent Independent	N/A
5 Mr. Manish Chokhani	Financial sector in the area of investment banking	<ul style="list-style-type: none"> Westlife Development Limited Shoppers Stop Limited, Laxmi Organic Industries Ltd. Landmark Cars Limited 	Independent	N/A
6 Mr. Rajesh R. Mandawewala	Textile & Steel Industry, Research & product development, strategy and business management.	<ul style="list-style-type: none"> Welspun India Limited, AYM Syntex Limited, Welspun Enterprises Limited 	Non-Independent	N/A
7 Mrs. Revathy Ashok	Women Economic Empowerment, Mentoring Start-ups, Governance, Capital Raising, Business Development, Finance, Commercial and other strategic general management	<ul style="list-style-type: none"> ADC India Communications Ltd. Quess Corp Limited Astrazeneca Pharma India Ltd. Sansera Engineering Limited Barbeque Nation Hospitality Ltd. 	Independent	N/A
8 Mr. Vipul Mathur	Rich experience in heavy electrical equipment, manufacturing of pipes, Oil & gas etc. Management, Marketing, Operations and manufacturing efficiencies, excellent managerial skills, leadership quality, strategy & business management.	<ul style="list-style-type: none"> Welspun Specialty Solutions Limited East Pipes Integrated Company for Industry (Listed in Kingdom of Saudi Arabia) 	Non-Independent	N/A

Name of the Director(s)	Skills/expertise/competence	Names of the listed entities where the person is a director	Category of Directorship	Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure (as applicable)
9 Mr. K. H. Viswanathan [^]	Corporate Tax and Legal, Transaction advisory and structuring, Internal, Management and Due-diligence audits, formulation of business strategy, mergers and acquisitions etc.	-	Independent	To strengthen capabilities in the Board with respect to in-depth business and commercial understanding of the B2C business control related capabilities, supply chain, global operations, the Nomination and Remuneration Committee recommended optimization of the Group level knowledge pool, including for Independent Directors. Accordingly, Mr. K.H. Viswanathan resigned as Lead Independent Director.
10 Mr. Desh Raj Dogra [#]	Financial sector in the areas of banking and credit rating	-	Independent	Due to personal reasons and other commitments and desire to pursue areas of personal interest

[^] Ceased to be a director due to resignation w.e.f. July 1, 2022

[#] Ceased to be a director due to resignation w.e.f. March 14, 2023.

Skills & expertise required by the Company are mainly accounts & auditing, cyber security, finance, legal & compliance, ESG, Governance, knowledge of steel industry, oil & gas market, risk & insurance, strategy & business management, B2C business control related capabilities, supply chain and HR.

Detailed Charter of the Board is available at the web-link: "http://www.welspuncorp.com" under the tab "Investors --> Board & Committee Charters"

(<https://www.welspuncorp.com/board-and-committee-charters.php>)

Board Procedure

A detailed Agenda, setting out the business to be transacted at the Meeting(s), supported by detailed Notes and Presentations, if any, is sent to each Director well before the Board Meeting(s) and Committee Meeting(s) except where Meeting(s) have been convened at a shorter notice to transact urgent business. Video Conferencing facilities are provided to enable Director(s) who are unable to attend the Meeting(s) in person, to participate in the Meeting via Video Conferencing.

To enable the Board to discharge its responsibilities effectively and take informed decisions, the Managing Director and Chief Executive Officer apprises the Board at every Meeting of the overall performance of your Company, followed by Presentation(s) by the Chief Executive Officers of various businesses and the Chief Financial Officer.

The Board also, inter alia, periodically reviews strategy and business plans, annual operating and capital expenditure budget(s), investment and exposure limit(s), compliance report(s) of all laws applicable to your Company, as well as steps taken by your Company to rectify instances of non-compliances, performance of operating divisions, review of major legal issues, Minutes of the Committees of the Board and of Board Meetings of your Company's subsidiary companies, significant transactions and arrangements entered into by the unlisted subsidiary companies, approval of quarterly / half-yearly / annual results, significant labour problems and their proposed solutions, safety and risk management, transactions pertaining to purchase/disposal of property(ies), sale of investments, major accounting provisions and write-offs, corporate restructuring, joint ventures or collaboration

agreement(s), material default in financial obligations, if any, fatal or serious accidents, any material effluent or pollution problems, transactions that involve substantial payment towards goodwill, brand equity or intellectual property, any issue that involves possible public or product liability claims of substantial nature, including judgement or order which may have passed strictures on the conduct of your Company, quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement.

The Board sets annual performance objectives, oversees the actions and results of the management, evaluates its own performance, performance of its Committees and individual Directors on an annual basis and monitors the effectiveness of the Company's governance practices for enhancing the stakeholders' value.

Apart from Board Members and the Company Secretary, the Board and Committee Meeting(s) are also attended by the Chief Financial Officer and wherever required by the Chief Executive Officers, the Heads of various Corporate Functions.

The Directors take active part in the deliberations at the Board and Committee Meetings by providing valuable guidance and expert advice to the Management on various aspects of business, policy direction, governance, compliance, etc. and play a critical role on strategic issues and add value in the decision making process of the Board of Directors.

III. AUDIT COMMITTEE

The Committee comprises of 3 non-executive directors having accounting and finance background. All the members and the Chairman are independent director. The composition of the Committee and attendance of the members is given hereunder:

Name of the Member	Member/ Chairman	Number of Meetings Attended
Mr. Arun Tadarwal [@]	Chairman [@]	13/13
Ms. Amita Misra	Member	17/17
Mr. Anjani Agrawal [#]	Member	N/A
Mr. K. H. Viswanathan [^]	Chairman [^]	4/4
Mr. Deshraj Dogra [#]	Member	16/16

[@] Appointed as the Chairman w.e.f. July 1, 2022

& Inducted as a member w.e.f. April 1, 2023

[^] Ceased to be a director and Chairman due to resignation w.e.f. July 1, 2022.

[#] Ceased to be a director due to resignation w.e.f. March 14, 2023.

The Company Secretary of the Company, Mr. Pradeep Joshi acts as the Secretary of the

Committee. The Chief Financial Officer is invited for all the meetings of the Audit Committee. Whenever required, the Managing Director and CEO, the Chief Financial Controllers and the Chief Executive Officers of various businesses are also invited for the Committee meetings for seeking his views on certain strategic items. Ms. Revathy Ashok, an independent director, attended one meeting of the Audit Committee as an invitee.

As required under the Secretarial Standard on General Meetings, the Chairman of the Committee or, in his absence, any other Member of the Committee authorized by him on his behalf shall attend the General Meeting of the Company. Mr. Arun Tadarwal, Chairman of the Audit Committee, was virtually present at the 27th Annual General Meeting of the Company held through Video Conferencing facility on July 29, 2022 to address the Shareholders' queries pertaining to Annual Accounts of the Company.

None of recommendations made by the Audit Committee were rejected by the Board.

17 Meetings of the Audit Committee were held during the financial year 2022-23 on following dates: 21/04/2022, 20/05/2022, 27/05/2022, 27/06/2022, 26/07/2022, 28/07/2022, 04/08/2022, 29/09/2022, 01/11/2022, 03/11/2022, 02/12/2022, 13/12/2022, 21/12/2022, 31/01/2023, 01/02/2023, 14/03/2023 and 29/03/2023.

Average attendance at the Committee meetings - ~ 100%

In addition, the Audit Committee had a meeting with the credit rating agency during the financial year 2022-23.

The statutory auditors and internal auditors had periodic and exclusive meetings with the Audit Committee.

Terms of Reference: The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained under Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements), 2015, Section 177 of the Companies Act, 2013 and the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. Detailed Charter of the Committee is available at the web-link : "http://www.welspuncorp.com" under the tab "Investors --> Board & Committee Charters" (<https://www.welspuncorp.com/board-and-committee-charters.php>)

Besides having access to all the required information from within the Company, the Committee can obtain external professional advice whenever required. The Committee acts as a link between the Statutory and the Internal Auditors and the Board of Directors of the Company. It is authorized to, inter alia, review and monitor the Auditor's independence and performance, scope and effectiveness of audit process, oversight of the Company's financial reporting process and the disclosure of its financial information, review with the management the quarterly and annual financial statements and auditor's report before submission to the Board for approval, select and establish accounting policies, review Reports of the Statutory and the Internal Auditors and meet with them to discuss their findings, suggestions and other related matters, approve (wherever necessary) transactions of the Company with related parties including subsequent modifications thereof, grant omnibus approvals for related party transactions subject to fulfilment of certain conditions, scrutinise inter-corporate loans and investments, valuation of undertakings or assets of the Company, review the risk assessment and minimization procedures, evaluate internal financial controls and risk management systems, monitor end use of the funds raised through public offers and related matters, review the utilization of loans and/ or advances from/ investment by the Company in the subsidiary companies exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances / investments and review compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations") and verify that the systems for internal control are adequate and are operating effectively.

The Committee is also empowered to, inter alia, recommend the remuneration payable to the Statutory Auditors, availing of such other permitted services from the Auditors and to recommend a change in the Auditors. Further, the Committee is empowered to recommend to the Board, the appointment of Chief Financial Officer, the term of appointment and remuneration of the Cost Auditor, Internal Auditor, Secretarial Auditors etc., review the functioning of the Whistle-blower Policy and Vigil Mechanism. The Committee also reviews Financial Statements and Investments of unlisted subsidiary companies, Management Discussion & Analysis of financial condition and results of operations.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 effective from 1st April, 2022,

the Committee had considered and granted prior approval for the related party transactions including material related party transactions in terms of Regulation 23 read with Regulation 2(1)(zc) and Regulation 2(1)(zb) of the Listing Regulations. Since, the Company's Audit Committee comprises only of Independent Directors, the amendments to the Listing Regulations, requiring approval of related party transactions only by those members of the Audit Committee who are Independent Directors of the Company, was already institutionalized by the Company much before such amendment was made effective.

IV. NOMINATION AND REMUNERATION COMMITTEE.

The Committee comprises of 3 non-executive directors. All the member and the Chairman are independent. The composition of the Committee and attendance of the members is given hereunder:

Name of the Member	Member/ Chairman	Number of Meetings Attended
Mr. Arun Tadarwal [@]	Chairman [@]	5/5
Mr. Deshraj Dogra [#]	Member	7/7
Ms. Amita Misra [#]	Member	N/A
Ms. Revathy Ashok	Member	7/7
Mr. K. H. Viswanathan [^]	Chairman [^]	2/2

[@] Appointed as the Chairman w.e.f. July 1, 2022

& Inducted as a member w.e.f. March 29, 2023

[^] Ceased to be a director and Chairman due to resignation w.e.f. July 1, 2022.

[#] Ceased to be a director due to resignation w.e.f. March 14, 2023.

The Company Secretary of the Company, Mr. Pradeep Joshi acts as the Secretary of the Committee.

During the year under review, 7 meetings of the Committee were held on 20/05/2022, 27/06/2022, 03/08/2022, 01/12/2022, 18/01/2023, 31/01/2023 and 14/03/2023.

Average attendance at the Committee meetings - ~ 100%

As per section 178(7) of the Act and Secretarial Standard on General Meetings, the Chairman of the Committee or, in his absence, any other Member of the Committee authorized by him in this behalf shall attend the General Meetings of the Company. The Chairman of the Committee, Mr. Arun Tadarwal was virtually present at the 27th Annual General Meeting of the Company held through Video Conferencing facility on July 29, 2022.

Terms of reference: To recommend appointment of, and remuneration to, Managerial Personnel and review thereof from time to time. To develop and recommend policies with respect to composition of the Board commensurate with the size, nature of the business and operations of the Company, establish criteria for selection to the Board with respect to the competencies, qualifications, experience, track record, integrity, establish succession plans and determine overall compensation policies of the Company.

The Committee also administers the Company's Employee Stock Option Schemes formulated from time to time and take appropriate decisions in terms of the concerned Scheme(s).

In addition to the above, the Committee's role includes identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every Director's performance. The Committee has also formulated the criteria for determining qualifications, positive attributes and independence of a Director and recommended to the Board a Policy relating to the remuneration for the Directors, Key Managerial Personnel and other Employees. This policy has also been posted on the website of the Company and can be accessed at the web-link: "<http://www.welspuncorp.com>" under the tab "Investors-> Company Policies"

(https://www.welspuncorp.com/uploads/investor_data/investorreport__108.pdf)

The Committee carries out a separate exercise to evaluate the performance of Individual Directors. Feedback is sought by way of structured online questionnaires covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, time spent by each of the directors; accomplishment of specific responsibilities and expertise; conflict of interest; integrity of the Director; active participation and contribution during discussions and governance. The performance evaluation is carried out based on the responses received from the Directors. For more detail on performance evaluation, refer to the para "15(C) **Formal Annual Evaluation**" in the Directors' Report.

Detailed Charter of the Committee is available at the web-link : "<http://www.welspuncorp.com>" under the tab "Investors --> Board & Committee Charters" (<https://www.welspuncorp.com/board-and-committee-charters.php>).

None of recommendations made by the Nomination and Remuneration Committee were rejected by the Board.

V. SHARE TRANSFER, INVESTORS' GRIEVANCE AND STAKEHOLDERS' RELATIONSHIP COMMITTEE.

The Committee comprises of 2 non-executive independent directors and 1 executive director. The Chairman of the Committee is an independent director. The composition of the Committee and attendance of the members is given hereunder:

Name of the Member	Member/ Chairman	Number of Meetings Attended
Mr. Arun Tadarwal [®]	Chairman [®]	3/3
Ms. Revathy Ashok	Member	4/4
Mr. Vipul Mathur	Member	3/4
M. K.H.Viswanathan [^]	Chairman [^]	1/1

@ Appointed as the Chairman w.e.f. July 1, 2022

[^] Ceased to be a director and Chairman due to resignation w.e.f. July 1, 2022.

The Company Secretary of the Company, Mr. Pradeep Joshi acts as the Secretary of the Committee.

During the year under review, 4 meetings of the Committee were held on 20/05/2022, 04/08/2022, 03/11/2022, and 02/02/2023.

Average attendance at the Committee meetings - ~ 92%

Apart from the Meeting(s), urgent businesses (including approvals for issue of duplicate Share Certificates) were transacted through Circular Resolution(s). Subsequently, those Resolution(s) were noted in the Meeting held after the date on which the Circular Resolution(s) was/were passed by the Committee.

As per section 178(7) of the Act and Secretarial Standard on General Meetings, the Chairman of the Committee or, in his absence, any other Member of the Committee authorized by him in this behalf shall attend the General Meetings of the Company. The Chairman of the Committee, Mr. Arun Tadarwal was virtually present at the 27th Annual General Meeting of the Company held through Video Conferencing facility on July 29, 2022.

Terms of reference: The Share Transfer, Investors' Grievance and Stakeholders' Relationship Committee is in accordance with the Section 178 of the Companies Act, 2013 and the Regulation 20 of the SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015, among others, resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.; review of measures taken for effective exercise of voting rights by shareholders; review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; oversee and review all matters connected with the transfer of the Company's securities (physical and/or demat), non-receipt of annual report, non-receipt of declared dividend, etc.; approve issue of the Company's duplicate share / debenture certificates; monitor redressal of investors' / shareholders' / security holders' grievances and review any other related matter, which the Committee may deem fit in the circumstances of the case; oversee the Investor relations function in the Company and suggest appropriate means to strengthen Investor relations of the Company; review process for identification of stakeholder groups; review stakeholder engagement plan - frequency, mode of engagement, purpose of engagement (key topics); oversight on periodic stakeholder engagement and voice of the stakeholders; oversight on the actions planned and taken to factor inputs received from stakeholders (especially on environmental & social topics); evaluate and approve the process for consultation between stakeholders and the Board (especially on economic, environmental, and social topics); carry out any other function as referred by the Board from time to time or enforced by any statutory notification / amendment or modification, as may be applicable; co-ordinate (Consult/ Inform) with other committees of the board while discharging its responsibilities.

Detailed Charter of the Committee is available at the web-link : "<http://www.welspuncorp.com>" under the tab "Investors --> Board & Committee Charters" (<https://www.welspuncorp.com/board-and-committee-charters.php>).

None of recommendations made by the Share Transfer, Investors' Grievance And Stakeholders' Relationship Committee were rejected by the Board.

VI. RISK MANAGEMENT COMMITTEE

The Company has constituted a Risk Management Committee in compliance with the SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015. The composition of the Committee and attendance of the members is given hereunder:

Name of the Member	Member/ Chairman	Number of Meetings Attended
Ms. Amita Misra	Chairperson	2/2
Mr. Arun Tadarwal [®]	Member [®]	2/2
Mr. Anjani Agrawal [®]	Member [®]	N/A
Mr. Vipul Mathur	Member	1/2
Mr. Percy Birdy- Chief Financial Officer	Member	1/2
Mr. K. H. Viswanathan [^]	Member [^]	N/A
Mr. Deshraj Dogra [#]	Member	2/2

@ Inducted as a member w.e.f. July 1, 2022

& Inducted as a member w.e.f. April 1, 2023

[^] Ceased to be a director and member due to resignation w.e.f. July 1, 2022.

[#] Ceased to be a director and a member due to resignation w.e.f. March 14, 2023.

The Company Secretary of the Company, Mr. Pradeep Joshi acts as the Secretary of the Committee.

During the year under review, 2 meetings of the Committee were held on 12/09/2022, and 08/03/2023.

Average attendance at the Committee meetings - ~ 80%.

Terms of reference: The objectives and scope of the Committee broadly comprises, inter alia, (1) To formulate a detailed risk management policy which shall include: (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee, (b) Measures for risk mitigation including systems and processes for internal control of identified risks, (c) Business continuity plan; (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company; (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems; (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity; (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken; (6) The

appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

Detailed Charter of the Committee is available at the web-link : "<http://www.welspuncorp.com>" under the tab "Investors --> Board & Committee Charters" (<https://www.welspuncorp.com/board-and-committee-charters.php>).

None of recommendations made by the Risk Management Committee were rejected by the Board.

VII. ESG & CSR COMMITTEE

The Company's philosophy has always been to practice ethical business and be socially responsible. There is a strong commitment to a wider all-round social progress, as well as to a sustainable development that balances the needs of the present with those of the future. The key philosophy of all CSR initiatives of the Company is enshrined in the three E's which have become guiding principles of the CSR initiatives – Education, Empowerment (of Women) and Environment & Health. Our aim is to undertake projects in perfect sync with the Sustainable Development agenda adopted by the UN. Our programs shall be linked to the following SDGs:

Goal 1: No Poverty

Goal 2: Zero Hunger

Goal 3: Good health and wellbeing

Goal 4: Quality Education

Goal 5: Gender Equality

Goal 6: Clean water and Sanitation

Goal 8: Decent work and Economic Growth

Goal 10: Reduced Inequalities

Goal 13: Climate Action

Goal 15: Life on Land

Goal 17: Partnerships to achieve the Goal

The composition of the Committee and attendance of the members is given in the Annexure-5 to the Directors' Report.

During the year under review, 2 meetings of the Committee were held on 26/07/2022 and 14/12/2022.

Average attendance at the Committee meetings - - 88%.

Terms of reference: The scope of functions of the Committee includes, *inter alia*, to oversee and recommend to the Board on the Company's policies, strategies and programs related to matters of sustainability and the corporate social responsibility, which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII to the Companies Act, 2013; monitor CSR Policy of the Company and recommend the amount of expenditure to be incurred on CSR activities; develop, with executive management, strategy of the Company towards ESG and provide directions to measure and monitor progress; review the Company's stated goals and its performance with respect to ESG matters and monitor the Company's progress towards these measurable goals; periodic review and approval of Company's key ESG Policies and SOPs; Review of the Company's stakeholder engagement plan around material ESG issues identified by the management; review disclosures included in the Company's sustainability report and CSR report regarding the Company's environmental and social initiatives and metrics; receive periodic updates from management on ESG trends and key initiatives; report to the Board on current and emerging topics relating to ESG Matters; review and evaluate ESG risks and opportunities that may arise in connection with the Company's activities and advise the Board on such risks and opportunities that may materially affect the Company's Enterprise Risk Management (ERM) Program; review and discuss with the management, the Company's internal and external communication strategies and approach with employees, investors, and other stakeholders regarding the Company's position or approach to ESG matters; periodically review and monitor external ESG ratings of the Company; review ESG Governance framework over Supply Chain/ third parties and audit schedule for the Company's specific ESG compliances over third parties; review of ESG related feedback from key Suppliers and Customers.

Detailed Charter of the Committee is available at the web-link : "<http://www.welspuncorp.com>" under the tab "Investors --> Board & Committee Charters" (<https://www.welspuncorp.com/board-and-committee-charters.php>).

None of recommendations made by the ESG & CSR Committee were rejected by the Board.

VIII.DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES.

The Company has a Whistle Blower Policy and Vigil Mechanism for employees of the Company;

former employees, trainees and contractual employees of the Company; employees of other agencies deployed for the Company's activities, whether working from any of the Company's offices or any other location; existing / prospective contractors, vendors, suppliers or agencies (or any of their employees) providing any material or service to the Company; customers, bankers of the Company; and any other person having an association with the Company, and no persons had been denied access to the Audit Committee Chairman. The Policy provide adequate safeguard against victimization and even the disclosures expressed anonymously may be considered.

The Whistle-blower Policy provides for reporting of insider trading violations and reporting of instances of leak of Unpublished Price Sensitive Information by the employees.

A Protected Disclosure can be made in writing by an email or by Post to:

- Third party Ethics Helpline:-** India : 000-800-919-0236, USA: 833-921-5074
- Head-Ethics(WCL):-** Postal Address: 7th Floor, Kamala Mills Compound, Mumbai, Maharashtra, Email id: whistleblower_wcl@welspun.com
- The Chairman of the Audit Committee:-** arun@aruntodarwal.com
- By accessing the Company website :-** www.welspun.ethicspoint.com

Web-link where details of whistle blower mechanism are available at the web-link : "<http://www.welspuncorp.com>" under the tab "Investors --> Company Policies" (https://www.welspuncorp.com/uploads/investor_data/investorreport__122.pdf).

IX. POLICY AND PROCEDURE FOR INQUIRY IN CASE OF LEAK/SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION

The Company has formulated the 'Policy and Procedure for Inquiry in Case of Leak / Suspected Leak of Unpublished Price Sensitive Information' ('UPSI') under Regulation 9A(5) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended. The Policy is formulated to maintain ethical standards in dealing with sensitive information of the Company by persons who have access to UPSI. The rationale of the Policy is to strengthen the internal control systems to ensure that the UPSI is not communicated to any person except in accordance with the Insider Trading Regulations.

The Policy also provides an investigation procedure in case of leak/suspected leak of UPSI.

X. DETAILS OF ESTABLISHMENT OF CODE OF CONDUCT FOR REGULATING, MONITORING AND REPORTING OF TRADING BY INSIDERS.

The Company has a Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders ("PIT Policy") for connected persons, designated persons and the insiders (collectively the "Insiders") as defined under the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"). The Policy provide adequate safeguard against victimization. The Audit Committee reviews the Institutional Mechanism for prevention of insider trading.

During the year under review, two instances of violation of PIT Policy and PIT Regulations by the Insiders were detected. Appropriate penal action had been taken against the persons involved and the same had been reported to the Audit Committee and the stock exchanges. Counselling of the violators was done to ensure such violation are not repeated.

Periodic training sessions are organized for creating awareness amongst the Insiders about the PIT Policy and PIT Regulations.

Web-link where details of the PIT Policy are available at the web-link : "<http://www.welspuncorp.com>" under the tab "Investors --> Company Policies" (<https://www.welspuncorp.com/company-policies.php>).

XI. NOMINATION AND REMUNERATION POLICY.

The Company has in place a policy for remuneration to the Directors, the Key Managerial Personnel and the Senior Management Personnel, as well as a well-defined criteria for the selection of candidates for appointment to the said positions which has been approved by the Board. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to the executive and non-executive Directors (by way of sitting fees and commission), the Key Managerial Personnel and the Senior Management Personnel.

The salient features of the Nomination and Remuneration Policy (the "Policy") are as under:

Appointment of Directors:

The Committee identifies the person who qualifies to become directors or who may be appointed in senior management in accordance with the criteria as mentioned in the policy.

Remuneration of Directors, Key Managerial Personnel, senior management personnel:

- The Committee shall consider top industry indicators, requirements of role, qualification and experience of candidate, expected contribution of executive to the profitability challenges specific to the Company and such other matters as the Committee may deem fit.
- The Non-Executive directors shall not be eligible for any remuneration / commission, unless specifically approved by the Board of Directors on recommendation of the Nomination and Remuneration Committee and by the shareholders.
- The Non- Executive Directors including independent directors may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Besides, the Committee shall take into consideration performance of the concerned executive as well as the Company, to the growth of business, profitability, company potentiality and critical role played / initiatives taken, ESG Goals achieved while considering pay hike / increment to the concerned executives.

The Policy is available on your Company's website at the web-link : "http://www.welspuncorp.com" under the tab "Investors --> Company Policies" (https://www.welspuncorp.com/company-policies.php).

XII. INVESTORS' GRIEVANCE AND THE POLICY ON INVESTORS' GRIEVANCE REDRESSAL MECHANISM

Number of security holder's complaints / requests received during the year

During the financial year under review, 12 complaints were received and resolved within prescribed time limit.

Trend of complaints and Number of Shareholders during last 5 years.

Financial Year	2018-19	2019-20	2020-21	2021-22	2022-23
Total No. of Complaints received and resolved	3	Nil	1	6	12
No. of Shareholders as on March 31	55,417	57,690	79,764	94,068	85,794

All the requests received from the investors during the year under Report, were resolved within the stipulated time to the satisfaction of the investors/

shareholders and no complaints / request were pending for more than 15 days as on March 31, 2023. All the shares/debentures received for transfer/ transmission were transferred / transmitted and no transfer was pending as at March 31, 2023.

The Policy on Investors' Grievance Redressal Mechanism is available on your Company's website at the web-link: "http://www.welspuncorp.com" under the tab "Investors --> Company Policies" (https://www.welspuncorp.com/company-policies.php).

The responses to the Frequently Asked Questions by the security-holders are available on the website at the web-link: https://www.welspuncorp.com/faqs.php.

XIII.RISK MANAGEMENT FRAMEWORK

The Company has a Risk Management Framework to identify, monitor, mitigate and minimize risks. For details on the Policy, please refer Para 21 "Risk management policy" to the Directors' Report.

XIV.ESG & CSR POLICY AND INITIATIVES.

The web-link to our CSR Policy and the initiatives undertaken by your Company during FY 2022-23 in CSR have been detailed in this Report. Disclosures as required under Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 are given in Annexure - 5 to the Directors' Report.

XV. GENERAL BODY MEETINGS

The details of Annual General Meetings held and the special resolutions passed in the last three years are given hereunder:

- 1) During the year 2022-23, following resolutions were passed through Postal Ballot Notice dated March 22, 2023:-
 - Special Resolution for appointment of Mr. Manish Chokhani (holding DIN: 00204011) as a non-executive, independent director, not liable to retire by rotation, to hold office for the first term of four consecutive years commencing from February 2, 2023 and ending on February 1, 2027.
 - Special Resolution for appointment of Mr. Anjani K. Agrawal (DIN : 08579812) as a non-executive, independent director, not liable to retire by rotation, to hold office for the first term of four consecutive years commencing from April 1, 2023 and ending on March 31, 2027.

Ms. Maithili Nandedkar, Partner of MNB & Co. LLP, Practicing Company Secretaries, in her absence Mr. Nithish Bangera, Partner of MNB & Co. LLP, Practicing Company Secretaries, were appointed

as the Scrutinizer for conducting process of the Postal Ballot and voting by electronic means in a fair and transparent manner and the Company has engaged the services of Central Depository Services (India) Limited as the agency for providing e-voting facility.

Procedure adopted for Postal Ballot:

The Notice of Postal Ballot dated March 22, 2023, containing the Resolutions, Explanatory Statement, Postal Ballot Form along with the details of Login ID and password were e-mailed on

March 22, 2023 to those Members whose emails were registered with the Depository Participants/ Registrar & Transfer Agents.

The advertisement was published in the Newspapers viz. Financial Express (English), Kutch Mitra (Gujarati) and Kutch Uday (Gujarati) on March 23, 2023.

The voting period commenced on Saturday, March 25, 2023 from 9:00 AM (IST) and ended on Sunday, April 23, 2023 at 05:00 PM (IST).

Details of Voting of the above Resolution are as under:

Resolutions as given in Postal Ballot Notice dated March 22, 2023	Particulars of Votes Cast			Result
		Number of votes	% of votes	
Resolution No. 1 as a Special Resolution	Votes cast in favor	174,474,519	99.77	Approved by requisite majority
	Votes cast against	410,055	0.23	
Resolution No. 2 as a Special Resolution	Votes cast in favor	174,474,400	99.77	Approved by requisite majority
	Votes cast against	410,054	0.23	

2) At the 27th Annual General Meeting held on Friday, July 29, 2022 at 11:30 am via Other Audio-Visual Means, following special resolutions were passed:

- For appointment of Mr. Arun Todarwal (holding DIN:00020916) as a non-executive, independent director, not liable to retire by rotation, to hold office for the first term commencing from July 1, 2022 to March 31, 2024;
- For approval of Welspun Corp Employee Benefit Scheme - 2022 ("Scheme") to create, grant, offer, issue and allot under the Scheme, in one or more tranches, not exceeding 5 (Five) percent of the Paid-Up Equity Share Capital of the Company as on March 31, 2022, comprising into, 1,30,00,000 (One Crore Thirty Lakh) Employee Stock Options ("Options");
- For approval of grant under Welspun Corp Employee Benefit Scheme 2022 to the employees of group company(ies) including subsidiary company(ies) or its associate company(ies), in India or outside India;
- For secondary acquisition of upto 1,30,00,000 (One Crore Thirty Lakh) Equity Shares ("Shares") of the Company by Welspun Corp Employee Welfare Trust ("Trust"), in one or more tranches, and at such price or prices and on such terms and conditions, as may be determined by the Board of Directors, for the purpose of implementation of

Welspun Corp Employee Benefit Scheme - 2022 ("Scheme");

- To grant interest free loan, to provide guarantee or security in connection with a loan granted or to be granted to Welspun Corp Employee Welfare Trust ("Trust"), in one or more tranches not exceeding 5% (Five percent) of the aggregate of the Paid-Up share capital and Free Reserves, or other limit as prescribed under the applicable laws, from time to time, for the purpose of subscription and/or purchase of Equity Shares of the Company by the Trust/ Trustees, in one or more tranches, subject to the ceiling of Equity Shares ("Shares") as may be prescribed under Welspun Corp Employee Benefit Scheme - 2022 ("Scheme");
- To amend "Welspun Employee Stock Option Plan - 2005" ("ESOP Scheme"), which is updated in terms of aligning the ESOP Scheme with the Companies Act, 2013 read with the rules made thereunder and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- For re-appointment of Mr. Vipul Mathur (holding DIN 07990476) as the Managing Director & Chief Executive Officer of the Company for a period commencing from December 1, 2022 to November 30, 2027 on the terms and conditions mentioned in the resolution;

- To borrow from time to time, by way of issue of securities including but not limited to secured/unsecured redeemable Non-convertible Debentures (NCDs) and/or Commercial Papers (CPs) to be issued on Private Placement basis, in domestic and/or international market, in one or more series/tranches aggregating upto an amount not exceeding ₹ 500 crores during the period of 1 (one) year from the date of the Annual General Meeting;
- 3) At the 26th Annual General Meeting held on Tuesday, August 31, 2021 at 12:00 pm via Other Audio-Visual Means, following special resolutions were passed:
- For appointment of Ms. Dipali Goenka (DIN: 00007199), as non-executive, non-independent director liable to retire by rotation;
 - For re-appointment of Mr. Desh Raj Dogra as an independent director for a second term of appointment for four consecutive years with effect from February 10, 2022;
 - For payment of commission to Mr. Balkrishan Goenka, Non-Executive Chairman @1% of the consolidated net profits, as computed under Section 198 of the Companies Act, 2013, every year for a period of five financial years commencing from April 1, 2021;
 - To borrow from time to time, by way of issue of securities including but not limited to secured/unsecured redeemable Non-convertible Debentures (NCDs) and/or Commercial Papers (CPs) to be issued on Private Placement basis, in domestic and/or international market, in one or more series/tranches aggregating upto an amount not exceeding ₹ 500 crores during the period of 1 (one) year from the date of the Annual General Meeting;
 - For approval for granting loan, giving guarantee or providing security in respect of specified loans to Welspun Steel Limited And / Or Welspun Specialty Solutions Limited, being the parties related, and entities belonging, to the Company's promoters in which two of the directors of the Company viz. Mr. B. K. Goenka and Ms. Dipali Goenka are interested, up to an amount not exceeding in aggregate ₹ 260 crore (Rupees Two Hundred Sixty Crore only), from time to time plus any interest, cost, charges thereon.
- 4) In addition to the above, at the Extra Ordinary General Meeting held on Thursday, August 5, 2021 at 11:00 am via Other Audio-Visual Means, following special resolutions were passed:
- For amendment to the Objects Clause to include Iron, Bars/Rebars, Sponge Iron/ DRI, Marine Fabrication, Industrial Fabrication, Alloy Steel, Renewable Energy, and for commencement of all or any of the business proposed in the amended Objects Clause of the Memorandum of Association of the Company.
- 5) In addition to the above, at the Extra Ordinary General Meeting held on Tuesday, November 23, 2021 at 11:00 am via Other Audio-Visual Means, following special resolutions were passed:
- For amendment to the Objects Clause by way of renumbering the existing Main Object Clause III(A)(1), III(A)(1-A) through III(A)(1-F) and III(A)(2) to III(A)(3) as Object Clause III(A)(1) through III(A)(9); by shifting the Other Object Clause Nos. III(C)65 to III(C)67 after the existing Clause No. III(A)(9) as new consolidated Clause III(A)(10); by inserting new Objects Clause to include polymer and polymer products related business, water treatment equipment, effluent treatment equipment, pollution control equipment, carry on the business of all types of building and construction materials, equipment, machineries and technologies; and deletion of "Other Objects" Clause i.e. III(C);
 - Approving increase in the limits under Section 186 of the Companies Act, 2013 applicable for making investments / extending loans / giving guarantees or providing securities in connection with loans to persons / bodies corporate from ₹ 3,300 crore to ₹ 5,000 crore.
- 6) At the 25th Annual General Meeting held on Monday, August 31, 2020 at 11:00 am via Other Audio-Visual Means, following special resolutions were passed:
- To borrow from time to time, by way of issue of securities including but not limited to secured/unsecured redeemable Non-convertible Debentures (NCDs) and/or Commercial Papers (CPs) to be issued on Private Placement basis, in domestic and/or international market, in one or more series/tranches aggregating upto

an amount not exceeding ₹ 500 crores during the period of 1 (one) year from the date of the Annual General Meeting.

- For payment of commission @1% of Net Profits of the Company as computed under Section 198 of the Companies Act, 2013 for the financial year 2020-21 to Mr. Balkrishan Goenka, Non-Executive Chairman.
 - For listing of its joint venture Company viz. Welspun Middle East Pipes LLC ("WMEPL") at the local Stock Exchange through divestment of 15% (at maximum) of the total issued shares of WMEPL held by the Company through its overseas subsidiary, at a pro-rata consideration exceeding US\$30 million, along with proportionate shares to be divested by the local partners.
- 7) In addition to the above, at the Extra Ordinary General Meeting held on Monday, September 28, 2020 at 12:00 noon via Other Audio-Visual Means, following special resolutions were passed:
- For amendment to the Objects Clause, and for commencement of all or any of the business proposed in the amended Objects Clause of the Memorandum of Association of the Company.
 - To borrow from time to time, by way of issue of securities including but not limited to secured/unsecured redeemable Non-convertible Debentures (NCDs) to be issued on Private Placement basis, in domestic and/or international market, in one or more series/tranches aggregating upto an amount not exceeding ₹ 500 crores during the period of 1 (one) year from the date of the resolution.

XVI.DISCLOSURE

a. Related Party Transactions.

For materially significant related party transactions, refer Note No. 42 of Notes to the Accounts annexed to the Financial Statement.

In addition to the above, as per the Listing Regulations, your Company has also submitted disclosures of Related Party Transactions to the Stock Exchanges in the prescribed format and also published it on the website of the Company.

The Company's policy on dealing with Related Party Transactions as required under Regulation 23 of the SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015 is disclosed on the Company's website at the web-link : "<http://www.welspuncorp.com>" under the tab "Investors --> Company Policies" (<https://www.welspuncorp.com/company-policies.php>).

b. Disclosure Pursuant to Regulation 34(3) of the SEBI (LODR), 2015.

For disclosures pursuant to Regulation 34(3), refer Note No. 53 of Notes to the Accounts annexed to the Financial Statement.

c. Non-Compliance

Your Company has complied with all the requirements of regulatory authorities. During the last three years, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets except a penalty of ₹ 2,360 for delay of submission under Regulation 50(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Q4 FY 2020-21 and Q1 FY 2021-22. The Company has also complied with the requirements of Corporate Governance Report of Paras (2) to (10) mentioned in Part 'C' of Schedule V of the Listing Regulations and disclosed necessary information as specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) of the Listing Regulations in the respective places in this Report.

d. Policy for determining "material" subsidiaries.

The Company's policy on determining material subsidiaries as required under Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is disclosed on the Company's website at the web-link: "<http://www.welspuncorp.com>" under the tab "Investors --> Company Policies"

https://www.welspuncorp.com/uploads/investor_data/investorreport__107.pdf

e. Detail of compliance with mandatory requirement and adoption of the non-mandatory requirements of the Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Company is in compliance with the mandatory requirements mentioned under Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

to the extent applicable and in addition, the Company adopted non-mandatory requirement mentioned at “(A) The Board”, “(C) Modified Opinion(s) in Audit Report”, “(D) Separate Post of Chairperson and the Managing Director or the Chief Executive Officer”, and “(E) Reporting of Internal Auditor” of Part “E” of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

f. **Disclosure of commodity price risks and commodity hedging activities.**

Detail of commodity price risks and commodity hedging activities as required under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- **Risk management policy of the listed entity with respect to commodities including through hedging:** The Company proactively manages price fluctuation risks and in case of steel, it uses forward booking, inventory management and pre-emptive vendor development practices.

- Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:

a. Total exposure (Annual Purchase) of the listed entity to commodities is ₹4,850.62 crore.

b. Exposure (Annual Purchase) of the listed entity to various commodities:

Commodity Name	Exposure in INR towards the particular commodity@	Exposure in Quantity terms towards the particular commodity@	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
	₹ (crore)	(000 Tonnes)					
Steel Coils	2,558.91	415.06	-	-	-	-	-
Steel Plates	1,750.89	154.99	-	-	-	-	-
Thermal Coal	136.97	195.16	-	-	-	-	-
RB Coal	74.31	49.35	-	-	-	-	-
Iron Ore Lumps	35.21	51.89	-	-	-	-	-
IO Pellet	126.74	121.35	-	-	-	-	-
Scrap	167.59	58.21	-	-	-	-	-
Total	4,850.62	1,046.00	-	-	-	-	-

@ Annual Purchase

- Commodity risks faced by the listed entity during the year and how they have been managed.

The Company mitigates this risk by way of arranging back to back pre-tender tie-ups with its selected group of pre-approved steel mills (directly or thru their nominated trading channel) at the time of bidding for a project or tender - on price as well as quantity allocation, with the tacit understanding that in case the Company happens to be the successful bidder, the Company will immediately confirm its order of steel.

The company minimizes the exposure to commodity price risk by following Economic Order Quantity (EOQ) model to have minimum possible exposure to commodity risk.

As the Company produces billet, which is also an intermediate product, the Company is exposed to commodity price risk due to time lag between procurement of RM and sale of billets.

The Company, through its subsidiary, Anjar TMT Steel Private Limited, has set up a TMT bar mill, which is gradually consuming maximum possible billets as the production is ramping up. This enables to capture a larger value chain and minimize the risk on commodity prices of Raw Material and billet as TMT bars are directly sold to end users (which commands higher margin and the lag effect of commodity prices is relatively neutral). The Company has also embarked on an extensive branding exercise for its TMT bars to face the volatility of prices in the market. The branded re-bars are priced stably and are not subject to frequent price fluctuations.

In some markets, the Company do undertake channel sales where the Company is exposed to steel price fluctuation, however the contribution of such business to overall revenue is not significant.

Also refer to the Management Discussion and Analysis forming part of this Annual Report.

- g. **Details of material subsidiaries of the listed entity:** During the year, none of the subsidiaries were falling under category of material subsidiary.

XVII. MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results of the Company are sent out to the Stock Exchanges immediately after they are approved by the Board. The Company published its unaudited/audited financial results in “Kutch Mitra” and “Kutch Uday” (Gujarati edition), and “Financial Express” (English Edition).

These results are simultaneously posted on the website of the Company at www.welspuncorp.com. The official press release and the presentations made to the investors or to the analysts are also available on the website of the Company.

Your Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part ‘A’ and Part ‘B’ of Schedule III of the Listing Regulations including material information having a bearing on the performance/ operations of the Company and other price sensitive information. All information is filed electronically on the online portal of BSE Limited – Corporate Compliance & Listing Centre (BSE Listing Centre) and on the online portals of National Stock Exchange of India Limited – NSE’s Electronic Application Processing System (NEAPS) and NSE’s Digital Exchange Platform.

Presentations are also made to investors and analysts. These presentations and other disclosures which are required to be disseminated

on the Company’s website under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 have been uploaded on the website of the Company, viz.: www.welspuncorp.com and as per the Archival Policy of the Company, would be hosted on the website for a minimum period of five years from the date of respective disclosures. In addition to the above, the Company also uploads transcripts of post earnings/quarterly calls and audio recordings on the website of the Company. The Annual Report of the Company, the quarterly/half-yearly and the audited financial statements and the official news releases of the Company are also disseminated on the Company’s website. The presentation on the Financial Results of the Company made to the Analyst and Investors are also disseminated to the Stock Exchanges.

XVIII. GENERAL SHAREHOLDER INFORMATION

1. **Annual General Meeting** Friday, September 22, 2023 at 2:00 p.m. via Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”).

2. **Financial Year** of the Company is 1st April to 31st March.

3. **Record Date:** Friday, June 16, 2023.

4. **Dividend payment date:** Starting from Friday, September 22, 2023 and thereafter.

5. **Listing on Stock Exchanges:** The Equity Shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and the BSE Limited, Mumbai (BSE). The Secured / Unsecured Redeemable Non-convertible Debentures are listed on the BSE Limited.

Stock Code /Symbol for equity shares:

BSE Limited : 532144

National Stock Exchange of India Limited: WELCORP; Series: EQ

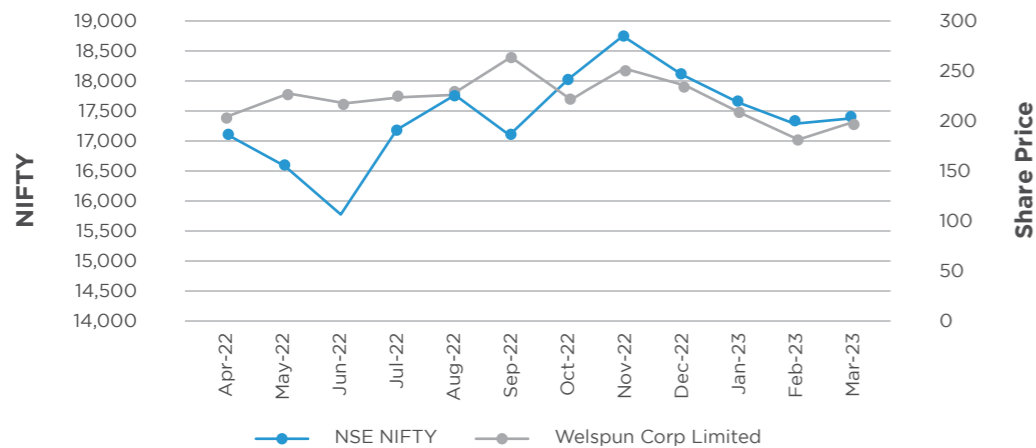
ISIN No. (For dematerialized shares): INE 191B01025

6. Stock Market price data, high and low price of equity shares on the BSE Ltd., Mumbai and the National Stock Exchange of India Limited and Performance in comparison to broad-based indices i.e. BSE - Sensex and NSE- S&P Nifty are as under:

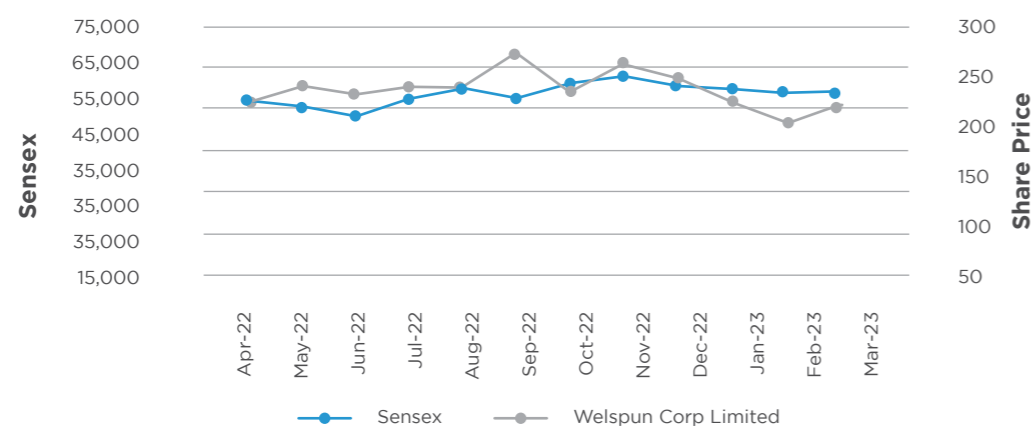
Month	Share Price at BSE (in Rs)		Share Price at NSE (in Rs)		BSE Index (Sensex)	Closing price of Share at BSE (₹)	NSE (S&P Nifty)	Closing price of Share at NSE (₹)
	High	Low	High	Low				
April-2022	222.00	167.55	222.00	168.00	57,060.87	204.55	17,102.55	205.35
May-2022	250.50	161.00	250.65	159.75	55,566.41	226.55	16,584.55	226.30
June-2022	239.70	183.40	239.85	183.05	53,018.94	217.75	15,780.25	218.85
July-2022	228.00	205.55	229.00	205.45	57,570.25	225.85	17,158.25	226.00
August-2022	241.85	202.50	242.00	202.45	59,537.07	226.40	17,759.30	226.35
September-2022	298.35	224.60	298.50	225.85	57,426.92	265.05	17,094.35	265.10
October-2022	278.95	214.25	278.90	214.10	60,746.59	222.25	18,012.20	222.30
November-2022	251.95	218.00	252.00	217.20	63,099.65	250.50	18,758.35	250.50
December-2022	255.75	201.65	255.85	201.60	60,840.74	236.95	18,105.30	236.95
January-2023	242.60	200.10	242.75	200.15	59,549.90	210.75	17,662.15	210.75
February-2023	219.95	177.85	220.00	177.65	58,962.12	184.00	17,303.95	184.20
March-2023	214.90	184.00	215.00	183.95	58,991.52	200.95	17,359.75	200.50

The performance of your Company's shares relative to the S&P Nifty and BSE Sensex is given in the chart below:

NIFTY v/s Welspun Corp Limited



Sensex v/s Welspun Corp Limited



7. The securities of the Company were not suspended from trading by any of the stock exchanges during the year under Report.

8. Registrar and Transfer Agent: The Company has appointed Registrar and Transfer Agent to handle the share /debenture transfer / transmission work and to resolve the complaints of shareholders/ debenture holders. Name, address and telephone number of Registrar and Transfer Agent is given hereunder:

M/s. Link Intime India Private Limited

Unit : Welspun Corp Limited
C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai-400 083
Tel No: +91 22 49186000, Fax: +91 22 49186060
Email - rnt.helpdesk@linkintime.co.in; bonds.helpdesk@linkintime.co.in

9. Debentures and Debenture Trustee

The Secured / Unsecured Non-Convertible Debentures issued by the Company are listed on BSE Ltd. with the following identification numbers:

BSE Scrip Code	ISIN No.	Outstanding Amount
960468	INE191B07154	₹ 200.00 crore
960491	INE191B07162	₹ 200.00 crore
973309	INE191B08020	₹ 40.00 crore

Debenture Trustee:

IDBI Trusteeship Services Limited,
Contact - Mr. Deepak Kumar
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Near Custom House, Mumbai-400 001
Email Id: delhiitsl@idbitrustee.com
Contact No.: 011- 4513 8885

10. Share / Debenture Transfer System:

In terms of Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. The requests for effecting transfer/transmission/transposition of securities shall not be processed unless the securities are held in the dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

Pursuant to the SEBI Circular Reference Number SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR / 2021 /655 dated November 03, 2021, the Company has intimated the holders of physical securities with folios having inadequate KYC

details, for furnishing valid PAN, KYC details and to register nomination. Relevant forms and formats are also placed on the website of the Company and Registrar and Transfer Agent. Members are requested to note that the folios wherein any one of the cited document / details are not available on or after October 01, 2023, shall be frozen by the RTA.

11. Unclaimed Dividend and shares transferred to Investor Education and Protection Fund ("IEPF")

In accordance with the provisions of sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") dividends which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund ("IEPF").

The IEPF Rules mandate companies to transfer all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more in the name of IEPF. The Members whose dividend/ shares are transferred to the IEPF Authority can claim their shares/dividend from the IEPF Authority following the procedure prescribed in the IEPF Rules.

In accordance with the said IEPF Rules and its amendments, the Company had sent notices to all the Shareholders whose shares were due for transfer to the IEPF Authority and simultaneously published newspaper advertisement.

The details of Dividend remitted to IEPF during the year are as under:

Financial Year	Dividend Declared on	Amount Transferred to IEPF	Date of transfer to IEPF
2014-15	31.08.2015	₹ 4,36,335	27.10.2022
2021-22	29.07.2022	₹ 1,053,545*	29.07.2022

* Dividend on shares which are transferred to IEPF.

During the year under Report, the Company has transferred 14,116 equity shares corresponding to unclaimed dividend for the year 2014-15 on December 14, 2022 to the IEPF. The IEPF Authority holds 229,652 Equity Shares in the Company as on March 31, 2023.

The voting rights on these shares shall remain frozen until the rightful owner claims the shares.

The Company has appointed Mr. Pradeep Joshi, Company Secretary as the Nodal Officer for the purpose of co-ordination with Investor Education and Protection Fund Authority. Details of the Nodal Officer are available on the website of the Company at “https://www.welspuncorp.com” under the tab “Investors --> Grievance Redressal Mechanism” (https://www.welspuncorp.com/uploads/investor_data/investorreport__106.pdf)

Guidelines for Investors to file claim in respect of the unclaimed dividend or shares transferred to the IEPF

Investors/ depositors whose unpaid dividends, matured deposits or debentures etc. have been transferred to IEPF under Companies Act, 2013, can claim the amounts. In addition, claims can also be made in respect of shares which have been transferred into the IEPF, as per the procedures/ guidelines stated as follows:

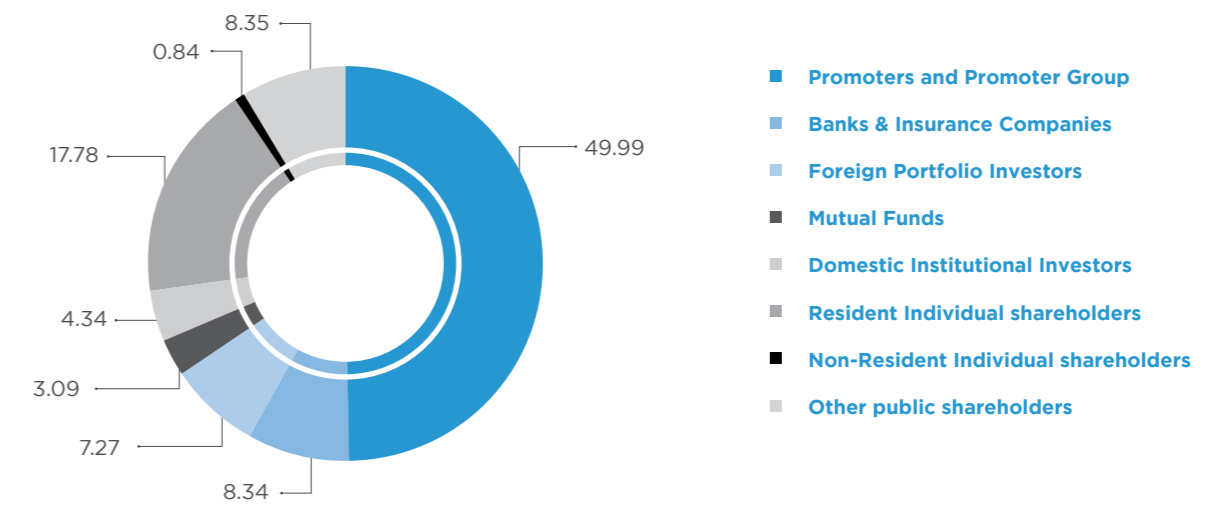
- Login to website of MCA at https://www.mca.gov.in/content/mca/global/en/home.html and click on 'Investor Relations' tab under 'MCA Services' section for filing the web-based form IEPF-5 for the refund of dividend/ shares. Read the instructions provided on the website/ instruction kit carefully before filling the form.
- Submit the duly filled form by following the instructions given on the website. On successful uploading, an acknowledgement will be generated indicating the Service Request Number (SRN). Please note down the SRN details for future tracking of the form.
- Take a print out of the duly filled Form No. IEPF-5 and the acknowledgement issued after uploading the form.
- Submit an indemnity bond in original, copy of the acknowledgement and self-attested copy of the Form, along with other documents as mentioned in the Form No. IEPF-5 to the Nodal Officer (IEPF) of the Company at its Registered Office in an envelope marked 'Claim for refund from IEPF Authority/ Claim for shares from IEPF' as the case may be. Kindly note that submission of documents to the Company is necessary to initiate the refund process.
- Form IEPF-5 completed in all respects will be verified by the Company and on the basis of Company's Verification Report, refund will be released by the IEPF Authority in favour of claimants' Aadhaar-linked bank account through electronic transfer and/ or the shares shall be credited to the demat account of the claimant, as the case may be.

12. Distribution of Shareholding:

Shareholding Pattern as on March 31, 2023

Number of Shares	No. of shareholders	% of Shareholders	No. of Shares*	% of Shares held
Up to - 500	79,000	90.45	72,38,688	2.77
501-1,000	3,938	4.51	31,21,089	1.19
1,001-2,000	1,894	2.17	28,79,470	1.10
2,001-3,000	715	0.82	18,28,025	0.70
3,001-4,000	345	0.40	12,50,134	0.48
4,001-5,000	269	0.31	12,68,096	0.48
5,001-10,000	510	0.58	38,41,498	1.47
10,001 and above	667	0.76	24,01,02,395	91.81
Total	87,338	100.00	26,15,29,395	100.00

Category wise shareholding as of 31st March, 2023.



13. De-materialization of shares and liquidity: As on March 31, 2023, 99.92% equity shares have been dematerialized and have reasonable liquidity on the BSE Limited and the National Stock Exchange of India Limited.

14. Outstanding Employee Stock Options & GDR, conversion date and likely impact on equity share capital is as under:

There are no outstanding GDRs or other convertible instruments outstanding as on March 31, 2023. However, the Company has outstanding Employee Stock Options. For relevant disclosure refer to the “Share Capital and Listing” section in the “Director’s Report”.

15. Disclosure of Shares held in suspense account under Clause F of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Refer to point No. 10 (C) to the Directors’ Report.

16. List of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year, for all debt instruments/fixed deposit program or any scheme or proposal involving mobilization of funds, whether in India or abroad.

Instrument	Credit Rating at the beginning of the year	Change in the Credit Rating as the end of the year
Non-Convertible Debentures	AA; Stable by CRISIL	AA; Stable by CRISIL
Commercial Papers	A1+ by CRISIL	A1+ by CRISIL
Bank Facilities - Term Loan	-	A1+ by CARE
Bank Facilities - Working Capital	A1+ by CRISIL	A1+ by CRISIL

17. Plant locations of the Company and its subsidiaries

Pipe Plants	Village Versamedi, Tal-Anjar, Dist.-Kutch, Gujarat - 370110 Survey No. 228-229 Village Jamunia & Khejda, Dist. Raisen, Madhya Pradesh - 464551 KIADB Industrial Area, Gejjalagere, Taluka-Maddur, Dist.-Mandya, Karnataka -571428
Pipe Coating, Double Jointing Plant	9301 Frazier Pike, Little Rock, Arkansas 72205 (Subsidiary's plant in the US)
Concrete Weight Coating Plant	Village Versamedi, Tal-Anjar, Dist.-Kutch, Gujarat - 370110 (Subsidiary's Plant in India)
Pig Iron	Village Versamedi, Tal-Anjar, Dist.-Kutch, Gujarat - 370110 (Subsidiary's Plant in India)
DI Pipes	Village Versamedi, Tal-Anjar, Dist.-Kutch, Gujarat - 370110 (Subsidiary's Plant in India)
TMT Plant	Village Versamedi, Tal-Anjar, Dist.-Kutch, Gujarat - 370110 (Subsidiary's Plant in India)
Sponge iron, TMT Plant	Village Versamedi, Tal-Anjar, Dist.-Kutch, Gujarat - 370110
Integrated facility for making steel and seamless pipes/ tubes	Plot No.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat - 393110 (Subsidiary's Plant in India)
Polymer Products	Near Seven Garnala, Kalol - 382721, Dist. Gandhinagar Village Bhatian, Chorisia Road, Near TVS Factory, Nalagarh - 174 101, Himachal Pradesh Plot No. 40P & 41, Uluberia Industrial Growth Centre, Uluberia, Howrah, West Bengal-711316 J-11, MIDC, Village Mandwa, Butibori, Nagpur, Maharashtra-441122 B-124, MIDC, Village: Takalghat, Taluka: Hingna, Butibori, Nagpur 441122, Maharashtra. SF No. 493/1, Navani Village, (VIA), Puduchatiram, Namakkal, Tamilnadu-637018 Gat No. 1225,Sanaswadi,Pune Nagar Road, Tal- Shirpur, District - Pune, Maharashtra -412208

18. Address for correspondence

Registered Office	Corporate Office
Welspun Corp Limited (CIN - L27100GJ1995PLC025609) Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370110 Tel: +91-2836-662222, Fax: +91-2836-279060 Registered e-mail : CompanySecretary_WCL@welspun.com Website - https://www.welspuncorp.com/	Welspun Corp Limited (CIN - L27100GJ1995PLC025609) 5 th Floor, Welspun House, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400 013. Tel: +91-22-66136000; +91-22-24908000, Fax: +91-22-24908020 /21 Registered e-mail : CompanySecretary_WCL@welspun.com Website - https://www.welspuncorp.com/

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURE**I. Details of the Listed Entity**

1 Corporate Identity Number (CIN) of the Listed Entity	L27100GJ1995PLC025609
2 Name of the Listed Entity	Welspun Corp Limited
3 Year of incorporation	1995
4 Registered office address	Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat-370110
5 Corporate address	Welspun House, 5th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013
6 E-mail	CompanySecretary_WCL@welspun.com
7 Telephone	+91 22 6613 6000
8 Website	www.welspuncorp.com
9 Financial year for which reporting is being done	April 1, 2022 to March 31, 2023
10 Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India & BSE Limited
11 Paid-up Capital	₹ 130,76,46,975 divided in to 26,15,29,395 equity shares of ₹ 5 each fully paid up
12 Contact Person	
Name of the Person	Mr. Alok Mishra - Group Head - Sustainability
Telephone	+ 91 22 6613 5936
Email address	alok_mishra@welspun.com
13 Reporting Boundary	
Type of Reporting	The report covers ESG performance of WCL Standalone business which includes 1) Line Pipe division and 2) Sponge Iron and Billets division. The operating locations of the company include Anjar, Bhopal, Mandya and Head office, Mumbai
If selected consolidated:	Not Applicable

II. Product/Services

14 Details of business activities	S. No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
	1.	Welspun Corp Ltd. is in the business of manufacturing of tubes, pipes and hollow profiles and of tube or pipe fittings of cast-iron/cast-steel, billets, direct reduced iron (sponge iron).	The products are industrial B2B products that are engineered to order and hence very specific to the project for which they are to be used.	100%
15 Products/Services sold by the entity	S. No.	Product/Service	NIC Code	% of Total Turnover contributed
	1.	Line pipes	24311	-
	2.	Billets, Bloom and Pig Iron	24101	-
	3.	Direct Reduced Iron (Sponge Iron)	24102	-

Source: National Industrial Classification

III. Operations

16	Number of locations where plants and/or operations/offices of the entity are situated:	Location	Number of plants	No. of Offices	Total
		National	3 - (Anjar, Mandya & Bhopal)	1 - Mumbai	4
		International	1 - Little Rock, USA	2 - Houston, Mauritius	3
17	Market served by the entity	Locations	Numbers		
a.	No. of Locations	National (No. of States)	Available across India (28 states)		
		International (No. of Countries)	Australia, UAE, Iraq, Nepal, and Canada (5)		
b.	What is the contribution of exports as a percentage of the total turnover of the entity?	Exports contribute to 33% of the total turnover			
c.	A brief on types of customers	WCL trades its products in the B2B segment, and its customers comprises leaders of the oil and gas sector like Shell, Saudi Aramco, TOTAL, Chevron etc. WCL also supplies steel pipes for water sector projects to L&T, GVPR, NCC etc.			

IV. Employees

18. Details as at the end of Financial Year:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
a. Employees and workers (including differently abled)						
Employees						
1	Permanent Employees (A)	895	846	95%	49	5%
2	Other than Permanent Employees (B)	32	31	97%	1	3%
3	Total Employees (A+B)	927	877	95%	50	5%
Workers						
4	Permanent (C)	1183	1173	99%	10	1%
5	Other than Permanent (D)	497	469	94%	28	6%
6	Total Workers (C+D)	1680	1642	98%	38	2%
b. Differently abled employees and workers						
Employees						
7	Permanent Employees (E)	3	3	100%	0	0%
8	Other than Permanent Employees (F)	0	0	0%	0	0%
9	Total Employees (E+F)	3	3	100%	0	0%
Workers						
10	Permanent (G)	3	3	100%	0	0%
11	Other than Permanent (H)	0	0	0%	0	0%
12	Total Differently Abled Employees (G+H)	3	3	100%	0	0%

Note: The above table excludes certain employees involved in supervision/monitoring of subsidiary companies and inactive employees/workers.

19. Participation/Inclusion/Representation of women

S.No.	Category	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1	Board of Directors	8	3	38%
2	Key Management Personnel	3	0	0%

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Category	FY 2022-2023 (Turnover rate in current FY)			FY 2021-2022 (Turnover rate in previous FY)		
	Male	Female	Total	Male	Female	Total
Permanent Employees	15% (126)	41% (19)	16% (145)	22%(252)	24% (16)	23% (268)
Permanent Workers	10% (121)	0% (0)	10% (121)	17%(210)	0% (0)	16% (210)

V. Holding, Subsidiary, and Associate Companies (including joint ventures)

S. No.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether it is a holding / Subsidiary/ Associate/ or Joint Venture	% of shares held by the entity	Does the entity indicated in column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/ No)
1	Welspun Pipes Inc. (USA)	Wholly Owned Subsidiary	100.00%	No, the subsidiaries manage and carry out their own BR initiatives in line with the legal requirements applicable to them.
2	Welspun Tradings Limited, (India)	Wholly Owned Subsidiary	100.00%	
3	Welspun DI Pipes Limited, (India)	Wholly Owned Subsidiary	100.00%	
4	Welspun Metallics Limited, (India)	Wholly Owned Subsidiary	100.00%	
5	Welspun Mauritius Holdings Limited, (Mauritius)	Subsidiary	89.98%	
6	Welspun Tubular LLC, (USA)	Wholly Owned Subsidiary	100.00%	
7	Welspun Global Trade LLC, (USA)	Wholly Owned Subsidiary	100.00%	
8	Mahatva Plastic Products and Building Materials Private Limited, (India)	Wholly Owned Subsidiary	100.00%	
9	Anjar TMT Steel Private Limited, (India)	Wholly Owned Subsidiary	100.00%	
10	Welspun Specialty Solutions Limited (India)	Subsidiary	50.03%	
11	Sintex Prefab & Infra Limited, (India)	Wholly Owned Subsidiary	100.00%	
12	Sintex-BAPL Limited, (India)	Wholly Owned Subsidiary	100.00%	
13	Nauyaan Shipyard Private Limited, (India)	Wholly Owned Subsidiary	100.00%	
14	Sintex Holdings B.V, (Netherlands)	Wholly Owned Subsidiary	100.00%	
15	Sintex Logistics LLC, (USA)	Wholly Owned Subsidiary	100.00%	
16	Welspun Wasco Coatings Private Limited, (India)	Joint Venture	51.00%	
17	East Pipes Integrated Company for Industry (EPIC) (Kingdom of Saudi Arabia)	Associate	35.01%	
18	Welspun Captive Power Generation Limited, (India)	Associate	21.20%	

Note: The above table includes list of Holding, Subsidiary and Associate companies as of 31st March 2023

VI. CSR Details

22	a. Whether CSR is applicable as per section 135 of Companies Act, 2013:	Yes
	Turnover (in ₹)	6916.67 INR Crore
	Net worth (in ₹)	3472.35 INR Crore

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	If Yes, then provide web-link for the grievance redress policy	FY 2022-23 Current Financial Year		FY 2021-2022 Previous Financial Year	
			Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year
Communities	Yes		0	0	-	-
Investors (other than shareholders)	Yes	Grievance Redressal Policy	0	0	-	-
Shareholders	Yes		0	0	6	0
Employees and workers	Yes		0	0	0	0
Customers	Yes		0	0	6	4
Value Chain Partners	-		0	0	-	-
Other (please specify)	-		0	0	-	-

24. Overview of the entity's material responsible business conduct issues

Material Issue Identified	Indicate whether risk or opportunity	The rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Climate Change	Risk	WCL's business objectives and principles have been mapped with various industry trends and global frameworks including Sustainability Accounting Standards Board (SASB), Global Reporting Initiative (GRI), ESG metrics, National Guidelines on Responsible Business Conduct (NGBRC). This analysis has enabled in identifying the risks and opportunities for WCL.	WCL has identified and assessed its physical and transition risks in line with recommendations provided by Task Force in Climate-Related Financial Disclosures (TCFD)	Negative implication

24. Overview of the entity's material responsible business conduct issues

Material Issue Identified	Indicate whether risk or opportunity	The rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Energy and Carbon	Risk		WCL has set a target to increase its renewable energy consumption to 20% by 2030 and be carbon neutral by 2040. The company has implemented various energy saving initiatives	Negative implication
Occupational Health & Safety	Risk		WCL has Safety Committees in its facilities that ensure adherence to WCL's Occupational Health, Safety and Environment (OHSE) policy, compliance with regulations and provide safety trainings to its employees and contract staff. Additionally, they access near-miss and other incidents at sites to identify the gaps in preventive risk mitigation, improving processes and procedures	Negative implication
Community development & engagement	Opportunity		Not Applicable	
Water management	Risk		WCL measures and monitors the quantity of water consumed across all its business locations and operations. WCL aims to ensure water stewardship by identifying operations where water conservation techniques can be implemented and using recycled water to limit water consumption. It also ensures proper treatment of wastewater from its facilities in line with applicable standards and regulations.	Negative implication
Air emission	Risk		By proper maintenance of power equipment and maintain air to fuel ratio to avoid NOx generation	Negative implication
Governance, ethics & transparency	Opportunity		Not Applicable	

24. Overview of the entity's material responsible business conduct issues

Material Issue Identified	Indicate whether risk or opportunity	The rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Human rights	Risk		Our Code of Conduct and Ethics Policy, Prevention of Sexual Harassment (PoSH) Policy, and HR practices covers aspects of human rights for WCL's operations and are extended to subsidiaries, suppliers and business partners	Negative implication
Product quality	Opportunity		Not Applicable	
Waste management	Risk		WCL has undertaken initiatives towards reducing waste generation and effectively segregate, treat and dispose it based on the type of waste generated in line with guidelines from Pollution Control Boards. It has adopted the 3R approach (i.e., Reduce, Reuse, Recycle) to monitor the waste generated from its operations and identify areas for waste reduction, recycling and reuse. All the metal scrap and e-waste from its sites are sent to authorized vendors promoting recycling of waste	Negative implication
Risk identification & management	Risk		The Company has established a risk management policy that defines the overall risk management framework covering guidelines for risk identification, assessment, prioritization, mitigation and monitoring. The risk management committee of the Board oversees and reviews the risk management framework as well as the assessment of risks, its management and mitigation procedures. The committee reports its findings and recommendations to the Board.	Negative implication
Economic performance & business growth	Opportunity		Not Applicable	
Customer centricity	Opportunity		Not Applicable	

24. Overview of the entity's material responsible business conduct issues

Material Issue Identified	Indicate whether risk or opportunity	The rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Compliance	Risk		Risk registers are developed for each location and drilled down to each function which includes the compliance aspects of business. Plant head and functional heads are responsible to manage the risks and ensure compliance to the regulatory requirements.	Negative implication
Employee wellbeing	Opportunity		Not Applicable	
Innovation	Opportunity		Not Applicable	
Circular economy	Opportunity		Not Applicable	
Sustainable product (Green Steel)	Opportunity		Not Applicable	
Supply chain sustainability/ value chain	Risk		WCL has implemented its Supplier Code of Conduct based on ESG parameters for its suppliers to adhere and follow. It regularly evaluates its vendors on required quality standards to ensure the highest standards in material procurement. The assessment procedures include screening on ISO, EMS certifications, supply chain management, labour practices, safety, in addition to quality, delivery and service ratings.	Positive implication
Biodiversity and ecology	Risk		Plantation initiative through Welspun Foundation near all operation sites	Positive implication

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes									
1 a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
c. Web Link of the Policies, if available	Welspun Corp Company Policies								
2 Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3 Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes								
4 Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The policies are based on prescribed principles, conformance to the spirit of international standards like ISO 9001, ISO 14001, ISO 45001, UNGC guidelines and ILO guidance.								
5 Specific commitments, goals, and targets set by the entity with defined timelines, if any.	(i). Assess 100% of all suppliers as per ESG compliant Code of Conduct (ii). Carbon Neutrality – 20% RE by 2030 or achieve carbon neutrality by 2040; (iii). To achieve water neutrality by 2040; (iv). To achieve zero Waste to Landfill by 2040; (v). To Impact 20,00,000 lives through CSV by 2040								
6 Performance of the entity against the specific commitments, goal, and targets along with reasons in case the same are not met.	(i). 100% of critical suppliers assessed based on ESG compliant Code of Conduct (ii). A 300KW solar park is planned for CAPEX in FY 24 to be setup at Anjar facility (iii). Achieved water intensity of 0.57 KL/MT in FY23 (iv). Achieved Zero Waste to Landfill in FY23 (v). Impacted lives of 507,848 people through CSV								

Governance, Leadership, and Oversight

7 Statement by director responsible for the business responsibility report, highlighting ESG-related challenges, targets, and achievements	Welspun Corporation, a socially responsible company has a long tradition of sustainable practices and is reflected in our commitment to achieve carbon neutrality by 2040 and 20% renewable energy in our energy mix by 2030. As part of our transition roadmap, we focus on identifying and mitigating environmental and social risks both in operations and value chain by adopting practices like renewable energy generation (Solar PV), energy efficiency program, water and waste reduction measures, retaining talents with professional development programs, Joining initiatives like Hydrogen Pipe Joint Industry Project etc., In doing so, our company views technology as a key enabler in ensuring maximum value creation for our people and customers (For examples, ESG compass is a digital tool that provides real time information for ESG governance). Our ESG performance is constantly reviewed to ensure that it meets statutory requirements and committed to submit all compliance reports to the appropriate authorities on a regular basis. Finally, it is our conviction that both business and society may strengthen by working together. Our Corporate social responsibility programs are designed to promote inclusive growth and development of under-served communities in areas like education, healthcare, environment, sports and farming etc.,
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Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Vipul Mathur-Managing Director & CEO + 91 22 6613 6000 vipul_mathur@welspun.com								
9 Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability-related issues? (Yes/ No). If yes, provide details.	Yes, WCL have established an ESG committee at the Board level and have formulated plans for initiatives to be implemented across Environment, Social and Governance dimensions. Furthermore, WCL have redefined the governance of Environment and Social aspects across organizational levels and this is helping WCL to propel towards meeting our commitments on carbon, water, waste, supply chain and CSR.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether the review was undertaken by the Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)																										
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9																		
Performance against the above policies and follow-up action	Board Committee									Quarterly																										
Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances	Board Committee									Quarterly																										
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency										<table border="1"> <thead> <tr> <th>P1</th> <th>P2</th> <th>P3</th> <th>P4</th> <th>P5</th> <th>P6</th> <th>P7</th> <th>P8</th> <th>P9</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p>No. We have a robust functional review mechanism complemented with a strong independent internal audit process that covers the working of all key policies. The internal audits are conducted by various external independent firms during the year.</p>									P1	P2	P3	P4	P5	P6	P7	P8	P9									
P1	P2	P3	P4	P5	P6	P7	P8	P9																												

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS			
1. Percentage coverage b/y training and awareness programmes on any of the principles during the financial year:			
Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	The Board members were taken through familiarisation programs which included updates on:		
Key Management Personnel	<ol style="list-style-type: none"> Raw material (Principle 2) Brands and Marketing (Principle 9) Consumer Insights (Principle 9) Business specific updates operational updates (Principle 6) Different channels of customers (Principle 9) CSR activities (Principle 8) Code of conduct (Principle 1) 		
Employees other than BODs and KMPs	The employees and workers were given training on health and safety (Principle 3), skill upgradation (Principle 3) and human rights (Principle 5)		
Workers			

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.

a. Monetary					
Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	Nil		Not Applicable
Settlement	Nil	Nil	Nil		Not Applicable
Compounding fee	Nil	Nil	Nil		Not Applicable
b. non-Monetary					
Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case		Has an appeal been preferred? (Yes/No)
Imprisonment	Not Applicable	Not Applicable	Not Applicable		Not Applicable
Punishment	Not Applicable	Not Applicable	Not Applicable		Not Applicable

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, WCL does have an anti-corruption and anti-bribery policy. The policy is available publicly on the following weblink [Anti-Bribery and Anti-Corruption policy](#)

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Category	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

Topic	FY 2022-2023 (Current Financial Year)		FY 2021-2022 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil		Nil	
Number of complaints received in relation to issues of Conflict of Interest of KMPs	Nil	Not Applicable	Nil	Not Applicable

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year

Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in value chain covered by the awareness programmes
1	First Aid, QMS & SME courses with High Impact, Webinar on Environmental, Social and Governance	Anjar - 100% Bhopal - 100% Mandya - 100%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes. Annual Disclosures of Interested Parties and Process to disclose Conflict, If any, during the Meeting held for Consideration of Proposal with Interested Party. The agenda on which they have an interest is not attended by interested directors.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Type	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)	Details of improvement in social and environmental aspects
Research & Development (R&D)	INR 4.09 crore	INR 2.52 crore	
Capital Expenditure (CAPEX)	NIL	NIL	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) -
Yes

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Product	Process to safely reclaim the product
a. Plastics (including packaging)	Not applicable as plastic is not being used in packaging of the products
b. E-Waste	Sent to authorised recyclers
c. Hazardous Waste	Hazardous waste is produced during the pipe coating process and is transported to vendors designated by the pollution control board for co-processing.
d. Other Waste	Non-Hazardous Polyethylene (PE) waste produced during the process of coating pipes is sent to nearby vendors for recycling and further processing. Any other types of waste are also sent to approved recycling facilities.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).
No

5. If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

NA

LEADERSHIP INDICATORS

- Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for the manufacturing industry) or for its services (for the service industry)? If yes, provide details in the following format.
No
- If there are any significant social or environmental concerns and/or risks arising from the production or disposal of your products/services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.
NA
- Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).
NA
- Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-2023 (Current Financial Year)			FY 2021-2022 (Previous Financial Year)		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste						
Hazardous waste		NA			NA	
Other waste						

- Reclaimed products and their packaging materials (as a percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

- a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)	
Permanent Employees											
Male	846	846	100%	846	100%	0	0%	846	100%	0	0%
Female	49	49	100%	49	100%	49	100%	0	0%	49	100%
Total	895	895		895		49		846		49	
Other than Permanent Employees											
Male	31	31	100%	31	100%	0	0%	31	100%	0	0%
Female	1	1	100%	1	100%	1	100%	0	0%	1	100%
Total	32	32		32		1		31		1	

- b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)	
Permanent Workers											
Male	1173	1173	100%	1173	100%	0	0.00%	1173	100.00%	0	0%
Female	10	10	100%	10	100%	10	100.00%	0	0.00%	10	100%
Total	1183	1183		1183		10		1173		10	
Other than Permanent Workers											
Male	469	469	100%	469	100%	0	0.00%	469	100.00%	0	0%
Female	28	28	100%	28	100%	28	100.00%	0	0.00%	28	100%
Total	497	497		497		28		469		28	

2. Details of retirement benefits, for Current FY and Previous Financial Year:

Sr. Benefits No.	FY 2022-2023 (Current FY)			FY 2021-2022 (Previous FY)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)
1 PF	100%	100%	Yes	100%	100%	Yes
2 Gratuity	100%	100%	Yes	100%	100%	Yes
3 ESI	100%	100%	Yes	4%	70%	Yes
4 Others-Please Specify	N/A	N/A	N/A	N/A	N/A	N/A

3. Accessibility of workplaces: Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.
Yes

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

Yes, WCL does have an equal opportunity policy. The policy is available publicly on the following weblink- [Equal opportunity policy](#)

5. Return to work and Retention rates of permanent employees and workers that took parental leave

Gender	Total number of people returned after parental leave in FY	Total Number of people who took parental leave in FY	Return to work rate	Total Number of people retained for 12 months after returning from parental leave	Total number of people returned from parental leave in prior FY	Retention Rate
Permanent Employees						
Male	6	6	100%	4	4	100%
Female	2	2	100%	0	0	-
Others	0	0	-	0	0	-
Total	8	8	100%	4	4	100%

Gender	Total number of people returned after parental leave in FY	Total Number of people who took parental leave in FY	Return to work rate	Total Number of people retained for 12 months after returning from parental leave	Total number of people returned from parental leave in prior FY	Retention Rate
Permanent Workers						
Male	0	0	-	0	0	-
Female	0	0	-	0	0	-
Others	0	0	-	0	0	-
Total	0	0	-	0	0	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Category	Yes/No (details of mechanism)
Permanent Workers	Yes. SA 8000 certified unit so system as per certification's requirement is implemented
Other than Permanent Workers	Yes
Permanent Employees	Yes. Anjar - SPT (Social Performance Team) is there which captures/discusses such grievances.
Other than Permanent Employees	Yes. At Bhopal, we maintain Grievance Register.

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2022-2023 (Current FY)			FY 2021-2022 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D/C)
Permanent Employees						
Male	-	-	-	1123	0	0
Female	-	-	-	68	0	0
Others	-	-	-	-	0	0
Total	-	-	-	1191	0	0
Permanent Workers						
Male	-	-	-	1278	414	33%
Female	-	-	-	1268	414	33%
Others	-	-	-	-	-	-
Total	-	-	-	10	0	0

8. Details of training given to employees and workers:

a. Details of Skill training given to employees and workers.	Category	FY 2022-2023 (Current FY)			FY 2021-2022 (Previous FY)		
		Total employees / workers in respective category (A)	No. of employees / workers in respective category, who received Skill Training (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who received Skill Training (D)	%(D/C)
Permanent Employees							
Male		877	877	100.00%	1123	951	85%
Female		50	50	100.00%	68	60	88%
Others		-	-	-	262	1	50%
Total		927	927	100.00%	1453	1070	74%
Workers							
Male		1642	1642	100.00%	1217	998	82%
Female		38	38	100.00%	10	8	80%
Others		-	-	-	291	0	0%
Total		1680	1680	100.00%	1518	1006	66%
b. Details of training on Health and Safety given to employees and workers.							
b. Details of training on Health and Safety given to employees and workers.	Category	FY 2022-2023 (Current FY)			FY 2021-2022 (Previous FY)		
		Total employees / workers in respective category (A)	No. of employees / workers in respective category, who received training on Health and Safety (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who received training on Health and Safety (D)	%(D/C)
Permanent Employees							
Male		877	380	43%	1123	729	65%
Female		50	17	34%	68	41	60%
Others		-	-	-	262	2	1%
Total		927	397	43%	1453	772	53%
Workers							
Male		1642	1033	63%	1217	1086	89%
Female		38	10	26%	10	10	100%
Others		-	-	-	291	291	100%
Total		1680	1043	62%	1518	1387	91%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-2023 (Current FY)			FY 2021-2022 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who had a career review (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who had a career review (D)	%(D/C)
Permanent Employees						
Male	877	770	88%	1350	1122	83%
Female	50	33	66%	99	99	100%
Others	-	-	-	2	2	100%
Total	927	803	87%	1451	1223	84%

Category	FY 2022-2023 (Current FY)			FY 2021-2022 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who had a career review (B)	%(B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who had a career review (D)	%(D/C)
Permanent Workers						
Male	1642	1109	68%	2052	1268	62%
Female	38	10	26%	27	0	0%
Others	-	-	-	291	0	0%
Total	1680	1119	67%	2370	1268	54%

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)	<p>Yes, Our HSE Management System is designed using an integrated approach in which all three HSE aspects are effectively managed. Its main goal is to offer a systematic management strategy for reducing safety and environmental concerns.</p> <p>The HSE management system has the following four levels of documents:</p> <p>Level 1: Document: Health, Safety & Environmental Management System Manual</p> <p>Level 2: HSE Procedure Manual</p> <p>Level 3: Operational Control Procedures</p> <p>Level 4: HSE Document List</p>
a. 1What is the coverage of such system?	100%, We have implemented HSE management system across all of our plants (Anjar, Mandya, Bhopal)
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	<ul style="list-style-type: none"> Step 1: Collect Existing Information about Workplace Hazards. Step 2: Inspect the Workplace for Safety Hazards. Step 3: Identify Health & Work-Related Hazards. Step 4: Conduct Incident Investigations. Step 5: Identify Hazards Associated with Emergency Situations
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)	Yes
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-2023 Current Financial Year	FY 2020-2021 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.20	0.11
	Workers	0.40	0
Total recordable work-related injuries	Employees	2	3
	Workers	3	0
No. of fatalities	Employees	2	1
	Workers	1	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Safety is important aspect of our organization. At WCL, we take various measures to ensure health & Safety across organization which is described below:

- Safety training to employees and workers
- Establishment of safety committee and appointment of site managers to increase the responsibility of our teams
- Development of mechanisms to prevent and reduce injuries
- Reviewing workplace HSE inspections performance
- Review employee complaints regarding safety and health hazards
- Regular safety inspections and audits

13. Number of Complaints on the following made by employees and workers:

Topic	FY 2022-2023 (Current FY)			FY 2021-2022 (Previous FY)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	0	0	0	0
Health & Safety	0	0	0	0	0	0

14. Assessments for the year:

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	<p>To ensure a comprehensive assessment of our workplace, we have implemented multiple evaluation methods for the fiscal year FY '23, including:</p> <p>Internal Audits: Certified Internal Auditors conduct internal audits every six months to assess our adherence to safety standards and protocols.</p> <p>External Audit: Accredited 3rd party audit firm M/s LRQA successfully completed Focus Audits and Certificate Renewal Audits, providing an external perspective on our workplace safety practices.</p> <p>Monthly Management Audit: Each month, a thorough safety audit is conducted by the respective Plant Head, HSE Head, other functional Heads, Safety Champions, and the Plant team. This monthly review allows for consistent monitoring and identification of any areas that require improvement.</p> <p>Apex Committee Member's Plant Visit: Members of the Apex Committee visit our plants with the specific objective of identifying any gaps in workplace management. This helps in addressing potential issues and implementing necessary measures to enhance safety protocols.</p> <p>By conducting these diverse assessments, we strive to maintain a proactive approach to workplace safety, continuously improve our safety measures, and provide a secure working environment for all employees.</p>

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Working Conditions	The assessment of working conditions encompasses the entire premises, which includes all operational and production activities, health and hygiene facilities, administrative and office buildings, the canteen, Gurukul building, and the store. This comprehensive evaluation ensures that all aspects of our facilities are thoroughly examined to promote a safe and conducive working environment for our employees.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

We have established an Environmental, Health, and Safety (EHS) team that is dedicated to ensuring a safe and secure working environment. This team plays a crucial role in proactively identifying potential safety-related risks and hazards within our operations. They conduct regular assessments, inspections, and evaluations to identify areas of concern and take necessary measures to address them promptly.

The EHS team works closely with various departments and employees at all levels of the organization to gather information and feedback regarding safety issues. They analyze data, conduct risk assessments, and develop appropriate strategies to mitigate risks and enhance safety measures. They also provide guidance and training to employees on best practices, safety protocols, and the proper use of safety equipment.

Additionally, the EHS team stays updated on relevant regulations, industry standards, and emerging safety practices to ensure our organization remains compliant and adopts the most effective safety measures. Their efforts are vital in creating a safety-conscious culture and promoting a work environment where every individual feels safe, protected, and empowered to raise any safety concerns.

By appointing an EHS team, we demonstrate our commitment to maintaining a high standard of safety and risk management throughout our operations, prioritizing the well-being of our employees and stakeholders.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

- a. Employees (Yes/No): Yes
- b. Workers (Yes/No): Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners

The Social Security Insurance Schemes and Medi-claim Insurance are available to all employees. In the event of a death or disability, the employee's nominee (or the employee themselves in the event of a disability) is entitled to compensation in line with the terms of the Employees' Compensation Act. Additionally, the employee or his or her nominee is eligible for compensation under the "Associate Welfare Scheme" and the "Employees' Deposit Linked Insurance Scheme."

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-2023 (Current FY)	FY 2021-2022 (Previous FY)	FY 2022-2023 (Current FY)	FY 2021-2022 (Previous FY)
Employees	0	0	0	0
Workers	3	2	3	2

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No).

Yes, for identified roles in reference to business requirement.

5. Details on assessment of value chain partners:

Topic	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	94% of the critical suppliers
Working Conditions	94% of the critical suppliers

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Suppliers are given an approximate time period to close the findings with root-cause analysis and additional corrective and corrective actions, depending on the severity of the results of the suppliers' assessment. To accomplish the bigger goal of building a sustainable value chain, we want our suppliers to participate and enhance their sustainability performance. A follow-up evaluation is conducted in the event of a serious or significant violation of our code of conduct on the basis of or within the mutually-agreed target date for the conclusion of identified findings.

PRINCIPLE 4 Businesses should respect the interests of and be responsive to all their stakeholders

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity:

Welspun routinely interacts with its internal and external stakeholders through organised procedures such meetings, workshops, and one-on-one conversations. It also identifies the most important stakeholder groups by prompt input from these groups.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly /others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	Quarterly results calls, Participation in investor conferences, Media releases and investor presentations	Quarterly	Financial performance, Capital allocation, Risk management
Government and regulators	No	Engagement on a need basis, Participation in industry level consultation groups, Participation in forums	Continuous	Compliance, Sustainable practices, Inclusive growth
Employees	No	Employee surveys, Team building workshop, Capacity building and training, Annual appraisals, Employee newsletters, Rewards and recognitions, Volunteering opportunities	Continuous	Professional growth, Diversity at the workplace, Leadership Connect sessions, Workplace safety, Equal opportunities, Worklife balance, Wages and benefits

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly /others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Business partners / suppliers and contractors	No	Contract agreements, Direct interactions, Supplier meets, Membership in industry associations	Continuous	Payment processing cycles, Business ethics, Transparency, Compliance
Communities & NGOs	Yes	Direct engagement, Dedicated CSR team, CSR projects and initiatives, Visits and camps, Community need assessments	Continuous	Infrastructure development, Education & healthcare, Environmental protection, Employment opportunities, Human rights
Customers	No	Active Participation in Pre-qualification Processes, Business Development Visits and Presentations, Participation in Product Development Programs for Specific Projects and Applications, Multi-level Relationship Management, Promoting Ethical Business Practices	Continuous	Increasing customer base, winning over competition, Providing Customized Solutions, Enhancing Collaboration, Ethical Transparency

LEADERSHIP INDICATORS

- Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**
There is no system in place for direct stakeholder and board consultation. The stakeholder relationship committee, which provides the essential feedback from stakeholders through the various business activities, informs the board.
- Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**
Yes, through stakeholder consultations, the initiatives of Wel-Shiksha, which address social issues, Wel-Netrutva, which address health issues, and healthy life through organic green vegetables, which address environmental issues, were incorporated.
- Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**
To address the problems of vulnerable groups like children and women in the community, WCL has created programmes like Wel-Shiksha and Wel-Netrutva.

PRINCIPLE 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-2023 (Current FY)			FY 2021-2022 (Previous FY)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	895	456	51%	846	21	2%
Other than permanent	32	7	22%	253	0	0%
Total Employees	927	463	50%	1099	0	0%
Workers						
Permanent	1183	218	18%	997	0	0%
Other than permanent	497	35	7%	510	0	0%
Total Workers	1680	253	15%	1507	0	0%

- Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-2023 (Current FY)				FY 2021-2022 (Previous FY)					
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (A)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (B)	% (B/A)	% (C/A)	% (F/D)
Employees										
Permanent										
Male	846	846	100%	-	-	1122	-	0%	1122	100%
Female	49	49	100%	-	-	68	-	0%	68	100%
Other than Permanent										
Male	31	31	100%	-	-	238	-	0%	238	100%
Female	1	1	100%	-	-	31	-	0%	31	100%
Workers										
Permanent										
Male	1173	1173	100%	-	-	1268	61	5%	898	71%
Female	10	10	100%	-	-	10	0	0%	10	100%
Other than Permanent										
Male	469	469	100%	-	-	784	-	0%	784	100%
Female	28	28	100%	-	-	0	0	0%	0	0%

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)	5	No fixed remuneration is paid to the non-executive / independent directors. They are paid fees for attending meetings of the Board/ Committees of the Board. (Remuneration is paid to the MD&CEO and Commission on Net Profit is paid to the Chairman (Non-Executive	3	No fixed remuneration is paid to the non-executive / independent directors. They are paid fees for attending meetings of the Board/ Committees of the Board.
Key Managerial Personnel	3	1,90,81,010	0	0
Employees other than BoD and KMP	876	5,72,460	49	3,31,018
Workers	1189	2,93,404	10	2,34,767

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, HR team responds to any issues raised on human rights.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The site representatives can bring up any human rights concerns, and they will then forward those concerns to the local HR and sustainability teams, who will endeavour to resolve them.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-2023 (Current FY)			FY 2021-2022 (Previous FY)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	No Complaints	0	0	No Complaints
Discrimination at workplace	0	0	No Complaints	0	0	No Complaints
Child Labour	0	0	No Complaints	0	0	No Complaints
Forced Labour/ Involuntary Labour	0	0	No Complaints	0	0	No Complaints
Wages	0	0	No Complaints	0	0	No Complaints
Other human rights related issues	0	0	No Complaints	0	0	No Complaints

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Internal Complaint Committee for POSH

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

At WCL, we have supplier code of conduct in place to address human rights-related issues, suppliers are required to sign and affirm their commitment to it.

Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	100%
Forced/involuntary labor	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others - please specify	-

9. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

There were no corrective actions taken as no concerns were registered during the year.

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

No business procedures have been altered or added as a result of resolving human rights complaints or grievances.

2. Details of the scope and coverage of any Human rights due diligence conducted.

SA 8000 certified Anjar, Dahej units

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the Admin Block in Anjar has facilities for visitors with disabilities.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	94% of the critical suppliers
Forced/involuntary labour	94% of the critical suppliers
Sexual harassment	94% of the critical suppliers
Discrimination at workplace	94% of the critical suppliers
Wages	94% of the critical suppliers
Others - please specify	

4. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

NA

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**ESSENTIAL INDICATORS****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2022-2023 (Current FY)	FY 2021-2022 (Previous FY)
Total electricity consumption (A) (GJ)	6,64,537	2,57,493
Total fuel consumption (B) (GJ)	27,359	51,927
Energy consumption through other sources (C) (GJ)	-	-
Total energy consumption (A+B+C) (GJ)	6,91,896	3,09,421
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees) (GJ per ₹ crore)	100 GJ per ₹ crore* *The increase in intensity is due to inclusion of sponge iron and billet division operations	47.5 GJ per ₹ crore.
Energy intensity (optional) - the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, for energy consumption by Price Waterhouse Chartered Accountants LLP.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Yes, the following plants is registered as designated consumers under PAT scheme of Government of India: WCL Anjar (PAT Cycle II)

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-2023 (Current FY)	FY 2021-2022 (Previous FY)
Water withdrawal by source (in kilolitres)		
(i) Surface water	5,962	-
(ii) Groundwater	-	-
(iii) Third party water	4,89,707	3,11,118
(iv) Seawater / desalinated water	-	-
(v) Others (Rainwater storage)	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	4,95,669	3,11,118
Total volume of water consumption (in kilolitres)	3,90,919	3,11,118
Water intensity per rupee of turnover (Water consumed / turnover) (kl per crore INR of revenue)	56.5 kl per ₹ crore* *The increase in intensity is due to inclusion of sponge iron and billet division operations	47.8 kl per ₹ crore
Water intensity (optional) - the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, for total volume of water withdrawal and consumption by Price Waterhouse Chartered Accountants LLP.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-2023 (Current FY)	FY 2021-2022 (Previous FY)
NOx	MT	3 [#]	10 [#]
SOx	MT	2 [#]	6 [#]
Particulate matter (PM)	MT	32 [#]	77 [#]
Persistent organic pollutants (POP)	NA	-	-
Volatile organic compounds (VOC)	NA	-	-
Hazardous air pollutants (HAP)	mg/m3	-	-
Others - please specify	PPM	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, for NOx, SOx and PM emissions by Price Waterhouse Chartered Accountants LLP.

[#]Emission from sponge iron and billet division operations is unaccounted

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-2023 (Current FY)	FY 2021-2022 (Previous FY)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO₂e	2,545	3,365
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO₂e	2,57,839	92,435
Total Scope 1 and Scope 2 emissions per rupee of turnover (in ₹)	tCO₂e	37.32 tCO ₂ e per ₹ crore* *The increase in intensity is due to inclusion of sponge iron and billet division operations	14.7 tCO ₂ e per ₹ crore
Total Scope 1 and Scope 2 emission intensity (optional)- the relevant metric may be selected by the entity	tCO₂e/INR	-	-

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, for Scope 1 & Scope 2 emissions by Price Waterhouse Chartered Accountants LLP.

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide detail

A solar park of 300KW is being planned to be setup at Anjar facility. WCL has also taken several energy conservation measures like installing variable frequency Drives, digital temperature controllers, retrofitting LED lights, replacing the use of furnace oil and LPG with natural gas, switching to efficient pumps and improvements in the HVAC system.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-2023 (Current FY)	FY 2021-2022 (Previous FY)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	671 MT	691 MT
E-waste (B)	4.34 MT	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	1.3 MT
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	1. ETP Sludge: 94 MT 2. Expander Sludge: 73 MT 3. Paint waste cutback tape: 24 MT 4. Paint Cake: 250 MT 5. Used waste oil: 8 MT 6. Empty barrels/containers contaminated with hazardous chemicals /waste: 66 MT 7. Cotton Waste: 1 MT	1. ETP Sludge: 14 MT 2. Expander Sludge: 48 MT 3. Paint waste cutback tape: 45 MT 4. Paint Cake: 205 MT 5. Used waste oil: 5 MT 6. Empty barrels/containers contaminated with hazardous chemicals /waste: 81 MT 7. Cotton Waste: 0.2 MT 8. Process Waste: 20 MT
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	1. MS Scrap: 16,355 MT 2. Other than MS scrap: 1,298 MT 3. Wooden pallets: 319 MT	1. MS Scrap: 12,955 MT 2. Other than MS scrap: 1,382 MT 3. Wooden pallets: 153 MT
Total (A+B + C + D + E + F + G+ H)	19163 MT*	15,600 MT
	*The increase in intensity is due to inclusion of sponge iron and billets division operations	

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY 2022-2023 (Current FY)	FY 2021-2022 (Previous FY)
(i) Recycled	MS Scrap: 18,402 MT	MS Scrap: 12,955 MT
(ii) Re-used	Wooden Pallets: 319 MT	Wooden Pallets: 153 MT
(iii) Other recovery operations		
Total	18,721 MT	13,108 MT

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	FY 2022-2023 (Current FY)	FY 2021-2022 (Previous FY)
(i) Incineration	442 MT	332 MT
(ii) Landfilling		
(iii) Other disposal operations		2,160 MT (Sold to authorized recycler)
Total	442 MT	2,492 MT

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, for waste management by Price Waterhouse Chartered Accountants LLP.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

- (i). All generated different types of waste have been managed and handled as per their characteristic i.e., Non-hazardous & Hazardous.
- (ii). Collection of different types of wastes into the waste bins, temporary Storage yard at each plant level and designated Waste Storage Yard are identified.
- (iii). Standard Operating Procedure (SOP) has been developed for smooth operation, handling, and transportation.
- (iv). Wastes are transported to the Vendor or Recycler authorized by Pollution Control Boards.
- (v). Opted co-processing disposal practice for major hazardous waste class over to incineration for superior environmental performance.
- (vi). Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.
(Reduction of Paint waste; Reduction in Hose length of Mixed Paint from 1500 mm to 1250 mm; Optimizing Flushing time by Timer based automation)

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S.No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	Not applicable as there are no operations near above-mentioned zones		

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

S.No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	Not applicable		

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S.No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/ penalties/ action taken by regulatory agency such as pollution control boards or by courts	Corrective action taken, if any
	Yes, the company is compliant with all the applicable environmental laws defined by the state and central regulatory authorities.			

LEADERSHIP INDICATORS

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-2023 (Current FY)	FY 2021-2022 (Previous FY)
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D)	6,64,537 GJ	2,57,493 GJ
Total fuel consumption (E)	27,539 GJ	51,927 GJ
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	6,91,896 GJ*	3,09,421 GJ
	*The increase in intensity is due to inclusion of sponge iron and billet division operations	

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

2. Provide the following details related to water discharged:

Parameter	FY 2022-2023 (Current FY)	FY 2021-2022 (Previous FY)
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water		
- No treatment		
- With treatment - please specify level of Treatment		Treatment - STP & ETP Quantity - 5,622 KL
(ii) To Groundwater		
- No treatment		
- With treatment - please specify level of Treatment		
(iii) To Seawater		
- No treatment		
- With treatment - please specify level of Treatment		Treatment - STP & ETP Quantity - 94,290 KL
(iv) Sent to third-parties		
- No treatment	1,04,750 KL (Sent for Treatment)	
- With treatment - please specify level of Treatment		
(v) Others		
- No treatment		
- With treatment - please specify level of Treatment		
Total water discharged (in kiloliters)	1,04,750 KL (Sent for Treatment)	99,912 KL

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

3. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area: Anjar
- Nature of operations: Steel Pipe Manufacturing
- Water withdrawal, consumption and discharge in the following format: WCL's Anjar facility falls under a water stress area. We have setup a 30 MLD Sewage Treatment plant at our Anjar factory, which recycles sewage wastewater from the neighbouring areas, leading to zero intake of freshwater for manufacturing processes.

Parameter	FY 2022-2023 (Current FY)	FY 2021-2022 (Previous FY)
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	4,09,131 KL	0
(iv) Seawater / desalinated water	0	0
(v) Others (Domestic waste water from municipality)	0	0
Total volume of water withdrawal (in kiloliters)	4,09,131 KL	2,28,324 KL
Total volume of water consumption (in kiloliters)	3,04,381 KL	2,28,324 KL
Water intensity per rupee of turnover (Water consumed / turnover)	44.0 KL per ₹ crore*	35.1 KL per ₹ crore
	*The increase in intensity is due to inclusion of sponge iron and billet division operations	

Water intensity (optional) - therelevant metric may be selected by the entity

Water discharge by destination and level of treatment (in kiloliters)

(i) Into Surface water		
- No treatment		
- With treatment - please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment - please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment - please specify level of treatment		
Total water discharged (in Kiloliters)	104,750 KL	94,290 KL

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format

Parameter	Unit	FY 2022-2023 (Current FY)	FY 2021-2022 (Previous FY)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	12,02,951 [#]	5,02,453
		(The emission inventory includes 3 out of 12 applicable categories of Scope 3. Remaining categories are being computed and to be reported next fiscal year. The reported categories are: 1. Downstream Transportation & Distribution 2. Upstream Transportation & Distribution 3. Purchase goods & Services [#] Scope 3 emissions from sponge iron and billets division operations is unaccounted	(The emission inventory includes 7 out of 12 applicable categories of Scope 3. Remaining 5 categories are being computed and to be reported next fiscal year. The reported categories are: 1. Downstream Transportation & Distribution 2. Upstream Transportation & Distribution 3. Purchase goods & Services 4. Capital Goods 5. Investments 6. Waste generated from operations 7. End of Life
Total Scope 3 emissions per rupee of turnover	tCO ₂ e/ INR	174 tCO ₂ e per ₹ crore	77.2 tCO ₂ e per ₹ crore
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	tCO ₂ e/ INR	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.
Not Applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Installed STP of 30 MLD to recycle wastewater and reuse within the manufacturing process at WCL Anjar.	This process ensures recycling and treatment of sewage water generations. 100% of water requirement is met through the recycled water thus ensuring zero freshwater usage.	100% recycled water usage in our entire production activities
2	Solar dried bio-sludge (used a fuel in boiler)	The sludge generated from the operating facility has an equivalent calorific value as coal. Therefore, it is dried and used as an alternative fuel in boilers.	It reduces the coal consumption in the boiler
3	Briquettes	Biomass briquettes are a biofuel substitute to coal and charcoal and is used in boiler operations	It reduces the coal consumption in the boiler

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, WCL have implemented Disaster management plant for occurrence of a sudden calamity of chain of events, which affect normal working within the factory area and/or may Cause Serious injuries, loss of life, extensive damage to the Properties etc. It may also result from Natural phenomena like flood, earthquakes, cyclones, forest fires in Which the day-to-day Patterns of life are, in many instances, suddenly disturbed and people are plugged in to helplessness and Suffering and as a Result needs Protection, clothing, shelter, Medical and necessity of life.

Aim of this Disaster Plan is to familiarize employees in the Factory to: (a) Control Disaster (b) Combat Fire (c) Rescue People (d) Save life not only inside the Factory but also in neighbouring area in Case of an Accident.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

There is no significant adverse impact to the environment, arising from the value chain of WCL.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impact

100% of critical suppliers assessed based on suppliers' code of conduct consisting of ESG aspects including environmental compliance.

PRINCIPLE 7: Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

LEADERSHIP INDICATORS

1. a) Number of affiliations with trade and industry chambers/ associations.

Welspun Corp Limited is a part of 18 associations.

b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State National)
1	Welspun Corp Limited is a part of 18 associations.	National
2	The Associated Chambers of Commerce and Industry (ASSOCHAM)	National
3	Indian Merchants Chamber (IMC)	National
4	Indian Pipe Manufacturers Association (IPMA)	National
5	Federation of Kutch Industries Associations, (FOKIA)	National
6	International Tube Association, India Chapter (ITA)	National
7	Pipeline Research Council International (PRCI)	National
8	National Association of Corrosion Engineers (NACE)	National
9	American Society of Mechanical Engineers (ASME)	International
10	Engineering Export Promotion Council (EEPC)	National
11	Federation of Indian Exporters Organization (FIEO)	National
12	Interstate Natural Gas Association of America (INGAA)	International
13	Southern Gas Association (SGA)	International
14	North American Steel Pipe Distributors (NASPD)	International
15	Pipeliners Association of Houston	International
16	San Antonio Pipeliners Association (SAPA)	International
17	American Line Pipe Association (ALPA)	International
18	US-India Business Council (USIBC)	International

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

Name of Authority	Brief of the case	Corrective action taken
NIL	NIL	NIL

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity

S.no	Public policy advocated	Method resort for such advocacy	Whether the information is available in public domain? (Yes/No)	Frequency of review by board (Annually/ Half yearly/ Quarterly/ Other-please specify)	Web Link, if available
					Not Applicable

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Not Applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community

Community complaints are initially brought to the CSR team's attention, if any. The issue is discussed with the appropriate department depending on the type of grievance. After that, the community is informed of the recommendations or alternatives to mitigate the issue. The action plan is carried out in accordance with mutual agreement.

4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

	FY 2022-2023 (Current FY)	FY 2021-2022 (Previous FY)
Directly sourced from MSMEs/ Small producers	-	-
Sourced directly from within the district and neighbouring districts	-	-

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

No negative social impact identified

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

State	Aspirational District information	Amount spent in INR
		CSR activities are executed in villages around the manufacturing sites. No aspirational districts are taken up currently under CSR.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) No

(b) From which marginalized /vulnerable groups do you procure? Not Applicable

(c) What percentage of total procurement (by value) does it constitute? Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

Not Applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not Applicable

6. Details of beneficiaries of CSR Projects.

S.no	CSR Project	No of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	WelShiksha	1,00,000	100%
2	WelNetrutva	41,000	100%
3	Welspun Super Sports Women	32	-
4	We-Volunteer	4,499	-
5	WelSwasthya	1,50,000	-
6	WelKrishi	1,01,000	100%
7	WelSuraksha	74,000 +	5%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in responsible manner

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

In case any product supplied to the client is found to not conform to the specifications, then the Clients can raise a formal customer complaint. Upon receiving the complaint, we review the same, refer the data of the testing done at our mills and if need arises, we mobilise our inspector to the site to verify the complaint. Once the complaint is verified as genuine, a root cause analysis is done to identify the root cause/s and a corrective and preventive actions (CAPA) is prepared and presented to the customer. Any commercial issues, costs for repair/ rectification, rectification plan schedule etc is negotiated with the customer and the rectification/ repairs are completed. As a preventive action, any lessons learnt from the project are discussed at Quarterly review meetings and any modifications needed to the SOP's/ Quality Assurance Plans are made. These lessons learnt are taken into consideration while negotiating any future project contracts.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information.

Type	As a percentage to total turnover
Environment and Social parameters relevant to product	0% as this is not relevant to the nature of our business activity at this point of time
Safe and responsible usage	0% as this is not relevant to the nature of our business activity at this point of time
Recycling and/or safe disposal	0% as this is not relevant to the nature of our business activity at this point of time

3. Number of consumer complaints

	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	0	0	Nil	0	0	Nil
Advertising	0	0	Nil	0	0	Nil
Cyber-security	0	0	Nil	0	0	Nil
Delivery of essential services	0	0	Nil	0	0	Nil
Restrictive Trade Practices	0	0	Nil	0	0	Nil
Unfair Trade Practices	0	0	Nil	0	0	Nil
Other (Product related)	0	0	Nil	0	0	Nil

4. Details of instances of product recalls on account of safety issues

	Number	Reason for recall
Voluntary recalls	Nil	Not Applicable
Forced recalls	Nil	Not Applicable

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

No, the entity has not got a framework/policy on cyber security and risks related to data privacy

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Cyber Security and Data privacy of customers: We have a project specific server/ share point for each project where the data pertaining to that project is stored. The access to this is controlled and provided to only select persons handling the project. Generally, project contracts have a secrecy/ non-disclosure clause wherein a specific period is mentioned up to which we must store the project data with us. If not, then the project data is stored for a period of 5 years. Re-occurrence of instances of product recalls: In case even after taking the preventive actions and modifications to SOP's Quality plans as mentioned above, there is an instance of a re-occurrence of defects, then a re-assessment of the root cause analysis is done any parameters that were previously overlooked are identified. A new CAPA is made and accordingly actions taken, and any further necessary changes made to the SOP's and Quality plans Penalty/ action taken by regulatory authorities: Since our products are engineered by the client, the question does not apply to us. Regarding any manufacturing related activity, we have not received any penalty/ action on safety of our products. We are certified as per ISO 45001 and SA 8000 and continue to conform to the same.

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

We manufacture and supply to the customer's specification. Our product range is available at our website [Welspun Corp | Products](#)

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

We manufacture and supply to the customer's specification. Hence generally the customer is more knowledgeable than us on the usage of our supplied pipes into their pipelines, the operating pressures of their pipelines, the maintenance pigging intervals for pipelines etc. A safe handling procedure to efficiently handle the pipes without damage and a pipe preservation procedure to safely store the pipes for a long term are provided to the customer as and when required against the specific project.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Any forced major events or other delays in delivery/ project progress, in a project are immediately informed to the client as soon as they come to our knowledge.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)? If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, to conform to API 5L requirements the API monogram and minimum required information is always marked on each pipe. In addition to this depending on project requirements, specific additional information can be marked and is covered under a separate document titled "marking map." Depending on customer requirements 1D or 2D bar codes can also be applied to the pipes at specified locations. Upon the completion of the Final delivery of every project, a customer feedback form is sent to the customer. Their responses and ratings are noted and circulated to the plant, quality team and all relevant departments for their continuous improvement. The customer satisfaction scores across various projects are compiled into a final CSAT (Customer Satisfaction) score. This score must satisfy the CSAT target for the year. If not, then a root cause analysis and CAPA (Corrective and Preventive Actions) is performed.

5. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along-with impact - NIL
- b. Percentage of data breaches involving personally identifiable information of customers - NIL

Independent practitioner's limited assurance report on Identified Sustainability Indicators in Welspun Corp Limited's Business Responsibility and Sustainability Report

To the Board of Directors of Welspun Corp Limited

We have undertaken to perform a limited assurance engagement for Welspun Corp Limited ('WCL') (the 'Company') vide our Engagement Letter dated May 16, 2023, in respect of the agreed indicators /parameters listed below (the "Identified Sustainability Indicators"). These parameters are as included in the Business Responsibility and Sustainability Report (BRSR) of the Company for the year ended March 31, 2023. The reporting boundary for BRSR is as disclosed in Question 13 of Section A of the BRSR, with exceptions, if any, been disclosed as a note under the respective questions under BRSR.

IDENTIFIED SUSTAINABILITY INDICATORS

The Identified Sustainability Indicators for the year ended March 31, 2023 are summarised in Appendix 1 to this report.

Our limited assurance engagement was with respect to the year ended March 31, 2023 information only and we have not performed any procedures with respect to comparative previous year information i.e. year ended March 31, 2022 reported in the Business Responsibility and Sustainability Report for the year ended March 31, 2023 and, therefore, do not express any conclusion thereon.

CRITERIA

The criteria used by Welspun Corp Limited is Guidance note for BRSR format.

MANAGEMENT'S RESPONSIBILITY

The Company's Management is responsible for engagement with stakeholders, content and presentation of the Business Responsibility and Sustainability Report in accordance with the Criteria mentioned above. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Business Responsibility and Sustainability Report and measurement of Identified Sustainability Indicators, which are free from material misstatement, whether due to fraud or error.

INHERENT LIMITATIONS

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial indicators allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. In addition, Greenhouse gas ("GHG") quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

OUR RESPONSIBILITY

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Indicators based on the procedures we have performed and evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance

Engagements other than Audits or Reviews of Historical Financial Information', International Standard on Assurance Engagements 3410 'Assurance Engagements on Greenhouse Gas Statements', issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform this engagement to obtain limited assurance about whether the Identified Sustainability Indicators are free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Indicators, assessing the risks of material misstatement of the Identified Sustainability Indicators whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Indicators.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgement and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the identified sustainability indicators and related disclosures.
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and /or measurements of the identified sustainability indicators.
- Made enquiries of Company's Management, including those responsible for Sustainability, Environment Social Governance (ESG), Corporate Social Responsibility (CSR), etc., and those with responsibility for managing the Company's BRSR.
- Obtained an understanding and performed an evaluation of the design of the key structures, systems, processes, and controls for managing, recording and reporting on the Identified Sustainability Indicators including at the sites/ offices covered.
- Based on above understanding and the risks that the identified sustainability indicators may be materially misstated, determined the nature, timing and extent of further procedures.
- Checked the consolidation for various sites and corporate office under the reporting boundary (as mentioned in the BRSR) for ensuring the completeness of data being reported.
- Performed limited substantive testing on a sample basis of the Identified Sustainability Indicators at the corporate office and in relation of the samples of the sites visited (Anjar - 2 sites) , to verify that data had been appropriately measured with underlying documents recorded, collated and reported.
- Assessed records and performed testing including recalculation of sample data.
- Assessed the level of adherence to the 'Guidance note for BRSR format' issued by the Securities and Exchange Board of India (SEBI) and followed by the Company in preparing the BRSR.
- Assessed the BRSR for detecting, on a test basis, any major anomalies between the information reported in the BRSR on performance with respect to agreed parameters / Indicators and relevant source data/information.
- Obtained representations from Company's Management.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion

about whether the Identified Sustainability Indicators have been prepared, in all material respects, in accordance with the Criteria.

EXCLUSIONS

Our limited assurance scope excludes the following and therefore we do not express a conclusion on the same:

- Testing the operating effectiveness of management systems and controls;
- Performing any procedures over other information/operations of the company/aspects of the report and data (qualitative or quantitative) included in the BRSR not agreed under our engagement letter/ Scope of Assurance
- The statements that describe expression of opinion, belief, aspiration, expectation, aim or future intentions provided by the Company and testing or assessing any forward-looking assertions and/or data.

LIMITED ASSURANCE CONCLUSION

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Welspun Corp Limited's Identified Sustainability Indicators included in the Business Responsibility and Sustainability Report (BRSR) for the year ended March 31, 2023 are not prepared, in all material respects, in accordance with the criteria.

RESTRICTION ON USE

Our limited assurance report including the conclusion has been prepared and addressed to the Board of Directors of the Welspun Corp Limited at the request of the Company solely to assist the Company in reporting on the Company's Sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our deliverables should not be used for any other purpose or by any person other than the addressees of our deliverables. The Firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Neeraj Sharma

Partner

Membership Number: 108391

UDIN: 23108391BGTBWY1325

Place: Pune
Date: July 21, 2023

Identified Sustainability Indicators

BRSR Indicators Reference

S. No	Indicator Number	Description of the indicator
1	Section C - Principle 6 - E1	Details of total energy consumption
2	Section C - Principle 6 - E3	Water withdrawal and water consumption
3	Section C - Principle 6 - E5	Emissions other than GHG emissions Air emissions [excluding Steel division plant (Sponge Iron and Billets division)]
4	Section C - Principle 6 - E6	GHG emissions (Scope 1 and Scope 2)
5	Section C - Principle 6 - E8	Total waste generated, recovered and disposed
6	Section A - 18a	Total number of employees and workers
7	Section A - 18b	Total no. of differently -abled employees and workers
8	Section A - 19	Representation of women in Board of Directors and KMP
9	Section A - 20	Turnover rate for permanent employees and workers
10	Section C - Principle 3 - E1	Details of measures for the well-being for employees and workers (excluding day care facilities)
11	Section C - Principle 3 - E5	Return to work and Retention Rate
12	Section C - Principle 3 - E8	Details of training given to employees and workers (excluding training on skill upgradation)
13	Section C - Principle 3 - E9	Details of performance and career development reviews of employees and worker
14	Section C - Principle 3 - E11	Safety Incidents (excluding LTIFR)
15	Section C - Principle 5 - E1	Employees and workers who have been provided training on human rights issues and policy(ies) of the entity

Independent Auditors' Report

To the Members of Welspun Corp Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

- We have audited the accompanying standalone financial statements of Welspun Corp Limited (the 'Company'), which comprise the standalone balance sheet as at March 31, 2023, and the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.
- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

BASIS FOR OPINION

- We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's responsibilities for the audit of the standalone financial statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTER

- Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. This matter was addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key audit matter	How our audit addressed the key audit matter
<p>Assessment of Impairment of carrying value of investments in and recoverability of loans to a subsidiary (Refer notes 6, 8 and 50 to the standalone financial statements)</p> <p>The Company has investment in equity shares of Welspun Specialty Solutions Limited ('WSSL' or 'subsidiary') of Rs. 283.65 crore as at March 31, 2023. The Company has also granted loans to the subsidiary with carrying value of Rs. 182.63 crore as at March 31, 2023. These amounts are significant to the standalone financial statements.</p> <p>Consequent to the deteriorating net worth and continued losses of the subsidiary, the Company has assessed the impairment of the carrying value of the investment in subsidiary based on the market approach model (the "model"). The Company has also assessed the impairment of the carrying value of the loans based on expected credit loss model ("ECL").</p> <p>We considered this as a key audit matter due to significant management judgement involved in the above impairment models.</p>	<p>Our procedures included, the following:</p> <ul style="list-style-type: none"> Understanding and evaluating the design and testing the operating effectiveness of the Company's controls over impairment assessment of investments in subsidiary and ECL model for loans; In respect of assessment of carrying value of the investment in the subsidiary and recoverability of loans to a subsidiary, as applicable, <ol style="list-style-type: none"> Understanding the operating parameters used in the ECL and assessing consistency of our understanding of parameters with those considered in the ECL; Reviewing the market rates available on independent website with those used in model; Reviewing the information considered in the model and ECL by examining supporting documentation;

Key audit matter	How our audit addressed the key audit matter
	<p>(d) Assessing the work of the Management's external valuation expert for model including their independence and objectivity;</p> <p>(e) Testing the mathematical accuracy of the model and ECL.</p> <p>Based on the above procedures performed, we found the Management's conclusion with respect to recoverability of these amounts to be reasonable and appropriate.</p>

OTHER INFORMATION

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' Report, Corporate Governance Report and Business Responsibility and Sustainability Report and Other Information in Annual Report including annexures thereto, but does not include the financial statements and our auditors' report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

- The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting

principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

- In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

- Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered

material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

13. As required by the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

14. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The standalone balance Sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

(g) With respect to the other matters to be included in the auditors' report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer note 45 to the standalone financial statements;
- ii. The Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any long-term derivative contracts as at March 31, 2023.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
- iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 56 (vii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note 56(vii) to the standalone financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

15. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Neeraj Sharma

Partner

Membership Number: 108391

UDIN: 23108391BGTBVH7317

Place: Zurich, Switzerland

Date: May 30, 2023

Annexure A to Independent Auditors' Report

Referred to in paragraph 14(f) of the Independent Auditors' Report of even date to the members of Welspun Corp Limited on the standalone financial statements for the year ended March 31, 2023

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

1. We have audited the internal financial controls with reference to financial statements of Welspun Corp Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal

financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion

or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control

over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Neeraj Sharma

Partner

Membership Number: 108391

UDIN: 23108391BGTBVH7317

Place: Zurich, Switzerland

Date: May 30, 2023

Annexure B to Independent auditors' report

Referred to in paragraph 13 of the Independent auditors' report of even date to the members of Welspun Corp Limited on the standalone financial statements as of and for the year ended March 31, 2023

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, plant and equipment (including Right-of-use assets and Investment properties).
- (B) The Company is maintaining proper records showing full particulars of Intangible assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3(a) on Property, plant and equipment, 3(b) on Right-of-use assets, Note 4 on Investment properties and Note 15 on Assets held for sale to the standalone financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value (in Rs. crore)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate
Freehold Land	34.21	Welspun Steel Limited	No	12 - 17 years
Investment properties	7.62	Welspun Steel Limited	No	17 years

Reason for not being held in the name of the Company: -

Title deeds are held in the name of the demerged undertaking which had been merged with the Company in the previous year (Refer notes 3(a), 4, 51 and 56(xi) to the standalone financial statement).

- (d) The Company has not revalued its Property, plant and equipment (including Right-of-use assets) and Intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, plant and equipment (including Right-of-use assets) or Intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.
- ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are not in agreement with the unaudited books of account as set out below (Also refer Note 56 (ii) to the standalone financial statements).

₹ in Crore

Name of the Bank	Aggregate working capital limits sanctioned	Nature of Current Asset offered as Security	Quarter ended	Amount disclosed as per quarterly return/ statement	Amount as per books of account	Difference	Reasons for difference
Bank of Baroda, State Bank of India, ICICI Bank, IDBI Bank, IDFC Bank, Bank of India, Punjab National Bank, HDFC Bank, Axis Bank and Yes Bank	3,809	Trade Receivable	September 2022	288.21	274.11	14.10	Difference is on account of finalisation entries passed after the submission to the bank.
		Inventory	September 2022	1,681.78	1,631.65	50.13	Difference is mainly on account of Rs. 41 crore reclassified as Property, plant and equipment.

- iii. (a) The Company has made investments in 9 companies and 20 mutual funds schemes, granted unsecured loans to 5 companies, and stood as guarantor of 6 companies. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans and guarantees to subsidiaries, joint ventures and associates and to parties other than subsidiaries, joint ventures and associates are as per the table given below:

	₹ in Crore	
	Guarantees	Loans
Aggregate amount granted/ provided during the year		
- Subsidiaries	1,953.90	535.34
- Others		
Balance outstanding as a balance sheet date in respect of the above case		
- Subsidiaries	3,577.57	405.06
- Others		

(Also refer Note 42 to the standalone financial statements)

According to the information and explanations given to us and the records of the Company examined by us, the Company has not granted any loans, securities, guarantees to joint venture and associates and to parties other than subsidiaries. The Company has not granted any advance in nature of loans to joint ventures, associates and any other parties and the Company has not granted any securities or advances in nature of

loans to subsidiaries, and accordingly, reporting under this Clause, to this extent, is not applicable.

(b) In respect of the aforesaid investments, guarantees and loans, the terms and conditions under which such loans were granted, investments were made and guarantees provided are not prejudicial to the Company's interest. According to the information and explanations given to us and the records of the Company examined by us, the Company has not granted any securities and advances in nature of the loan, and accordingly, reporting under this Clause, to this extent, is not applicable.

(c) In respect of the aforesaid loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable. According to the information and explanations given to us and the records of the Company examined by us, the Company has not granted any advances in nature of the loan, and accordingly, reporting under this Clause, to this extent, is not applicable.

(d) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days. According to the information and explanations given to us and the records of the Company examined by us, the Company has not granted any advances in nature of the loan, and accordingly, reporting under this Clause, to this extent, is not applicable.

(e) Following loans were granted to wholly owned subsidiaries, which has fallen due during the year and were extended.

₹ in Crore		
Name of the parties	Aggregate amount dues extended	Percentage of the aggregate loans granted during the year
Welspun Metalics Limited	63.50	11.86%
Welspun DI Pipes Limited	3.50	0.65%

According to the information and explanations given to us and the records of the Company examined by us, there were no advances in nature of loans, which have fallen due during the year and were renewed/extended and accordingly, reporting under this Clause, to this extent, is not applicable.

Further, according to the information and explanations given to us and the records of the Company examined by us, there were no loans/advances in nature of loans where fresh loans were granted to settle the overdue loans/advances in nature of loan and accordingly, reporting under this Clause, to this extent, is not applicable.

(f) The loans granted during the year had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand.

According to the information and explanations given to us and the records of the Company examined by us, there were no loans that were granted during the year to promoters and no advances in nature of loans that were granted during the year to related parties and promoters, and accordingly, reporting under this Clause, to this extent, is not applicable.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act,

2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, income tax, professional tax, labour welfare fund, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 38 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of provident fund, professional tax, labour welfare fund, employees' state insurance, goods and services tax and cess as referred to in sub-clause (a) which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in Crore)#	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Duty of Excise	0.34	FY 2008-2009	Commissioner (Appeals)
		10.02	FY 2005-2006 to FY 2007-2008, FY 2008-09, FY 2009-2010 and FY 2012-2013	Custom Excise Service Tax Appellate Tribunal (CESTAT)
		16.07	FY 2010-2011 to FY 2013-2014	Commissioner of Central Excise & Service Tax
		24.04	FY 2007-2008 to FY 2011-2012	High Court
		0.98	FY 2008-09	Joint Commissioner, Central Goods and Service Tax
Gujarat Sales Tax Act, 1969 and Gujarat Value Added Tax Act, 2003	Central Sales Tax	0.43	FY 2008-2009 and FY 2009-2010	Gujarat Value Added Tax Tribunal
Gujarat Sales Tax Act, 1969 and Gujarat Value Added Tax Act, 2003	Sales Tax/ Value Added Tax	142.93	FY 1999-2000 to FY 2003-2004 and FY 2005-2006 to FY 2012-2013	Gujarat Value Added Tax Tribunal
		0.19	FY 2005-2006	Supreme Court
		0.13	FY 2013-2014	Joint Commissioner of Commercial Tax
Finance Act, 1994	Service Tax	12.78	FY 2005-2006 to FY 2012-2013	Custom Excise Service Tax Appellate Tribunal (CESTAT)
		2.90	FY 2012-2013 to FY 2014-2015	Commissioner (Appeals)
		2.05	FY 2015-2016	Joint Commissioner of Commercial Tax
Custom Act, 1962	Duty of Customs	0.22	FY 2012-2013 and FY 2013-2014	Custom Excise Service Tax Appellate Tribunal (CESTAT)
		0.05	FY 2013-2014	Additional Commissioner of Customs
Income Tax Act, 1961	Income Tax	0.88	AY 2014-2015	Commissioner of Income Tax (Appeals)

Net of amounts paid under protest/lying under balance with government authorities Rs. 13.60 crore.

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. (Also refer Note 56(xiii) to the standalone financial statements).
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate companies.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by Management.
- xi. (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- xi. (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause. In respect of one complaint, for which preliminary findings of the investigations have been provided to us by management, our consideration of the complaint having any bearing on our audit is limited to such preliminary findings.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him within the meaning of Section 192 of the Act. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has three CICs as part of the Group as detailed in note 60 to the standalone financial statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 55 to the standalone financial statements), ageing and expected dates of realisation of financial assets and

payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Neeraj Sharma
Partner

Membership Number: 108391
UDIN: 23108391BGTBVH7317

Place: Zurich, Switzerland
Date: May 30, 2023

Standalone Balance Sheet

as at March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	910.81	964.37
Capital work-in-progress	3(a)	3.28	4.24
Right-of-use assets	3(b)	20.48	22.97
Investment Properties	4	18.62	15.64
Intangible assets	5	3.70	4.25
Intangible assets under development	5	-	0.90
Financial assets			
Investments in subsidiaries, associate and joint venture	6	1,594.00	1,348.73
Investments	7(a)	0.69	0.12
Loans	8(a)	405.06	88.63
Other financial assets	9(a)	13.66	83.15
Other non-current assets	10(a)	28.30	33.34
Total non-current assets		2,998.60	2,566.34
Current assets			
Inventories	11	1,544.64	790.07
Financial assets			
Investments	7(b)	824.65	1,397.31
Trade receivables	12	788.21	801.48
Cash and cash equivalents	13	460.65	356.50
Bank balances other than cash and cash equivalents	14	46.82	18.81
Loans	8(b)	0.17	249.34
Other financial assets	9(b)	52.03	122.52
Other current assets	10(b)	199.56	129.32
Assets held for sale	15	0.98	1.53
Total current assets		3,917.71	3,866.88
Total assets		6,916.31	6,433.22
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16(a)	130.77	130.48
Other equity			
Reserves and surplus	16(b)	3,345.66	2,936.35
Other reserves	16(c)	(4.09)	(12.43)
Total equity		3,472.34	3,054.40
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	17(a)	239.26	790.30
Lease liabilities	3(b)	13.58	10.01
Other financial liabilities	18(a)	0.13	11.43
Provisions	19(a)	5.04	3.24
Deferred tax liabilities (net)	20	41.07	9.05
Government grants	21	49.88	70.36
Total non-current liabilities		348.96	894.39
Current liabilities			
Financial liabilities			
Borrowings	17(b)	1,259.93	521.15
Lease liabilities	3(b)	3.65	8.12
Trade payables			
- total outstanding dues of micro and small enterprises	23	5.57	1.52
- total outstanding dues other than above	23	709.52	965.20
Other financial liabilities	18(b)	88.25	34.54
Provisions	19(b)	80.19	79.64
Government grants	21	20.48	20.48
Current tax liabilities (net)	24	550.87	472.33
Other current liabilities	22	376.55	381.45
Total current liabilities		3,095.01	2,484.43
Total liabilities		3,443.97	3,378.82
Total equity and liabilities		6,916.31	6,433.22

The above standalone balance sheet should be read in conjunction with the accompanying notes. This is the standalone balance sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N / N500016

Neeraj Sharma

Partner
Membership No.108391

Place: Zurich, Switzerland
Date: May 30, 2023

For and on behalf of the Board

B.K. Goenka

Chairman
DIN No.00270175

Percy Birdy

Chief Financial Officer

Place: Mumbai
Date: May 30, 2023

Vipul Mathur

Managing Director
and Chief Executive Officer
DIN - 07990476

Pradeep Joshi

Company Secretary
FCS-4959

Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
INCOME			
Revenue from operations	25	6,916.67	5,287.87
Other income	26	289.73	482.62
Total Income		7,206.40	5,770.49
EXPENSES			
Cost of materials consumed	27	5,488.45	3,932.06
Purchases of stock-in-trade	28	202.88	146.67
Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	(374.93)	20.40
Employee benefit expense	30	190.20	209.02
Depreciation and amortisation expense	31	108.98	115.28
Other expenses	32	734.70	675.32
Finance costs	33	149.28	76.88
Total expenses		6,499.56	5,175.63
Profit before tax		706.84	594.86
Income Tax expenses			
Current tax	34	149.00	109.46
Deferred tax	35	29.20	(0.32)
Total income tax expense		178.20	109.14
Profit for the year (A)		528.64	485.72
Other comprehensive income			
Items that may be reclassified to profit or loss			
Deferred gains/ (losses) on cash flow hedges (net)	16(c)	11.13	(14.27)
Income tax relating to this item		(2.80)	3.34
		8.33	(10.93)
Items that will not be reclassified to profit or loss			
Remeasurements of post employment benefit obligations	36	0.07	2.58
Income tax relating to this item		(0.02)	(0.65)
		0.05	1.93
Other comprehensive income for the year, net of tax (B)		8.38	(9.00)
Total comprehensive income for the year (A+B)		537.02	476.72
Earnings per equity share			
	58		
Basic earnings per share (in Rupees)		20.23	18.61
Diluted earnings per share (in Rupees)		20.17	18.57

The above standalone statement of profit and loss should be read in conjunction with the accompanying notes.

This is the standalone statement of profit and loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N / N500016

Neeraj Sharma

Partner
Membership No.108391

Place: Zurich, Switzerland
Date: May 30, 2023

For and on behalf of the Board

B.K. Goenka

Chairman
DIN No.00270175

Percy Birdy

Chief Financial Officer

Place: Mumbai
Date: May 30, 2023

Vipul Mathur

Managing Director
and Chief Executive Officer
DIN - 07990476

Pradeep Joshi

Company Secretary
FCS-4959

Standalone Statement of Cash Flows

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
A) Cash flow (used in)/ from operating activities		
Profit before tax	706.84	594.86
Adjustments for:		
Depreciation and amortisation expense	108.98	115.28
Employee share-based expense	5.58	0.56
(Gain)/loss on sale/discarding of property, plant and equipment (net)	(114.56)	6.81
Loss/ (gain) on sale/ redemption of		
- Current investments	10.55	(5.63)
Fair valuation (gain)/loss on investment (net)	(42.89)	7.01
Provision for litigation, disputes and other matters (net)	1.50	0.90
Reversal of Allowance for doubtful debts (net)	(22.94)	(10.03)
Bad debts recovery	(9.12)	-
Dividend income	(0.57)	(307.76)
Interest income and commission income	(111.95)	(125.99)
Interest expenses	75.87	57.9
Unrealised net exchange differences	(1.79)	(1.09)
	(101.34)	(262.04)
Operating profit before changes in operating assets and liabilities	605.50	332.82
Changes in operating assets and liabilities (bracket figures represents increase in asset and decrease in liabilities)		
Movement in other non-current financial assets	69.49	(63.59)
Movement in other non-current assets	(4.40)	0.52
Movement in inventories	(754.57)	(237.65)
Movement in trade receivables	43.59	(184.27)
Movement in other current financial assets	68.93	(65.03)
Movement in other current assets	(71.52)	9.36
Movement in other non-current financial liabilities	(0.08)	(0.03)
Movement in trade payables	(247.41)	480.80
Movement in other current financial liabilities	66.01	1.98
Movement in other current liabilities	(4.90)	74.47
Movement in provisions	0.92	(18.22)
Movement in government grants	(20.48)	(20.48)
Total changes in operating assets and liabilities	(854.42)	(22.14)
Cash flow from operations	(248.92)	310.68
Income taxes paid (net of refund received)	(74.46)	(117.38)
Net cash (used in)/ from operating activities (A)	(323.38)	193.30
B) Cash flow (used in)/ from investing activities		
Payments for property, plant and equipment, investment property and intangible assets (including capital work-in-progress and intangible assets under development)	(67.32)	(48.30)
Proceeds from disposal of property, plant and equipment and investment property	144.50	3.77
Proceeds from assets of disposal group	-	780.95
Proceeds from sale/redemption of long term investments	5.06	-
Purchase of long term investments	(79.61)	(768.39)
Purchase of current investments	(25,183.88)	(16,171.03)
Proceeds from sale/redemption of current investments	25,791.58	15,925.26
(Investments in)/ Proceeds from maturity of fixed deposit (net)	(28.01)	12.30
Interest and commission received	112.05	126.83
Dividend received	0.57	307.76
Loans given to subsidiaries	(539.34)	(666.14)
Repayment of loans by subsidiaries	301.53	334.42
Loan given (to)/ repaid by others (net)	(3.44)	0.02
Net cash from/ (used in) investing activities (B)	453.69	(162.55)

Standalone Statement of Cash Flows

as at March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
C) Cash flow from/ (used in) financing activities		
Proceeds from issue of equity share capital	5.80	-
Proceeds from long term borrowings	400.00	40.00
Repayment of long term borrowings	(97.22)	(27.00)
Proceeds from short term borrowings	1,379.18	2,019.30
Repayment of short term borrowings	(1,504.39)	(1,603.97)
Interest paid	(69.82)	(53.18)
Dividend paid	(130.23)	(130.27)
Principal elements of lease payments	(9.48)	(10.34)
Net cash (used in)/ from financing activities (C)	(26.16)	234.54
Net increase in cash and cash equivalents (A+B+C)	104.15	265.29
Cash and cash equivalents at the beginning of the year	356.50	91.21
Cash and cash equivalents at the end of the year (refer note 13)	460.65	356.50
Non-cash investing activities:		
- Acquisition of right-of-use assets	6.93	-
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following:		
Cash on hand	0.03	0.07
Balances with banks		
- In current accounts	84.33	229.62
Deposits with original maturity of less than three months	376.29	126.81
Balance per statement of cash flows	460.65	356.50

The above standalone statement of cash flows should be read in conjunction with the accompanying notes.

This is the standalone statement of cash flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N / N500016

Neeraj Sharma

Partner
Membership No.108391

Place: Zurich, Switzerland
Date: May 30, 2023

For and on behalf of the Board

B.K. Goenka
Chairman
DIN No.00270175

Vipul Mathur
Managing Director
and Chief Executive Officer
DIN - 07990476

Percy Birdy
Chief Financial Officer

Pradeep Joshi
Company Secretary
FCS-4959

Place: Mumbai
Date: May 30, 2023

Standalone Statement of Changes in equity

as at March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Notes	Amount
Balance as at April 01, 2021		130.44
Changes in equity share capital during the year	16(a)	0.04
Balance as at March 31, 2022		130.48
Changes in equity share capital during the year	16(a)	0.29
Balance as at March 31, 2023		130.77

B. OTHER EQUITY [REFER NOTE 16(b) and (c)]

Particulars	Reserves and surplus							Other reserves	Share application money pending allotment	Total other equity	
	Securities premium	Debt redemption reserve	General reserve	Equity settled share based payments	Capital redemption reserve	Capital reserve	Retained earnings				Total reserve and surplus
Balance as at April 01, 2021	718.37	13.50	99.44	10.61	2.18	135.08	1,598.82	2,578.00	(2.52)	0.65	2,576.13
Profit for the year	-	-	-	-	-	-	485.72	485.72	-	-	485.72
Other comprehensive income	-	-	-	-	-	-	1.93	1.93	(10.93)	-	(9.00)
Total comprehensive income for the year	-	-	-	-	-	-	487.65	487.65	(10.93)	-	476.72
Movement in general reserve	-	-	4.50	-	-	-	-	4.50	-	-	4.50
Movement in debt redemption reserve	-	(4.50)	-	-	-	-	-	(4.50)	-	-	(4.50)
Hedging loss transferred to inventory	-	-	-	-	-	-	-	-	1.02	-	1.02
Transactions with owners in their capacity as owners:											
Share application money pending allotment	-	-	-	-	-	-	-	-	-	(0.65)	(0.65)
Employee share-based expense	-	-	-	0.56	-	-	-	0.56	-	-	0.56
Employee share-based options lapsed	-	-	0.78	(0.78)	-	-	-	-	-	-	-
Options exercised	0.93	-	-	(0.31)	-	-	-	0.62	-	-	0.62
Dividends paid	-	-	-	-	-	-	(130.48)	(130.48)	-	-	(130.48)
Balance as at March 31, 2022	719.30	9.00	104.72	10.08	2.18	135.08	1,955.99	2,936.35	(12.43)	-	2,923.92

Standalone Statement of Changes in equity

as at March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Particulars	Reserves and surplus							Other reserves	Share application money pending allotment	Total other equity	
	Securities premium	Debt redemption reserve	General reserve	Equity settled share based payments	Capital redemption reserve	Capital reserve	Retained earnings				Total reserve and surplus
Profit for the year	-	-	-	-	-	-	528.64	528.64	-	-	528.64
Other comprehensive income	-	-	-	-	-	-	0.05	0.05	8.33	-	8.38
Total comprehensive income for the year	-	-	-	-	-	-	528.69	528.69	8.33	-	537.02
Transactions with owners in their capacity as owners:											
Employee share-based expense	-	-	-	5.58	-	-	-	5.58	-	-	5.58
Options exercised	7.94	-	-	(2.43)	-	-	-	5.51	-	-	5.51
Employee share-based options lapsed	-	-	0.04	(0.04)	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	(130.47)	(130.47)	-	-	(130.47)
Balance as at March 31, 2023	727.24	9.00	104.76	13.19	2.18	135.08	2,354.21	3,345.66	(4.09)	-	3,341.56

The above standalone statement of changes in equity should be read in conjunction with the accompanying notes. This is the standalone statement of changes in equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N / N500016

Neeraj Sharma
Partner
Membership No:108391

Place: Zurich, Switzerland
Date: May 30, 2023

For and on behalf of the Board

B.K. Goenka
Chairman
DIN No.00270175

Percy Birdy
Chief Financial Officer

Place: Mumbai
Date: May 30, 2023

Vipul Mathur
Managing Director
and Chief Executive Officer
DIN - 07990476

Pradeep Joshi
Company Secretary
FCS-4959

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

GENERAL INFORMATION

Welspun Corp Limited (hereinafter referred to as "WCL" or "the Company") is primarily engaged in the business of manufacture and distribution of steel and steel products.

The Company is a public limited company which is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) and is incorporated and domiciled in India. The address of its registered office is "Welspun City", Village Versamedi, Tal. Anjar, Dist Kutch, Gujarat - 370110, India.

These standalone financial statements were approved for issue by the Board of Directors on May 30, 2023.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 BASIS OF PREPARATION OF STANDALONE FINANCIAL STATEMENTS

a) Compliance with Ind AS

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 as amended] and other relevant provisions of the Act.

b) Historical cost convention

The standalone financial statements have been prepared on an accrual and going concern basis. The standalone Financial statements have been prepared on a historical cost basis, except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivatives instruments)	Fair value
Assets or disposal groups held for sale	Fair value less cost to sell
Share based payments	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

c) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (i.e. 12 months) and other criteria set out in Schedule III (Division II) to the Act.

d) Recent Accounting Pronouncements

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends certain accounting standards, and are effective April 01, 2023. These amendments are not expected to have a material impact on the company in the current or future reporting periods and on foreseeable future transactions.

Title	Key requirements
Disclosure of Accounting Policies Amendments to Ind AS 1, Presentation of financial statements.	The amendment requires entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.
Definition of Accounting Estimates Amendments to Ind AS 8, Accounting policies, changes in accounting estimates and errors.	The amendment clarifies how entities should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Title	Key requirements
Deferred tax related to assets and liabilities arising from a single transaction Amendments to Ind AS 12, Income taxes.	The amendment requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities. The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with: <ul style="list-style-type: none"> right-of-use assets and lease liabilities, and decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets <p>The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. Ind AS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable.</p>

1.2 FOREIGN CURRENCY TRANSLATION

a) Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using

the currency of the primary economic environment in which the Company operates ("the functional currency"). The standalone financial statements are presented in Indian rupee (INR/Rs.), which is the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other expenses or other income, as applicable.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of initial transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

The Company has elected to apply the exemption from the transition date i.e. April 01, 2015 in respect of accounting policy followed for long term foreign currency monetary items. Accordingly, long term foreign currency monetary items in the standalone financial statement have been accounted in accordance with adopted under previous GAAP as given below:

- Foreign exchange differences on account of depreciable assets are adjusted in the cost of depreciable assets and depreciated over the balance life of the assets.
- In other cases, foreign exchange differences are accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of such long term assets / liabilities.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

1.3 REVENUE RECOGNITION

a) Sale of goods

The Company derives revenue principally from sale of pipes and steel products.

The Company recognises revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Company has the present right to payment, all of which occurs at a point in time upon shipment or delivery of the product. The Company considers freight activities as costs to fulfil the promise to transfer the related products and the payments by the customers for freight costs are recorded as a component of revenue.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

In certain customer contracts, freight services are treated as a distinct separate performance obligation and the Company recognises revenue for such services when the performance obligation is completed.

The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the Company expects to be entitled to in exchange for transferring of promised goods and services to the customer after deducting incentive programs, included but not limited to discounts, volume rebates, etc.

Revenue is recognized at a determined transaction price when identified performance obligations are satisfied. The bill and hold contracts are entered at the request of the customer. Revenue from bill and hold contracts is recognised at the agreed transaction price (determined price). The price for bill and hold contracts is determined at the time of entering into the transaction and the performance obligation is satisfied when goods have been appropriated towards the sale transaction (the control of asset is transferred to the customer).

Revenue excludes any taxes and duties collected on behalf of the government.

b) Sale of services

The Company provides freight services to its customers. Revenue from providing freight services is recognised in the accounting period in which the services are rendered. The related freight costs incurred are included in freight expenses when the Company is acting as principal in the freight arrangement.

Freight services may be considered a separate performance obligation if control of the goods transfers to the customer before goods reach to the agreed place of shipment, but the entity has promised to ship the goods (or arrange for the goods to be shipped). In contrast, if control of a good does not transfer to the customer before goods reach to the agreed place of shipment, freight service is not a promised service to the customer. This is because freight service is a fulfillment activity as the costs are incurred as part of transferring the goods to the customer.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation.

1.4 CONTRACT ASSETS AND CONTRACT LIABILITIES

When the Company performs a service or transfers a good in advance of receiving consideration, it recognises a contract asset or receivable.

A contract asset is a Company's right to consideration in exchange for goods or services that the Company has transferred to a customer. If the Company transfers control of goods or services to a customer before the customer pays consideration, the Company records a contract asset when the nature of the Company's right to consideration for its performance is other than passage of time. A contract asset will be classified as a receivable when the Company's right to consideration is unconditional (that is, when payment is due only on the passage of time). The Company shall assess a contract asset for impairment in accordance with Ind AS 109. Impairment of a contract asset is measured, presented and disclosed on similar basis as other financial asset in nature of trade receivable within the scope of Ind AS 109. The Company discloses contract assets under "Other Assets".

The Company recognises a contract liability if the customer's payment of consideration precedes

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

the Company's performance. A contract liability is recognised if the Company receives consideration (or if it has the unconditional right to receive consideration) in advance of performance. The Company discloses contract liabilities under "Other Liabilities".

1.5 SEGMENT REPORTING

Since the segment information as per Ind AS 108 - Operating Segments is provided on the basis of consolidated financial statement, the same is not provided separately in standalone financial statement.

1.6 GOVERNMENT GRANTS

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.

Export incentives and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.

Grants related to assets are government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. Grants related to income are government grants other than those related to assets.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented either under "other operating income" or are deducted in reporting the related expense. Grants related to income are presented under Other Operating Revenue or Other Income in the statement of profit and loss depending upon the nature of the underlying grant. This presentation approach is applied consistently to all similar grants.

Government grants relating to the purchase of property, plant and equipment are included in liabilities as "Government grants" and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within "Other operating income". In case of disposal of such property, plant and equipment, related Government Grants included in the liabilities are written back and charged to the statement of profit and loss.

1.7 INCOME TAX AND DEFERRED TAX

The Income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in the profit and loss except to the extent it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income respectively.

a) Current income tax

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b) Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill.

Deferred tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax assets is realized or deferred tax liability is settled.

Deferred tax are recognised for all deductible temporary difference and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

and losses.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

1.8 LEASES

a) As a lessee

The Company leases various leasehold lands, buildings, vehicles, and office and other equipments. Rental contracts are typically made for fixed periods of one to ninety-nine years but may have extension options as described in note 3(b). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments, as applicable:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date

- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payment to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following, wherever applicable:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term (including extension considering reasonable certainty), on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets and short term lease assets comprises of dumpsite land, laptops and other office equipments.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

b) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct cost incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Company did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

1.9 PROPERTY, PLANT AND EQUIPMENT

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Cost of Capital Work in Progress ('CWIP') comprises amount paid towards acquisition of property, plant and equipment outstanding as of each balance sheet date and construction expenditures, other expenditures necessary for the purpose of preparing the CWIP for its intended use and borrowing cost incurred before the qualifying asset is ready for intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.

Depreciation methods, estimated useful lives and residual value

Freehold land is not depreciated. Leasehold improvements and lease hold land are amortised over the shorter of estimated useful life or the related lease term. Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

Assets	Estimated Useful Lives (in years)	Useful Life as per Companies Act, 2013
Buildings		
Building	30	30
Residential and other buildings	60	60
Road, fencing, etc.	Ranging between 3 to 15 years	Ranging between 3 to 10 years
Office and Other Equipment		
Office equipment	Ranging between 3 to 10 years	5 years
Computer	3 years except Networking equipment's which are depreciated over useful life of 5 years	Ranging between 3 to 6 years
Plant and Machinery	2-40	Ranging between 8-40 years
Vehicles	8	Ranging between 6 to 10 years
Furniture and fixtures	10	Ranging between 8 to 10 years

The useful lives have been determined based on technical evaluation done by management's expert which may differ from those specified in Schedule II of the Companies Act, 2013 (as indicated in table above) in order to reflect the actual usage of the assets.

The estimated useful lives of plant and machinery, determined based on internal technical advice, considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, etc.

The residual values are not more than 5% of the original cost of the asset.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

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An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other expenses or other income or other expenses, as applicable.

1.10 INVESTMENT PROPERTIES

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties (except freehold land) are depreciated using the straight-line method over their estimated useful lives over a period of thirty years. These estimated useful lives are in accordance with those prescribed under Schedule II to the Companies Act, 2013.

1.11 INTANGIBLE ASSETS

Intangible assets with finite useful lives acquired by the Company are measured at cost less accumulated amortization and accumulated impairment losses. Amortization is charged on a straight-line basis over the estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation methods and periods

Intangible assets comprise of computer software

which is amortised on a straight-line basis over its expected useful life of five years which is based on a technical evaluation done by the Management.

1.12 NON-CURRENT ASSETS (OR DISPOSAL GROUPS) HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal groups) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal groups), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal groups) is recognised at the date of de-recognition.

Non-current assets (including those that are part of disposal groups) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to liabilities of disposal groups classified as held for sale continue to be recognized.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately from the other assets in the balance sheet under the head "Assets or disposal groups classified as held for sale". The liabilities of disposal groups classified as held for sale are presented separately from other liabilities in the balance sheet under the head "Liabilities directly associated with disposal groups classified as held for sale".

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or are of operations, or is a subsidiary acquired exclusively with a view to

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resale. The results of discontinued operations are presented separately in the statement of profit and loss.

1.13 IMPAIRMENT OF ASSETS

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.14 INVENTORIES

Raw materials, stores and spares, work in progress, traded goods and finished goods

Raw materials, stores and spares, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases on moving weighted average basis. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on moving weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

1.15 INVESTMENT IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE

The investments in subsidiaries, joint ventures and associate are carried in the standalone financial

statements at historical cost except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for as Non-current assets held for sale and discontinued operations.

When the Company is committed to a sale plan involving disposal of an investment, or a portion of an investment, in any subsidiary or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met. Any retained portion of an investment in a subsidiary or a joint venture that has not been classified as held for sale continues to be accounted for at historical cost.

Company considers issuance of non-market rate redeemable preference shares by subsidiary as compound instrument comprising a loan with market terms and a capital injection and hence treat the difference between the cash paid and fair value on initial recognition as an addition to the investment in the subsidiary and presented separately as 'Investment in equity component of preference shares' under 'Equity investments in subsidiaries and joint ventures'. Equity Component is not subsequent remeasured.

1.16 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets (I) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held.

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For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(II) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. However, trade receivables do not contain significant financing component are measured at transaction price. After initial recognition, financial assets not measured at fair value through profit & Loss are measured using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash flow through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(i) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.
- Fair value through other comprehensive income (FVOCI): Assets that are held for

collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.

- Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

(ii) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income and there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments and gain/loss on restatement of equity shares held in foreign currency are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income or other expenses, as applicable in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

(III) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables and contract assets, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(IV) Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(V) Income recognition

(i) Interest income

Interest income from a financial assets is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis by reference to principal outstanding and the effective interest rate applicable which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset

to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Interest on income tax and indirect tax are recognised in the year in which it is received.

(ii) Dividend income

Dividend income are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(iii) Export Benefits

In case of sale made by the Company as Support Manufacturer, export benefits arising from Duty Entitlement Pass Book (DEPB), Remission of Duties and Taxes on Export Products ("RoDTEP") and Duty Drawback scheme are recognised on export of such goods in accordance with the agreed terms and conditions with customers. In case of direct exports made by the Company, export benefits arising from DEPB, Duty Drawback scheme and RoDTEP are recognised on shipment of direct exports.

(VI) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, short-term deposits with an original maturity of three months or less and short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flow, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

(VII) Trade receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the

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Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

transaction price as they do not contain significant financing components. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

b) Financial liabilities

(I) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

(II) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(III) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some

or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit and loss as other income or other expenses, as applicable.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the standalone financial statements for issue, not to demand payment as a consequence of the breach.

(IV) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

Trade payables includes acceptances arrangements where operational suppliers of goods are paid by banks while the Company continues to recognise the liability till settlement with the banks.

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Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

c) Financial guarantee contracts

Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 and amount initially recognized less cumulative amortization, where appropriate. The fair value of guarantee is determined as at the present value of difference in net cash flows between the contractual payments under the debt instrument and the payment that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligation. Where guarantee in relation to loan or other payables of group companies are provided for no consideration, the fair values are accounted for as contributions and recognized as part of the cost of investment.

d) Derivatives and hedging activities

In order to hedge its exposure to foreign exchange and interest rate, the Company enters into forward and interest rate swap contracts and other derivative financial instruments. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions and variable interest rate risk associated with borrowings (cash flow hedges).

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

(I) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other income or other expenses (as applicable).

When forward contracts are used to hedge forecast transactions, the Company generally designates the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

Where the hedged item subsequently results in the recognition of a non-financial asset (such as inventory), both the deferred hedging gains and losses and the deferred time value of the deferred forward contracts, if any are included within the initial cost of the asset.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss within other income or other expense (as applicable). If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for

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hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in statement of profit or loss at the time of the hedge relationship rebalancing.

(II) Derivatives that are not designated as hedges

The Company enters into derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income or other expenses (as applicable).

e) Embedded Derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

f) Embedded foreign currency derivatives

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- the functional currency of any substantial party to that contract,
- the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world, and
- the currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency).

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit and loss. The Company currently does not have any such derivatives which are not closely related.

g) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.17 BORROWING COSTS

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

1.18 EMPLOYEE BENEFITS

a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of

Notes

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(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

c) Post-employment obligations

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund and superannuation fund.

(I) Defined Benefit Plans

(i) Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR/Rs. is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Remeasurements are not reclassified to profit and loss in the subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or

curtailments are recognised immediately in profit or loss as past service cost.

(II) Defined contribution plans

(i) Provident Fund, Employee State Insurance Corporation (ESIC) and Pension Fund

The Contribution towards provident fund, ESIC and pension fund for certain employees is made to the regulatory authorities where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations apart from the contributions made on a monthly basis.

(ii) Superannuation Fund

Contribution towards superannuation fund for certain employees is made to SBI Life Insurance Company where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from contribution made on monthly basis.

d) Bonus Plan

The Company recognises a liability and an expense for bonus. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

e) Equity-settled share-based payments (ESOP)

Equity-settled share-based payments to employees are measured at the fair value of the options at the grant date.

The fair value of option at the grant date is expensed over the vesting period with a corresponding increase in equity as "Equity settled share based payments". In case of forfeiture of unvested option, portion of amount already expensed is reversed. In a situation where the vested option forfeited or expires unexercised, the related balance standing to the credit of the "Equity settled share based payments" are transferred to the "Retained Earnings".

When the options are exercised, the Company issues new equity shares of the Company of Rs. 5 each fully paid-up. The proceeds received and the related balance standing to credit of the Equity settled share based payments, are credited to share capital (nominal value) and Securities Premium.

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Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

1.19 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

a) Provisions

Provisions for legal claims are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

b) Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

c) Contingent Assets

Contingent Assets are disclosed, where an inflow of economic benefits is probable.

1.20 CONTRIBUTED EQUITY

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new

shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.21 DIVIDENDS

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.22 EARNINGS PER SHARE

a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company; and
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

b) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

1.23 BUSINESS COMBINATIONS

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

The excess of the:

- consideration transferred
- amount of any non-controlling interest in the acquired entity
- acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

1.24 CASH FLOW STATEMENT

Cash flows are reported using the indirect method set out in Ind AS 7 'Statement of Cash Flows', whereby net loss/profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and items of expenses associated with investing or financing cash

flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Note 2: Critical estimates and judgments

The preparation of standalone financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.

Critical estimates and judgments

i) Estimation of Provisions and Contingent Liabilities

The Company exercises judgment in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision (Refer note 37 and 45).

ii) Estimation of useful life of Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which

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Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

may impact their life, such as changes in technology (Refer note 1.9).

iii) Estimation of Provision for Inventory

The Company writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not realised. The identification of write-downs requires the use of estimates of net selling prices of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

iv) Estimated fair value of Financial Instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Management uses its judgment to select a variety of

methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period (Refer note 40).

v) Impairment of carrying value of investments and recoverability of loans to a subsidiary

Determining whether the impairment of carrying value of investments in a subsidiary and recoverability of loans to a subsidiary requires an estimate of the value in use of investments and loans. In considering the value in use, the board of directors of Investee Company have selected the appropriate method for the determination of value-in-use example market approach model, discounted cash flow model etc. Accordingly, Company anticipates the market rates from independent website, assesses the work of the external valuation expert for valuation of the Investee Company in case of market approach model. Life-time Expected credit loss model is used for assessing the impairment of Loans.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

3(a). PROPERTY, PLANT AND EQUIPMENT (PPE)

Carrying amounts	Freehold land	Buildings	Plant and machinery	Office and other equipments	Vehicles	Furniture and fixtures	Total
Year ended March 31, 2022							
Gross carrying amount							
Balance as at April 01, 2021	97.13	518.17	1,168.14	16.78	3.00	12.86	1,816.08
Additions	7.70	0.73	29.76	1.00	0.19	0.27	39.65
Disposals	1.53	5.04	20.55	0.62	0.46	-	28.20
Reclassification as investment properties (refer note 4)	-	1.04	-	-	-	-	1.04
Gross carrying amount as at March 31, 2022	103.30	512.82	1,177.35	17.16	2.73	13.13	1,826.49
Year ended March 31, 2023							
Gross carrying amount							
Additions	6.67	1.05	66.71	2.88	0.19	0.22	77.72
Disposals	1.78	33.62	13.91	1.50	0.39	0.09	51.29
Reclassification as investment properties (refer note 4)	3.78	-	-	-	-	-	3.78
Gross carrying amount as at March 31, 2023	104.41	480.25	1,230.15	18.54	2.53	13.26	1,849.14

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Accumulated depreciation	Freehold land	Buildings	Plant and machinery	Office and other equipments	Vehicles	Furniture and fixtures	Total
Year ended March 31, 2022							
Balance as at April 01, 2022	-	119.21	641.74	10.42	1.67	6.29	779.33
Depreciation charge during the year	-	18.26	79.27	2.06	0.24	0.94	100.77
Disposals	-	0.93	15.80	0.54	0.36	-	17.63
Reclassification as investment properties (refer note 4)	-	0.35	-	-	-	-	0.35
Accumulated depreciation as at March 31, 2022	-	136.19	705.21	11.94	1.55	7.23	862.12
Year ended March 31, 2023							
Depreciation charge during the year	-	17.12	77.59	1.99	0.21	0.86	97.77
Disposals	-	14.66	5.02	1.44	0.16	0.06	21.34
Reclassification as investment properties (refer note 4)	-	0.22	-	-	-	-	0.22
Accumulated depreciation as at March 31, 2023	-	138.43	777.78	12.49	1.60	8.03	938.33
Net carrying amount of property, plant and equipment							
As at March 31, 2022	103.30	376.63	472.14	5.22	1.18	5.90	964.37
As at March 31, 2023	104.41	341.82	452.37	6.05	0.93	5.23	910.81
Capital work-in-progress							
Opening balance as at April 01, 2021	10.34						
Additions	28.29						
Capitalisation	(34.39)						
Closing balance as at March 31, 2022	4.24						
Opening balance as at April 01, 2022	4.24						
Additions	66.80						
Capitalisation	(67.76)						
Closing balance as at March 31, 2023	3.28						

Capital work-in-progress mainly comprises of plant and machinery.

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Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Capital work-in-progress aging:

Aging for capital work-in-progress (CWIP) as at March 31, 2023 is as follows:

Capital work-in-progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	3.28	-	-	-	3.28
Projects temporarily suspended	-	-	-	-	-
Total	3.28	-	-	-	3.28

Capital work-in-progress aging:

Aging for capital work-in-progress (CWIP) as at March 31, 2022 is as follows:

Capital work-in-progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	4.24	-	-	-	4.24
Projects temporarily suspended	-	-	-	-	-
Total	4.24	-	-	-	4.24

Notes:

- For property, plant and equipment mortgaged as security, refer notes 17 and 52.
- Contractual obligations: Refer note 46 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- Project execution plans are monitored on a quarterly basis to determine whether the progress is as per the plans.
- The completion schedule for the above capital work-in-progress is not overdue and has not exceeded its cost compared to its original plan

3(b) RIGHT-OF-USE ASSETS

(i) Amount recognised in balance sheet

The Balance sheet shows the following amounts relating to leases:

	As at March 31, 2023	As at March 31, 2022
Right-of-use assets		
Leasehold land	3.78	4.29
Buildings	16.70	14.87
Vehicle	-	3.00
Office and other equipments	-	0.81
Total Right-of-use assets	20.48	22.97
Lease Liabilities		
Current	3.65	8.12
Non-Current	13.58	10.01
Total Lease Liabilities	17.23	18.13

Addition to the right-of-use assets during the current financial year were 6.93 (March 31, 2022 Rs. Nil)

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

The Company leases various lands, buildings, vehicles, and office and other equipments. Rental contracts are typically made for fixed periods as follows, but may have extension options of as described in below:

Asset Class	Years
Leasehold Land	01 to 99 years
Building	03 to 60 years

Extension options for one to three years and termination options are included in a number of leasehold lands, buildings, vehicles, and office and other equipments across the Company. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable by the Company.

(ii) Amount recognised in the statement of profit and loss

The statement of profit or loss shows the following amounts relating to leases:

	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation charge of Right-of-use assets		
Leasehold land	0.05	0.10
Buildings	5.55	5.67
Vehicle	3.00	3.00
Office & other equipments	0.82	2.37
Total	9.42	11.14
Interest and Other expense		
Interest expense on Leases (included in finance cost)	1.65	2.02
Expense relating to short-term leases (included in other expenses)	1.22	1.18
Total	2.87	3.20

The total cash outflow for the leases for the year ended March 31, 2023 was Rs. 9.48 (March 31, 2022 Rs. 10.34)

4 INVESTMENT PROPERTIES

	As at March 31, 2023	As at March 31, 2022
Investment property - land	14.27	10.37
Investment property - building	4.35	5.27
Total investment properties	18.62	15.64

	Year ended March 31, 2023	Year ended March 31, 2022
Gross carrying amount		
Opening balance	17.42	16.38
Transferred from property, plant and equipment (refer note 3(a))	3.78	1.04
Disposals during the year	0.83	-
Closing balance	20.37	17.42
Accumulated Depreciation		
Opening balance	1.78	1.43
Transferred from property, plant and equipment (refer note 3(a))	0.22	0.35
Disposals during the year	0.25	-
Closing balance	1.75	1.78

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

(i) Amount recognised in statement of profit and loss in respect of investment properties

	Year ended March 31, 2023	Year ended March 31, 2022
Rental Income (Other Income)	2.58	1.68
Gain on Disposal of investment property (Other income)	6.37	-
Profit from investment properties before depreciation	8.95	1.68
Depreciation	(0.22)	(0.35)
Profit from investment properties	8.73	1.33

There are no direct operating expenses (including repairs and maintenance) on investment properties recognised in statement of profit and loss.

(ii) Fair Value

	Year ended March 31, 2023	Year ended March 31, 2022
Investment property - land	54.20	28.86
Investment property - building	11.32	17.70
	65.52	46.56

Estimation of fair value

The Company has obtained independent valuation of its freehold land located at Anjar, flat located at Mumbai and office located in Delhi based on current prices in an active market for properties of similar nature. The fair values of investment properties have been determined by an independent valuer. The main inputs used are the rental growth rates and a study of the micro market in discussion with industry experts. Resulting fair value estimate for investment properties are included in level 3.

5 INTANGIBLE ASSETS

Carrying amounts	Intangible assets (Software)
Year ended March 31, 2022	
Gross carrying amount	
Balance as at April 01, 2021	23.00
Additions	0.57
Gross carrying amount as at March 31, 2022	23.57
Year ended March 31, 2023	
Gross carrying amount	23.57
Additions	1.24
Gross carrying amount as at March 31, 2023	24.81

Accumulated amortisation	Intangible assets (Software)
Year ended March 31, 2022	
Balance as at April 01, 2021	15.95
Amortisation charge during the year	3.37
Accumulated amortisation as at March 31, 2022	19.32
Year ended March 31, 2023	
Amortisation charge during the year	1.79
Accumulated amortisation as at March 31, 2023	21.11

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Intangible assets (Software)
Net carrying amount of Intangible assets	
As at March 31, 2022	4.25
As at March 31, 2023	3.70

	Intangible assets (Software)
Intangible assets under development (IAUD)	
Opening balance as at April 01, 2021	-
Additions	0.90
Capitalisation	-
Closing balance as at March 31, 2022	0.90

	Intangible assets (Software)
Accumulated amortisation	
Intangible assets under development (IAUD)	
Opening balance as at April 01, 2022	0.90
Additions	0.16
Capitalisation	1.06
Closing balance as at March 31, 2023	-

Intangible assets under development aging:

Aging for intangible assets under development as at March 31, 2023 is as follows:

Intangible assets under development aging	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress*	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Intangible assets under development aging:

Aging for intangible assets under development as at March 31, 2022 is as follows:

Intangible assets under development aging	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress*	0.90	-	-	-	0.90
Projects temporarily suspended	-	-	-	-	-
Total	0.90	-	-	-	0.90

Notes:

- (i) Contractual obligations: Refer note 46 for disclosure of contractual commitments.
- (ii) The completion schedule for the above IAUD is not overdue and has not exceeded its cost compared to its original plan.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

6 INVESTMENTS IN SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE (REFER NOTE 42) (FULLY PAID UP)

	As at March 31, 2023	As at March 31, 2022
Valued at cost		
Unquoted		
I. Investments in equity instruments of subsidiaries		
i) Wholly owned subsidiaries		
Welspun Pipes Inc. 1,000 (March 31, 2022: 1,000) equity shares of USD 0.0001 each	0.04	0.04
Welspun Tradings Limited 50,13,402 (March 31, 2022: 50,13,402) equity shares of Rs. 10 each	5.02	5.02
Welspun DI Pipes Limited (refer note (iii) below) 5,20,00,000 (March 31, 2022: 2,95,11,000) equity shares of Rs. 10 each	52.06	29.57
Welspun Metallics Limited (refer note (iii) below) 11,80,00,000 (March 31, 2022: 8,50,11,000) equity shares of Rs. 10 each	119.18	86.19
Mahatva Plastic Products and Building Materials Private Limited (refer note (i) below) 1,000 (March 31, 2022: 1,000) equity shares of Rs. 10 each	*	*
Anjar TMT Steel Private Limited (refer note (ii) below) 2,00,10,000 (March 31, 2022: 2,00,10,000) equity shares of Rs. 10 each	20.01	20.01
Nauyaan Shipyard Private Limited (refer note (vi) below) 10,000 (March 31, 2022: Nil) equity shares of Rs. 10 each	0.01	-
Sintex BAPL Limited (refer note 51 c) 1,13,308 (March 31, 2022: Nil) equity shares of Rs. 10 each	0.35	-
Sintex Prefab and Infra Limited (refer note 51 b) 3,372 (March 31, 2022: Nil) equity shares of Rs. 10 each	0.20	-
ii) Other subsidiary		
Welspun Mauritius Holdings Limited 1,02,089 (March 31, 2022: 1,02,089) equity shares of USD 1 each	0.47	0.47
	197.34	141.30
* Amount is below rounding off norms.		
Quoted		
Equity investments carried at cost		
Welspun Specialty Solutions Limited 26,51,90,034 (March 31, 2022: 26,51,90,034) equity shares of Rs. 6 each, fully paid up	283.65	283.65
	283.65	283.65
Total Investments in equity instruments of subsidiaries	480.99	424.95

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
II. Investment in equity component of preference shares		
Other subsidiary		
Welspun Mauritius Holdings Limited	29.38	29.38
Total investment in equity component of preference shares	29.38	29.38
III. Investments in preference shares of subsidiaries		
Wholly owned subsidiaries		
Welspun DI Pipes Limited (refer note no.(iii) below) 16,25,21,000 (March 31, 2022: 18,00,00,000) 8% Convertible Non-Cumulative Optionally Redeemable Preference Share of Rs. 10 each	162.52	180.00
Welspun Metallica Limited (refer note no. (iii) below) 35,30,00,000 (March 31, 2022: 21,20,00,000) 8% Convertible Non-Cumulative Optionally Redeemable Preference Share of Rs. 10 each	353.00	212.00
Anjar TMT Steel Private Limited (refer note no. (ii) below) 4,49,90,000 (March 31, 2022: 2,48,15,000) 7.75% Convertible Non-Cumulative Optionally Redeemable Preference Share of Rs. 10 each	44.99	24.82
Total investments in preference shares of subsidiaries	560.51	416.82
IV. Investment in optionally convertible debentures of subsidiaries		
Wholly owned subsidiaries		
Mahatva Plastic Products and Building Materials Private Limited (refer note (i) below) 3,83,000 (March 31, 2022: 4,01,00,000) debenture of Rs. 100 each	3.83	401.00
Sintex Prefab and Infra Limited (refer note no. (iv) below and 51 b) 30,07,000 (March 31, 2022: Nil) debenture of Rs. 100 each	30.07	-
Sintex BAPL Limited (refer note no. (v) below and 51 c) 3,30,70,100 (March 31, 2022: Nil) debenture of Rs. 100 each	330.70	-
Nauyaan Shipyard Pvt Limited (refer note no. (vi) below) 87,00,000 (March 31, 2022: Nil) debenture of Rs. 100 each	87.00	-
Total investment in optionally convertible debentures of subsidiaries	451.60	401.00
V. Investments in equity instruments of associate and joint venture		
Joint venture:		
Welspun Wasco Coatings Private Limited 2,54,65,014 (March 31, 2022: 2,54,65,014) equity shares of Rs. 10 each	25.47	25.47
Less: Provision for Impairment in equity investment	(25.47)	(25.47)
Associate:		
Welspun Captive Power Generation Limited (refer note 51) 62,62,623 (March 31, 2022: 67,05,693) equity shares of Rs. 10 each	71.52	76.58
Total investments in equity instruments of associate and joint venture	71.52	76.58
Total equity investments in subsidiaries, associate and joint venture	1,594.00	1,348.73

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Aggregate market value of quoted investments	476.02	403.09
Aggregate amount of quoted investments	283.65	283.65
Aggregate amount of unquoted investments	1,310.35	1,065.08
Aggregate amount of impairment in the value of investments	25.47	25.47

Notes:

- i Pursuant to the meeting of board of directors held on October 28, 2021, the Company on November 26, 2021, has acquired 100% of equity shares of Mahatva Plastic Products and Building Materials Private Limited (Mahatva) for purchase consideration of Rs. 0.001. Accordingly, Mahatva Plastic Products and Building Materials Private Limited is now a wholly owned subsidiary of the Company. Mahatva Plastic Products and Building Materials Private Limited is incorporated in the financial year 2021-22 for the manufacturing of plastic products. Further as at March 30, 2022, the Company has also invested 0.01% optionally convertible debentures of Mahatva Plastic Products and Building Materials Private Limited of Rs. 401.00.

During the current year, the company had invested 0.01% optionally convertible debentures of Mahatva Plastic Products and Building Materials Private Limited of Rs. 54.83. Also, there was redemption of 0.01% optionally convertible debentures of Mahatva Plastic Products and Building Materials Private Limited of Rs. 452.00 at par.

March 31, 2023 and March 31, 2022:-

Terms and rights of 0.01% Optionally Convertible Debentures (OCDs):

0.01% Optionally Convertible Debentures (OCDs) having face value of Rs 100 each shall be convertible at the option of WCL, the holder at any time during the tenure of the debentures into 10 equity shares of Rs 10 each. If the OCD are not redeemed within 5 years from the date of issue, the OCD will be mandatorily converted into equity shares. The OCD shall be redeemable at the option of Mahatva, the issuer, any-time from the date of issue but not later than 5 years."

- ii Anjar TMT Steel Private Limited (Anjar ATMT) became a subsidiary (100%) of the Company pursuant to Merger order dated March 16, 2022 (refer note 51).

The Company holds 2,00,10,000 equity shares of Anjar TMT of par value Rs.10 amounting to Rs. 20.01.

The Company invested in 2,48,15,000, 7.75% Convertible Non-cumulative Optionally Redeemable Preference Shares (7.75% CORPS) of par value Rs 10. amounting to Rs. 24.82 in the previous year.

During the current year, the Company invested in 2,01,75,000, 7.75% Convertible Non-cumulative Optionally Redeemable Preference Shares (7.75% CORPS) of par value Rs 10. amounting to Rs. 20.17.

March 31, 2022 and March 31, 2023:-

Terms and rights of 7.75% Convertible Non-cumulative Optionally Redeemable Preference Shares (7.75% CORPS):

7.75% CORPS have par value Rs. 10 each.

The 7.75% CORPS shall be convertible into equity shares of Anjar ATMT, the issuer any time before March 31, 2036. Conversion ratio is 1:1. One 7.75% CORPS will be converted into one equity share of Rs. 10/- each fully paid-up. If not converted, the 7.75% CORPS shall be redeemable at par at the option of Anjar ATMT, the issuer after March 31, 2030, but before 31st March, 2036.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

- iii During the previous year, pursuant to the meeting of board of directors held on January 28, 2021, the Company on February 03, 2021, had acquired 100% of equity shares of Welspun DI Pipes Limited (WDI) and Welspun Metallica Limited (WML) for purchase consideration of Rs. 0.011 each. Accordingly WDI and WML became wholly owned subsidiaries of the Company. WDI and WML were incorporated for the manufacturing of ductile iron pipes and pig iron, respectively.

As at February 03, 2021, the Company held 0% Compulsorily Convertible debentures of WDI and WML for Rs. 9.56 and Rs. 86.19, respectively which were converted in the previous year into 9,500,000 equity shares of WDI of par value Rs.10 amounting to Rs. 9.56 and 85,000,000 equity shares of WML of Rs.10 amounting to Rs. 86.19, respectively, in the previous year.

Additionally, the Company had also invested 2,00,00,000 equity shares of WDI of Rs. 10 amounting to Rs. 20 during the previous year.

During the current year, 1,74,79,000 preference shares have been converted to same number of equity shares having face value of Rs 10 per equity share amounting to Rs 17.48 in Welspun DI Pipes Limited.

Additionally, the Company had also invested 50,10,000 equity shares of WDI of Rs.10 amounting to Rs. 5.01 during the current year.

During the current year, the Company has invested in 3,29,89,000 equity shares of Welspun Metallica Limited of Rs 10 each amounting to Rs 32.99 by converting loan into equity shares.

Also, during the current year, the Company has invested in 14,10,00,000 8% Convertible Non-Cumulative Optionally Redeemable Preference Share (CORPS) having par value of Rs. 10 each of Welspun Metallica Limited amounting to Rs 141 by converting loan. The CORPS shall be convertible in to equity share of the Company any time before March 31, 2036. Conversion ratio is 1:1 One CORPS will be converted in to one equity share at par. The CORPS shall be redeemable at the option of the Company in one or more tranches at any time on or after September 30, 2034 but before March 31, 2036 and CORPS shall be redeemed at par.

During the previous year, the Company has also invested in the 8% CORPS of Rs. 10 each of WDI and WML for Rs.180 and Rs. 212, respectively.

March 31, 2023 and March 31, 2022:-

Terms and rights of 8% Convertible Non-Cumulative Optionally Redeemable Preference Share (8% CORPS): The 8% CORPS shall be convertible into equity shares of WML/ WDI, the issuer any time before March 31, 2036. Conversion ratio is 1:1 One 8% CORPS will be converted into one equity share at par. The 8% CORPS shall be Redeemable at the option of WML/ WDI, the issuer in one or more tranches at any time on or after 30th September, 2034 but before March 31, 2036 and 8% CORPS shall be redeemed at par.

- iv. During the current year, the Company invested in 30,07,000, 0.01% Optionally Convertible Debentures of par value Rs 100 each amounting to Rs. 30.07 of Sintex Prefab and Infra Limited

Terms and Rights:

Each OCD having face value of Rs. 100 each shall be convertible at the option of the holder thereof at any time during the tenure of the OCDs into 10 equity shares of Rs. 10 each.

If the OCDs are not redeemed within 5 years from the date of the issue, the OCDs shall be mandatorily converted into equity shares.

The OCDs shall be redeemable at the option of the issuer, any-time from the date of the issue but not later than 5 years.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Before redeeming the OCDs, the issuer shall give option to holder to convert the OCDs in to equity by issuing 15 days' notice thereto

If the holder does not opt for converting, the issuer shall redeem within 7 days of the expiry of the notice period.

The OCDs shall carry coupon of 0.01% p.a., discretionary.

- v. During the current year, the Company invested in 3,30,70,100 0.01% Optionally Convertible Debentures of par value Rs 100 each amounting to Rs. 330.70 of Sintex BAPL Limited

Terms and Rights:

Each OCD having face value of Rs. 100 each shall be convertible at the option of the holder thereof at any time during the tenure of the OCDs into 10 equity shares of Rs. 10 each.

If the OCDs are not redeemed within 5 years from the date of the issue, the OCDs shall be mandatorily converted into equity shares.

The OCDs shall be redeemable at the option of the issuer, any-time from the date of the issue but not later than 5 years.

Before redeeming the OCDs, the issuer shall give option to holder to convert the OCDs in to equity by issuing 15 days' notice thereto

If the holder does not opt for converting, the issuer shall redeem within 7 days of the expiry of the notice period.

The OCDs shall carry coupon of 0.01% p.a., discretionary.

- vi. During the current year, the Company has acquired 10,000 equity shares of Rs 10 each amounting to Rs. 0.01 of Nauyaan Shipyard Private Limited. Consequently, it has become a wholly owned subsidiary of the Company.

Further, the Company invested in 87,00,000 0.01% Optionally Convertible Debentures of par value Rs 100 each amounting to Rs. 87.00 of Nauyaan Shipyard Private Limited.

Terms and Rights:

Each OCD having face value of Rs. 100 each shall be convertible at the option of the holder thereof at any time during the tenure of the OCDs into 10 equity shares of Rs. 10 each.

If the OCDs are not redeemed within 5 years from the date of the issue, the OCDs shall be mandatorily converted into equity shares.

The OCDs shall be redeemable at the option of the issuer, any-time from the date of the issue but not later than 5 years.

Before redeeming the OCDs, the issuer shall give option to holder to convert the OCDs in to equity by issuing 15 days' notice thereto

If the holder does not opt for converting, the issuer shall redeem within 7 days of the expiry of the notice period.

The OCDs shall carry coupon of 0.01% p.a., discretionary.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

7 INVESTMENTS

7(a) Non-current investments

Investment carried at fair value through profit and loss (fully paid up)

Unquoted (refer note 42)

	As at March 31, 2023	As at March 31, 2022
I. Investments in equity instruments of other entities		
Welasure Private Limited	0.11	0.11
1,900 (March 31, 2022: 1,900) equity shares of Rs. 10 each		
Welspun Global Services Limited	*	*
1,900 (March 31, 2022: 1,900) equity shares of Rs. 10 each		
Welspun Transformation Services Limited	0.57	-
570,000 (March 31, 2022: Nil) equity shares of Rs. 10 each		
Mounting Renewable Power Limited	0.01	-
1,300 (March 31, 2022: Nil) equity shares of Rs. 10 each		
Less: Provision for Impairment in equity investment	(0.01)	-
Total investments in equity instruments of other entities	0.68	0.11
Amount is below rounding off norms.		
II. In government securities at fair value through profit and loss:		
National Saving Certificates	0.01	0.01
Total Investment in government securities at fair value through profit and loss	0.01	0.01
III. Investment in optionally convertible debentures of other entities		
Mounting Renewable Power Limited	0.10	-
1,03,000 (March 31, 2022: Nil) debenture of Rs. 10 each		
Less: Provision for Impairment in optionally convertible debentures	(0.10)	-
Total investment in optionally convertible debentures of other entities	-	-
Total non-current investments	0.69	0.12
Aggregate amount of unquoted investments	0.69	0.12

Note: Investments made is in accordance with policy of Company and are approved by Board of Directors. Management also confirms that transactions are not prejudicial to shareholders of the Company.

7(b) Current investments

	As at March 31, 2023	As at March 31, 2022
Bonds	514.29	1,237.48
Government securities	2.50	50.43
Mutual funds	307.86	109.40
Total current investments	824.65	1,397.31

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Unquoted

Investment carried at fair value through profit and loss

I. Investments in bonds

	Face Value in Rupees	As at March 31, 2023		As at March 31, 2022	
		Units	Amount	Units	Amount
7.50% NHPC Limited Bonds (Series Y -Strpp 1) 07/10/2025	200,000	-	-	1,000	21.13
8.45% Jorabat Shillong Expressway Limited 28/02/2020	100,000	1,444	11.99	1,444	-
8.50% Canara Bank 31/12/2020	1,000,000	-	-	168	17.00
5.24% Small Industries Development Bank of India 26/03/2024	1,000,000	-	-	50	5.00
9.35% Punjab National Bank 09/09/2024	1,000,000	-	-	39	3.92
7.40% Rural Electrification Corporation Limited 26/11/2024	1,000,000	-	-	10	1.04
5.59% Small Industries Development Bank of India 21/02/2025	1,000,000	-	-	250	25.00
5.63% National Bank for Agriculture and Rural Development 26/02/2025	1,000,000	-	-	750	74.96
5.59% Housing and Urban Development Corporation Limited 04/03/2025	1,000,000	-	-	250	24.87
5.57% Small Industries Development Bank of India 03/03/2025	1,000,000	-	-	250	25.00
5.20% Export Import Bank Of India 04/03/2025	1,000,000	-	-	150	15.00
5.70% Small Industries Development Bank of India 28/03/2025	1,000,000	-	-	250	25.00
9.70% Uttar Pradesh Power Corporation Limited 31/03/2025	1,000,000	50	5.04	-	-
5.40% Export Import Bank Of India 31/03/2025	1,000,000	-	-	150	15.00
5.36% Hindustan Petroleum Corporation Limited (Series iii) 11/04/2025	1,000,000	-	-	50	4.93
7.17% Power Finance Corporation Limited 22/05/2025	1,000,000	-	-	24	2.48
7.50% HDB Financial Services Limited 23/09/2025	1,000,000	100	10.00	-	-
5.50% Indian Oil Corporation Limited 20/10/2025	1,000,000	-	-	150	14.78
5.85% Rural Electrification Corporation Limited 20/12/2025	1,000,000	-	-	50	4.97
10.15% Uttar Pradesh Power Corporation Limited (Series II G) 20/01/2026	1,000,000	12	1.23	-	-
7.62% Export Import Bank Of India 01/09/2026	1,000,000	25	2.51	25	2.63
7.70% Power Finance Corporation Limited 15/09/2026	100,000	2,500	25.00	-	-
9.62% Andhra Pradesh State Beverages Corporation Limited 30/11/2026	1,000,000	50	5.01	-	-

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Face Value in Rupees	As at March 31, 2023		As at March 31, 2022	
		Units	Amount	Units	Amount
6.14% Indian Oil Corporation Limited 18/02/2027	1,000,000	-	-	250	24.90
6.09% Hindustan Petroleum Corporation Limited 26/02/2027	1,000,000	-	-	50	4.98
9.70% Uttar Pradesh Power Corporation Limited 31/03/2027	1,000,000	30	3.03	-	-
6.45% ICICI Bank Ltd 16/07/2028	1,000,000	-	-	205	20.19
9.62% Andhra Pradesh State Beverages Corporation Limited 31/05/2029	1,000,000	4	0.40	-	-
8.55% Housing and Urban Development Corporation Limited 27/03/2029	1,000,000	8	0.82	-	-
7.49% National Highways Authority of India 01/08/2029	1,000,000	-	-	150	15.47
7.60% Food Corporation of India 09/01/2030	1,000,000	100	9.99	50	5.14
8.45% Jorabat Shillong Expressway Limited 31/01/2030	100,000	2,191	18.19	2,191	-
7.03% Hindustan Petroleum Corporation Limited 12/04/2030	1,000,000	-	-	250	25.27
7.55% Indian Railway Finance Corporation Limited 12/04/2030	1,000,000	-	-	150	15.54
6.75% Housing And Urban Development Corporation Limited Bonds (Series D) 29/05/2030	1,000,000	-	-	50	4.94
7.79% Power Finance Corporation Limited 22/07/2030	1,000,000	-	-	410	42.97
6.79% Bharat Sanchhar Nigam Limited 23/09/2030	1,000,000	106	10.05	50	4.88
6.65% Food Corporation of India (Series ix) 23/10/2030	1,000,000	-	-	700	68.42
6.44% National Bank for Agriculture and Rural Development 04/12/2030	1,000,000	-	-	150	14.58
6.43% National Thermal Power Corporation Limited 27/01/2031	1,000,000	-	-	100	9.66
7.00% Power Finance Corporation Limited (Series iv) 22/01/2031	1,000	-	-	247,000	25.13
6.28% Power Grid Corporation Of India Limited Bonds (Series Ixviii) 11/04/2031	1,000,000	-	-	50	4.79
6.29% NTPC Limited Bonds (Series 71) 11/04/2031	1,000,000	-	-	250	23.90
6.41% Indian Railway Finance Corporation Limited (Series 152) 11/04/2031	1,000,000	-	-	150	14.46
6.50% National Highways Authority of India (Series-IV- EFT-II) 11/04/2031	1,000,000	-	-	250	24.22
7.32% India Grid Trust 27/06/2031	1,000,000	-	-	99	9.90
6.92% Indian Railway Finance Corporation Limited 13/08/2031	1,000,000	-	-	100	9.97
7.09% Food Corporation of India Govt. 13/08/2031	1,000,000	40	3.87	40	3.98

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Face Value in Rupees	As at March 31, 2023		As at March 31, 2022	
		Units	Amount	Units	Amount
6.69% National Thermal Power Corporation Limited 13/09/2031	1,000,000	-	-	500	49.08
9.70% Uttar Pradesh Power Corporation Limited 26/09/2031	100,000	111	1.00	-	-
7.14% Bank Of India 30/09/2031	10,000,000	-	-	28	28.00
7.10% Punjab National Bank 18/11/2031	10,000,000	-	-	25	25.03
6.92% Rural Electrification Corporation Limited 20/03/2032	1,000,000	120	11.41	186	18.49
7.17% India Infrastructure Finance Company Limited 14/03/2032	1,000,000	-	-	370	37.00
6.85% National Bank for Agriculture and Rural Development 2032	1,000,000	-	-	50	4.95
6.87% National Highways Authority of India 14/04/2032	1,000,000	25	2.38	-	-
6.92% Power Finance Corporation Limited 14/04/2032	1,000,000	-	-	250	24.85
7.48% Mangalore Refinery and Petrochemicals Limited 14/04/2032	1,000,000	50	5.08	471	48.16
7.42% Power Finance Corporation Limited (Series 217-A) 08/09/2032	1,000,000	20	1.96	-	-
8.70% IDFC First Bank 01/12/2032	10,000,000	30	30.20	-	-
7.51% State Bank Of India 06/12/2032	1,000,000	997	100.15	-	-
7.55% Nuclear Power Corporation Of India Limited Ncd (Series XXXVII) 23/12/2032	1,000,000	50	4.97	-	-
8.45% Jorabat Shillong Expressway Limited 01/03/2023	100,000	1,118	9.28	1,118	-
7.78% Mahanagar Telephone Nigam Limited 10/02/2033	1,000,000	426	42.73	-	-
7.54% Hindustan Petroleum Corporation Limited (Series V) 15/04/2033	1,000,000	50	5.00	-	-
7.70% Power Finance Corporation Limited 15/04/2033	100,000	1,500	15.01	-	-
7.82% DME Development Limited 24/02/2033	100,000	4,515	45.31	-	-
7.03% Indian Railway Finance Corporation Limited 30/07/2036	1,000,000	300	28.46	-	-
10.25% ECL Finance Limited Perpetual	1,000,000	48	2.40	48	2.40
8.44% Indian Bank Perpetual	1,000,000	13	1.30	391	39.56
7.75% State Bank Of India Perpetual	10,000,000	2	2.00	-	-
8.25% Bank Of Baroda (SR XII) Perpetual	1,000,000	-	-	20	2.02
7.84% HDFC Bank Limited Perpetual	10,000,000	17	16.71	-	-
8.40% Punjab National Bank (Series XVII)	10,000,000	26	26.06	-	-
8.64% Union Bank of India Perpetual	10,000,000	-	-	8	8.04
9.04% Bank of India Perpetual	1,000,000	27	2.76	-	-
8.57% Bank of India	10,000,000	15	14.97	-	-
7.55% State Bank of India Perpetual	10,000,000	-	-	70	69.48
7.72% State Bank of India Perpetual	10,000,000	-	-	13	12.98

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Face Value in Rupees	As at March 31, 2023		As at March 31, 2022	
		Units	Amount	Units	Amount
7.73% State Bank of India Perpetual	1,000,000	-	-	50	5.00
7.74% State Bank of India Perpetual	1,000,000	-	-	73	7.31
8.00% Bank of Baroda Perpetual	10,000,000	-	-	40	40.40
8.05% Canara Bank Perpetual	10,000,000	1	0.99	20	20.00
8.07% Canara Bank Perpetual	10,000,000	7	6.93	25	24.96
8.40% Punjab National Bank Perpetual	10,000,000	-	-	35	34.90
8.50% Punjab National Bank Perpetual	10,000,000	-	-	34	34.43
8.40% Union Bank of India Perpetual	10,000,000	-	-	44	44.44
8.40% Union Bank Perpetual Bonds (Series XXXVIII)	10,000,000	30	30.10	-	-
Total investments in bonds		16,158	514.29	261,624	1,237.48

Unquoted

Investment carried at fair value through profit and loss

II. Investments in government securities

	Face Value in Rupees	As at March 31, 2023		As at March 31, 2022	
		Units	Amount	Units	Amount
7.26% Government of India 2032	100	250,000	2.50	-	-
7.29% Gujarat SDL 2032	100	-	-	5,000,000	50.43
Total investments in government securities		250,000	2.50	5,000,000	50.43

Unquoted

Investment carried at fair value through profit and loss

III. Investments in mutual funds

	As at March 31, 2023		As at March 31, 2022	
	Units	Amount	Units	Amount
ABSL Liquid Fund Direct Plan - Growth	6,148,263	223.23	-	-
Axis Overnight Fund - Direct - Growth	289,612	34.34	-	-
Kotak Overnight Fund - Direct - Growth	2,168	0.26	-	-
Nippon India overnight fund - Direct Growth Plan	415,973	5.01	258,263	89.40
Nippon India Liquid Fund - Direct - Growth	81,766	45.03	-	-
SBI Overnight Fund Direct Growth Plan	-	-	1,752,904	20.00
Total investments in mutual funds	6,937,782	307.86	2,011,167	109.40

Aggregate amount of unquoted investments	824.65	1,397.31
Aggregate amount of impairment in the value of investments	-	-

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

8 LOANS

8(a) Non-current

Unsecured, considered good

	As at March 31, 2023	As at March 31, 2022
Loans to subsidiary (refer note (i) below and 42)	405.06	88.63
Unsecured, considered doubtful		
Loans to joint venture (refer note 42 and 54)	21.17	24.70
Less: Allowance for doubtful loans	(21.17)	(24.70)
Total non-current loans	405.06	88.63

8(b) Current

Unsecured, considered good

Loans to subsidiary (refer note (i) below and 42)

	As at March 31, 2023	As at March 31, 2022
Loans to subsidiary (refer note (ii), 42 and 54)	-	249.08
Loans to employees	0.17	0.26
Total current loans	0.17	249.34
Total loans	405.23	337.97

Terms of repayment and interest

- (i) Carries an interest of 7% - 7.25% and repayable at maturity in the range of 24-36 months.
- (ii) Carries an interest of 7% and repayable at maturity of 12 months.

9 OTHER FINANCIAL ASSETS

9(a) Non-current

	As at March 31, 2023	As at March 31, 2022
Secured, considered good		
Security deposits	2.68	3.87
Unsecured, considered good		
Security deposits		
- Related parties (refer note 42)	6.76	8.39
- Others (consists of utilities, premises etc)	4.22	70.89
Total non-current other financial assets	13.66	83.15

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

9(b) Current

	As at March 31, 2023	As at March 31, 2022
Secured		
Security deposits*	1.16	1.11
Unsecured, considered good		
Security deposits		
- Related parties (refer note 42)	0.99	0.99
- Others	-	72.05
	2.15	74.15
Interest accrued on		
- Loan to related parties (refer note 42)	16.83	7.78
- Current investments	12.16	27.43
- Others	-	1.43
	28.99	36.64
Other receivables from		
- Related parties (refer note 42)	16.20	7.81
- Others	2.46	0.23
	18.66	8.04
Derivatives designated as hedges		
- Foreign-exchange Forward contracts	1.20	2.95
Derivatives not designated as hedges		
- Foreign-exchange Forward contracts	1.03	0.74
	2.23	3.69
Total current other financial assets	52.03	122.52
Total other financial assets	65.69	205.67

* Secured against particular assets of the party.

10 OTHER ASSETS

10(a) Non-current

	As at March 31, 2023	As at March 31, 2022
Capital advances	6.69	16.13
Less: Allowance for doubtful capital advances	(0.09)	(0.09)
	6.60	16.04
Balance with statutory authorities	33.27	32.91
Less: Allowance for doubtful balance with statutory authorities	(29.46)	(29.46)
	3.81	3.45
Advance to suppliers	2.81	2.82
Less: Allowance for doubtful balance with suppliers	(2.81)	(2.69)
	-	0.13
Prepaid expenses	7.27	3.10
Others*	10.62	10.62
Total other non-current assets	28.30	33.34

*Represents amount recoverable from employees towards employees' contribution for provident fund (refer note 38)

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

10(b) Current

	As at March 31, 2023	As at March 31, 2022
Balance with statutory authorities	139.39	30.65
Advance to suppliers (mainly pertains to purchase of coal)	31.11	71.57
Prepaid expenses	13.31	17.99
Advance to employees	0.38	0.22
Export benefit receivable	15.37	8.89
Total other current assets	199.56	129.32
Total other assets	227.86	162.66

11 INVENTORIES (REFER NOTE 17 (b))

	As at March 31, 2023	As at March 31, 2022
Raw materials	114.31	330.12
Goods-in-transit for raw materials	128.72	73.05
Work-in-progress	23.92	25.16
Finished goods	688.74	312.57
Stores and spares	52.88	49.17
Acquired scrap (Refer note 52)	536.07	-
Total inventories	1,544.64	790.07

Write-downs of inventories to net realisable value amounted to Rs.1.02 (March 31, 2022 - Rs.1.50). These were recognised as an expense during the year and included in 'Changes in inventories of finished goods, stock-in-trade and work-in-progress' in the statement of profit and loss.

12 TRADE RECEIVABLES (REFER NOTE 17 (B))

	As at March 31, 2023	As at March 31, 2022
Trade receivables from related parties (refer note 42)	115.15	61.23
Trade receivables from others	673.55	763.68
Allowance for doubtful debts	(0.49)	(23.43)
Total receivables	788.21	801.48
Break up of security details		
Unsecured, considered good	788.21	801.48
Unsecured, considered doubtful	0.49	23.43
Total	788.70	824.91
Allowance for doubtful debts	(0.49)	(23.43)
Total trade receivables	788.21	801.48

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Ageing for trade receivables as at March 31, 2023 is as follows:

Particulars	Unbilled	Not Due	Outstanding for following periods from due date					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables								
(i) considered good	-	568.22	86.27	129.14	4.06	0.52	-	788.21
(ii) considered doubtful	-	-	0.08	0.02	0.23	0.10	0.06	0.49
Gross Total	-	568.22	86.35	129.16	4.29	0.62	0.06	788.70
Less: Allowance for doubtful debts								(0.49)
Total Trade receivables								788.21

Ageing for trade receivables as at March 31, 2022 is as follows:

Particulars	Unbilled	Not Due	Outstanding for following periods from due date					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables								
(i) considered good	-	280.62	452.78	68.08	-	-	-	801.48
(ii) considered doubtful	-	-	6.37	0.32	16.74	-	-	23.43
Total	-	280.62	459.15	68.40	16.74	-	-	824.91
Less: Allowance for doubtful debts								(23.43)
Total Trade receivables								801.48

Notes:

(i) The Company's trade receivable do not carry a significant financing element. Hence, trade receivables are measured at transaction price. The Company makes a loss allowance using simplified approach for expected credit loss and on a case to case basis.

(ii) There are no disputed trade receivables as at March 31, 2023 and March 31, 2022.

Reconciliation of allowance for doubtful debts on trade receivables:

	As at March 31, 2023	As at March 31, 2022
Opening balance	23.43	33.46
Changes in allowance for doubtful debts	(22.94)	(10.03)
Closing balance	0.49	23.43

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

13 CASH AND CASH EQUIVALENTS

	As at March 31, 2023	As at March 31, 2022
Cash on hand	0.03	0.07
Balances with banks		
- in current accounts	84.33	229.62
Deposits with original maturity of less than three months	376.29	126.81
Total cash and cash equivalents	460.65	356.50

14 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2023	As at March 31, 2022
Deposits with original maturity of more than three months but less than twelve months	43.00	-
Unclaimed dividend (refer note (i) below)	1.09	0.85
Margin money deposits (refer note (ii) below)	2.73	17.96
Total bank balances other than cash and cash equivalents	46.82	18.81

(i) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end. This amount represents restricted cash.

(ii) Fixed deposits of Rs. 2.73 (March 31, 2022: Rs. 17.96) represent earmarked balances with banks.

15 ASSETS HELD FOR SALE

	As at March 31, 2023	As at March 31, 2022
Assets held for sale*	0.98	1.53
Total assets held for sale	0.98	1.53

*It represents plant and machinery held for sale.

16 EQUITY SHARE CAPITAL AND OTHER EQUITY

16 (a) Share capital

	Equity shares			Preference shares		
	Number of Shares	Par value	Amount	Number of Shares	Par value	Amount
Authorised share capital						
As at April 01, 2021	304,100,000	5.00	152.05	98,000,000	10.00	98.00
Increase/ (decrease) during the year	-	-	-	302,000,000	10.00	302.00
As at March 31, 2022	304,100,000	5.00	152.05	400,000,000	10.00	400.00
Increase/ (decrease) during the year	-	-	-	-	-	-
As at March 31, 2023	304,100,000	5.00	152.05	400,000,000	10.00	400.00

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

i) Movement in equity shares capital

	Number of shares	Amount
Issued, subscribed and paid up capital		
As at April 01, 2021	260,884,395	130.44
Shares issued on exercise of employee stock options (refer note 49)	65,000	0.04
As at March 31, 2022	260,949,395	130.48
Increase/ (decrease) during the year		
Shares issued on exercise of employee stock options (refer note 49)	580,000	0.29
As at March 31, 2023	261,529,395	130.77

ii) Terms and rights attached to shares

Equity shares

The Company has only one class of equity shares having a par value of Rs. 5 per share. Each holder of equity shares is entitled to one vote per share. The dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the company the holders of the equity shares will be entitled to receive remaining assets of the Company after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference shares

Preference shares do not carry any voting rights in the Company, except as provided in the Companies Act, 2013. Preference share will have priority over equity shares in the payment of dividend and repayment of capital.

Increase in authorized preference share capital pursuant to the Scheme (refer note 51)

iii) Details of shareholders holding more than 5% shares in the company

As at March 31, 2023	No. of shares	% holding
Equity shares held by		
Balkrishan Goenka, Trustee of Welspun Group Master Trust	117,063,807	44.76%
As at March 31, 2022	No. of shares	% holding
Equity shares held by		
Balkrishan Goenka, Trustee of Welspun Group Master Trust	117,063,807	44.86%

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Details of shareholding of promoters

Name of the promoter	Year ended March 31, 2023			Year ended March 31, 2022		
	Number of shares	% of total number of shares	Percentage of change during the year	Number of shares	% of total number of shares	Percentage of change during the year
Balkrishan Goenka, trustee of Welspun Group Master Trust	117,063,807	44.76%	-0.10%	117,063,807	44.86%	-0.01%
Aryabhat Vyapar Private Limited	6,915,000	2.64%	-0.01%	6,915,000	2.65%	-
Welspun Investments and Commercials Limited	6,758,000	2.58%	0.08%	6,523,000	2.50%	-
Sitadevi Mandawewala	1000	0.00%	-	-	0.00%	-
Rajesh R. Mandawewala	200	0.00%	-	200	0.00%	-
Balkrishan Gopiram Goenka	140	0.00%	-	140	0.00%	-
B. K. Goenka Family Trust (Balkrishan Goenka)	5	0.00%	-	5	0.00%	-
Dipali B. Goenka	2	0.00%	-	2	0.00%	-
Total	130,738,154	49.99%		130,502,154	50.01%	

16 (b) Reserves and surplus

	As at March 31, 2023	As at March 31, 2022
(i) Securities premium	727.24	719.30
(ii) Debenture redemption reserve	9.00	9.00
(iii) General reserve	104.75	104.71
(iv) Equity settled share based payments	13.20	10.09
(v) Capital redemption reserve	2.18	2.18
(vi) Capital reserve	135.08	135.08
(vii) Retained earnings	2,354.21	1,955.99
Total reserves and surplus	3,345.66	2,936.35

	As at March 31, 2023	As at March 31, 2022
(i) Securities premium		
Opening balance	719.30	718.37
Share issued on exercise on employee stock options (refer note 49)	7.94	0.93
Closing balance	727.24	719.30
(ii) Debenture redemption reserve		
Opening balance	9.00	13.50
Transfer to general reserve	-	(4.50)
Closing balance	9.00	9.00
(iii) General reserve		
Opening balance	104.71	99.43
Transfer from debenture redemption reserve	-	4.50
Transfer from equity settled share based payments	0.04	0.78
Closing balance	104.75	104.71

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
(iv) Equity settled share based payments (refer note 49)		
Opening balance	10.09	10.62
Employee share-based expense	5.58	0.56
Employee share-based options lapsed	(0.04)	(0.78)
Transferred to securities premium/ share capital on exercise of stock options	(2.43)	(0.31)
Closing balance	13.20	10.09
(v) Capital redemption reserve		
Opening balance	2.18	2.18
Closing balance	2.18	2.18
(vi) Capital reserve		
Opening balance	135.08	135.08
Closing balance	135.08	135.08
(vii) Retained earnings		
Opening balance	1,955.99	1,598.81
Profit for the year	528.64	485.72
Item of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post employment benefit obligations, net of tax	0.05	1.93
Dividend on equity shares	(130.47)	(130.47)
Closing balance	2,354.21	1,955.99

16 (c) Other reserves

	As at March 31, 2023	As at March 31, 2022
Cash flow hedging reserve	(4.09)	(12.43)
Total other reserves	(4.09)	(12.43)
Cash flow hedging reserve		
Opening balance	(12.43)	(2.51)
Amount recognised in cash flow hedging reserve during the year (net)	(48.75)	(30.56)
Loss/ (Gain) transferred to statement of profit and loss	59.89	16.28
Hedging loss transferred to inventory	-	1.02
Income tax on amount recognised in cash flow hedging reserve (net)	(2.80)	3.34
Closing balance	(4.09)	(12.43)

16 (d) Share application money pending allotment

	As at March 31, 2023	As at March 31, 2022
Share application money pending allotment (refer note 49)	-	0.65
Share allotted during the year	-	(0.65)
Total share application money pending allotment	-	-

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Nature and purpose of other equity

(i) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Debenture redemption reserve

The amounts credited to the debenture redemption reserve may not be utilised except to redeem debentures.

(iii) General reserve

General Reserve represents appropriation of profit by the Company. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

(iv) Equity settled share based payments (refer note 49)

This account is used to recognise the grant date fair value of options issued to employees under "WELSOP" Employee stock option plan.

(v) Capital redemption reserve

Capital Redemption Reserve is created equal to the nominal value of the shares purchased pursuant to Buy Back of its own fully paid up equity shares.

(vi) Capital reserve

The Company has created capital reserve pursuant to merger and acquisitions.

(vii) Cash flow hedging reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The Cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flows reserve will be reclassified to statement of profit and loss only when the hedged transaction affects the profit or loss or included as a basis adjustment to the non-financial hedged item.

(viii) Retained Earnings

Retained earnings comprises of prior years as well as current year's undistributed earnings after taxes.

17 BORROWINGS

17 (a) Non-current borrowings

	As at March 31, 2023			As at March 31, 2022		
	Non-Current Portion	Current Maturities*	Total	Non-Current Portion	Current Maturities*	Total
Secured						
Redeemable non-convertible debentures (refer note (i) below)	199.26	200.00	399.26	398.79	36.00	434.79
- Term Loan (refer note (iii) below)	-	348.48	348.48	-	-	-
Unsecured						
Redeemable non-convertible debentures (refer note (i) below)	40.00	-	40.00	40.00	-	40.00
6% Cumulative redeemable preference share (refer note (ii) below)	-	351.51	351.51	351.51	-	351.51
Total borrowings	239.26	899.99	1,139.25	790.30	36.00	826.30

* Current maturities of non-current borrowings have been disclosed under "Current borrowings", refer note 17 (b).

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Note:-

i) Details of Redeemable non-convertible debentures:

No. of debentures	Face value (Rs.)	Redemption date (last instalment)	Rate of interest per annum	As at March 31, 2023	As at March 31, 2022
Secured					
2,000 (March 31, 2022: 2,000)	1,000,000	February 2026	7.25%	200.00	200.00
1,000 (March 31, 2022: 1,000)	1,000,000	February 2024	6.50%	100.00	100.00
1,000 (March 31, 2022: 1,000)	1,000,000	February 2024	6.50%	100.00	100.00
Nil (March 31, 2022: 360)	1,000,000	November 2022	11.00%	-	36.00
Total (* and #)				400.00	436.00
Unsecured					
200 (March 31, 2022: 200)	1,000,000	July 2036	7.90%	20.00	20.00
200 (March 31, 2022: 200)	1,000,000	July 2036	7.90%	20.00	20.00
Total				40.00	40.00

* the above is excluding effective interest rate resulting in decrease in borrowing by Rs. 0.74 (March 31, 2022: Rs. 1.21).

Secured by first charge ranking pari passu by way of mortgage of certain movable and immovable property, plant and equipment of the Company.

ii) 6% Cumulative redeemable preference share repayable on September 17, 2023 of Rs 351.51.

iii) Term loan carrying interest link to 3 months Treasury Bill i.e. 7.97% from bank repayable each from Quarter June 2023 to March 2024 for Rs. 100 each of which Rs. 50 is prepaid during the year. Exclusive charge on specific assets purchased from ABG Shipyard Limited (refer note 52). The above amount is excluding effective interest rate resulting in decrease in borrowing by Rs. 1.52 (March 31, 2022: Nil).

17 (b) Current borrowings

	As at March 31, 2023	As at March 31, 2022
Secured		
Working capital loan from banks (refer notes (i) below)	157.00	0.15
Unsecured		
Commercial papers (refer note ii(a) below)	-	170.00
Working capital loan from banks (refer note (ii(b)) below)	90.00	315.00
Buyers credit (refer note ii (c) below)	112.94	-
Total	359.94	485.15
Add: Current maturities of long term borrowings	899.99	36.00
	1,259.93	521.15

(i) Nature of security for current borrowings

Secured by first charge ranking pari passu on hypothecation of raw materials, finished goods, work-in-progress, goods-in-transit, stores and spares and trade receivables of the Company and second charge on all movable and immovable property, plant and equipment of the Company both present and future. Carrying interest which is linked to 1 month - Treasury Bill carrying rate of 7.53% to 7.60% from banks repayable in the month of May 2023 and June 2023 for Rs. 37.00 and Rs. 120.00 respectively (March 31, 2022: repayable on demand)"

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

(ii) Terms of repayment and interest

(a) Commercial papers carry an interest of Nil (March 31, 2022: 4.45%-4.75%) and are repaid during the year (March 31, 2022: April 18, 2022 - Rs. 20, May 31, 2022 - Rs. 100 and June 10, 2022 - Rs. 50).

(b) Working capital loan from banks carrying interest at 7.55% and repayable in 120 days ending on May 2023 for loans outstanding as on March 31, 2023 and for previous year it was carrying interest rate of 4.5% to 4.65% and were repayable on demand.

(c) Buyers credit carry an interest linked to SOFR at 7.75% p.a. and repayable in April 2023.

17 (c) Net debt reconciliation

	As at March 31, 2023	As at March 31, 2022
Net debt reconciliation		
Cash and cash equivalents	(460.65)	(356.50)
Current investments	(824.65)	(1,397.31)
Non-current borrowings*	1,167.20	832.99
Lease liabilities (current and non-current)	17.23	18.13
Current borrowings	359.94	485.15
Net Debt	259.07	(417.54)

	Financial assets		Financial liabilities		Total [F] = [A]+[B]- [C]-[D]-[E]	
	Cash and cash equivalents [A]	Current investments [B]	Non-current borrowings* [C]	Lease liabilities [D]		Current borrowings [E]
Net debts as at March 31, 2021	91.21	1,140.09	(461.35)	(27.49)	(69.81)	672.65
Interest accrued as at March 31, 2021	-	-	(4.63)	-	-	(4.63)
Cash flow (net)	265.29	245.77	(13.00)	10.34	(415.34)	93.06
Interest expenses	-	-	(35.95)	(2.02)	(18.93)	(56.90)
Interest paid	-	-	33.88	-	19.30	53.18
Prepaid interest	-	-	-	-	(0.37)	(0.37)
Other non cash adjustments						
Fair value adjustment	-	1.45	-	-	-	1.45
Preference share issued on account of merger (refer note 51)	-	-	(351.51)	-	-	(351.51)
Unapplied advance with asset management company for purchase of mutual funds units	-	10.00	-	-	-	10.00
Others	-	-	(0.43)	1.04	-	0.61
Net debts as at March 31, 2022	356.50	1,397.31	(826.30)	(18.13)	(485.15)	424.23
Interest accrued as at March 31, 2022	-	-	(6.69)	-	-	(6.69)
Cash flow (net)	104.15	(607.70)	(314.00)	9.48	125.21	(682.86)
Interest expenses	-	-	(70.13)	(1.65)	(21.18)	(92.96)
Interest paid	-	-	48.64	-	21.18	69.82

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Financial assets		Financial liabilities			Total [F] = [A]+[B]- [C]-[D]-[E]
	Cash and cash equivalents [A]	Current investments [B]	Non-current borrowings* [C]	Lease liabilities [D]	Current borrowings [E]	
Other non cash adjustments						
Fair value adjustment	-	35.04	-	-	-	35.04
Others	-	-	1.28	(6.93)	-	(5.65)
Net debts as at March 31, 2023	460.65	824.65	(1,139.25)	(17.23)	(359.94)	(231.11)
Interest accrued as at March 31, 2023	-	-	(27.95)	-	-	(27.95)

* Includes interest accrued and current portion of long-term borrowings.

18 OTHER FINANCIAL LIABILITIES

18 (a) Non-current

	As at March 31, 2023	As at March 31, 2022
Liability to be settled on account of merger (refer note 51)	-	11.22
Deposits received		
- Related parties (refer note 42)	-	0.07
- Others	0.13	0.14
Total other non-current financial liabilities	0.13	11.43

18 (b) Current

	As at March 31, 2023	As at March 31, 2022
18(b) Current		
Interest accrued but not due on borrowings	6.86	6.69
Interest accrued but not due on acceptances and others	27.57	1.36
Unclaimed dividend (refer note 14)	1.09	0.85
Trade deposits	41.41	2.04
Deposits received Related parties (refer note 42)	0.07	0.07
Capital creditors	3.13	3.93
Derivatives not designated as hedges		
- Forward contracts	1.16	-
Derivatives designated as hedges		
- Forward contracts	6.39	19.46
Other payables (majorly comprises of advance towards disposal of group held for sale)	0.57	0.14
Total other current financial liabilities	88.25	34.54
Total other financial liabilities	88.38	45.97

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

19 PROVISIONS

19 (a) Non-current

	As at March 31, 2023	As at March 31, 2022
Employee benefit obligations		
Gratuity (refer note 36)	5.04	3.24
Total non-current provisions	5.04	3.24

19 (b) Current

	As at March 31, 2023	As at March 31, 2022
Employee benefit obligations		
Gratuity (refer note 36)	5.29	4.64
Leave obligations (refer note 36)	7.24	7.00
Other provisions		
Provision for litigation / disputes (refer note 37 and 38)	47.90	49.74
Provision for claims (refer note 37)	19.76	18.26
Total current provisions	80.19	79.64
Total provisions	85.23	82.88

20 DEFERRED TAX LIABILITIES (NET) (REFER NOTE 39)

	As at March 31, 2023	As at March 31, 2022
The balance comprises of temporary differences attributable to:		
Deferred tax liabilities		
Property, plant and equipment	86.64	71.73
Fair valuation of investments (net)	5.80	5.57
	92.44	77.30
Set-off of deferred tax assets pursuant to set-off provisions		
Deferred tax assets		
Employee benefit obligations	4.42	3.75
Allowance for doubtful debts and advances, provision for litigations/ disputes/claims	19.91	25.74
Expenses deductible on payment basis	6.09	10.10
Government grants	17.71	22.86
Cash flow hedging reserve	1.38	4.18
Lease liability (net of right-of-use-asset)	0.84	1.15
Others	1.02	0.47
	51.37	68.25
Total deferred tax liabilities (net)	41.07	9.05

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

21 GOVERNMENT GRANTS

	As at March 31, 2023	As at March 31, 2022
Government grants		
Deferred Grant Income (refer note below)		
Opening balance	90.84	111.32
Less: Recognised in the statement of profit and loss (refer note 25)	20.48	20.48
Closing balance	70.36	90.84
Total government grants	70.36	90.84
Non Current	49.88	70.36
Current	20.48	20.48
Total government grants	70.36	90.84

Note: The Company was entitled to VAT Incentive, on its investment in the eligible property plant and equipment, on fulfillment of the conditions stated in the scheme.

22 OTHER CURRENT LIABILITIES

	As at March 31, 2023	As at March 31, 2022
Other current liabilities		
Trade advances		
Related parties (refer note 42)	60.31	171.86
Others	280.55	186.30
Statutory dues payable	17.35	9.38
Employee dues payable	18.34	13.91
Total other current liabilities	376.55	381.45

23 TRADE PAYABLES

	As at March 31, 2023	As at March 31, 2022
Trade payables		
Current		
Trade payables: dues of micro and small enterprises (refer note 43)	5.57	1.52
Trade payables other than above:		
Trade payables for acceptances	344.84	609.12
Trade payable to related parties (refer note 42)	45.46	46.58
Trade payables others	319.22	309.50
	709.52	965.20
Total trade payables	715.09	966.72

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Ageing for trade payable as at March 31, 2023 is as follows:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Payables							
(i) Micro enterprise and small enterprises	0.22	-	5.35	0.00	-	-	5.57
(ii) Others	108.46	340.57	248.44	6.93	3.46	1.66	709.52
Total	108.68	340.57	253.79	6.93	3.46	1.66	715.09

Ageing for trade payable as at March 31, 2022 is as follows:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Payables							
(i) Micro enterprise and small enterprises	-	1.51	0.01	-	-	-	1.52
(ii) Others	93.22	298.95	542.95	30.08	-	-	965.20
Total	93.22	300.46	542.96	30.08	-	-	966.72

24 CURRENT TAX LIABILITIES (NET)

	As at March 31, 2023	As at March 31, 2022
Current tax liabilities (net)		
Opening balance	472.33	479.25
Add: Current tax	149.00	109.46
Add: Interest on Income tax	4.00	1.00
Less: Taxes paid net of refunds (including tax deducted at source)	74.46	117.38
Closing balance	550.87	472.33

25 REVENUE FROM OPERATIONS

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Sale of products		
Finished goods	6,576.87	5,039.84
Traded goods	216.40	151.33
Total sale of products	6,793.27	5,191.17
(b) Other operating income		
Government grants		
VAT income	20.48	20.48
Export benefits	29.04	18.68
Scrap sale	70.59	54.01

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
Liabilities/ Provision no longer required written back	0.26	-
Others	3.03	3.53
Total other operating income	123.40	96.70
Total revenue from operations	6,916.67	5,287.87

The Company is primarily engaged in the business of manufacture and distribution of steel products and revenue from such products is derived from transfer at a point in time which is shown under sale of products as above.

Reconciliation of revenue recognised with contract price:

	Year ended March 31, 2023	Year ended March 31, 2022
Contract price	6,914.11	5,271.52
Adjustments for:		
Liquidated damages	2.56	(16.35)
Total revenue from operations	6,916.67	5,287.87

26 OTHER INCOME

	Year ended March 31, 2023	Year ended March 31, 2022
Other income		
Interest income		
Loans to related party (refer note 42)	38.58	11.70
Current investments	65.27	103.51
Fixed deposits	0.88	1.31
Income tax refund	-	1.07
Others *	12.12	31.91
Dividend income on		
Non-current investments (refer note 42)	0.57	307.76
Net gain on sale/redemption of		
Current investments	-	5.63
Other non-operating income		
Rental income from investment property (refer note 47 and 42)	2.58	1.68
Rental income: Others (refer note 42)	1.68	2.17
Net exchange differences	-	0.58
Commission income (refer note 42)	7.22	9.47
Profit on sale / discarding of tangible assets and investment properties (Net) (refer note 63 and (i) below)	114.56	-
Fair valuation gain on investment (net)	42.89	-
Miscellaneous income #	3.38	5.83
Total other income	289.73	482.62

Note:

(i) Includes gain of Rs. 6.37 on sale of investment property (March 31, 2022: Nil)

* Mainly comprises of interest earned on sale/discarding of tangible assets and from customer.

Mainly comprises of insurance claims received.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

27 COST OF MATERIALS CONSUMED

	Year ended March 31, 2023	Year ended March 31, 2022
Cost of materials consumed		
Raw materials at the beginning of the year	403.17	147.16
Add: Purchases (net)	5,328.31	4,188.07
	5,731.48	4,335.23
Less: Raw materials at the end of the year	243.03	403.17
Total cost of materials consumed	5,488.45	3,932.06

28 PURCHASES OF STOCK-IN-TRADE

	Year ended March 31, 2023	Year ended March 31, 2022
Purchases of stock-in-trade	202.88	146.67
Total purchases of stock-in-trade	202.88	146.67

29 CHANGES IN INVENTORIES OF WORK-IN PROGRESS AND FINISHED GOODS

	Year ended March 31, 2023	Year ended March 31, 2022
Changes in inventories of finished goods, stock-in-trade and work-in-progress		
Opening balance		
Work-in-progress	25.16	8.53
Finished goods	312.57	349.60
Total opening balance	337.73	358.13
Closing balance		
Work-in-progress	23.92	25.16
Finished goods	688.74	312.57
Total closing balance	712.66	337.73
Total changes in inventories of finished goods, stock-in-trade and work-in-progress	(374.93)	20.40

30 EMPLOYEE BENEFIT EXPENSE

	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	163.60	187.29
Contribution to provident and other funds (refer note below)	9.44	9.53
Gratuity expense (refer note 36)	2.73	4.10
Staff welfare expenses	8.85	7.54
Employee share-based expense (refer note 16 and 49)	5.58	0.56
Total employee benefit expense	190.20	209.02

Note:

Defined contribution plans

- Employers' Contribution to Provident Fund and Employee's Pension Scheme, 1995
- Employees' State Insurance Act, 1948
- Superannuation fund

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

During the year, the Company has recognised the following amounts in the statement of profit and loss:

Employer's Contribution to Provident Fund	7.85	7.90
Employer's Contribution to Employees State Insurance	0.09	0.08
Employer's Contribution to Employees Pension Scheme	1.08	1.11
Employer's Contribution to Superannuation fund	0.42	0.44
Total expenses recognised in the statement of profit and loss	9.44	9.53

31 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of property, plant and equipment and investment property (refer note 3(a) and 4)	97.77	100.77
Depreciation of right-of-use assets (refer note 3(b))	9.42	11.14
Amortisation of intangible assets (refer note 5)	1.79	3.37
Total depreciation and amortisation expense	108.98	115.28

32 OTHER EXPENSES

	Year ended March 31, 2023	Year ended March 31, 2022
Consumption of stores and spares	107.02	96.74
Labour charges	21.79	16.12
Coating and other job charges	14.75	15.89
Power, fuel and water charges	136.24	122.51
Freight, material handling and transportation	264.60	275.21
Rental charges (refer note 3(b))	1.22	1.18
Rates and taxes	0.99	5.41
Repairs and maintenance		
Plant and machinery	6.76	6.87
Buildings	1.26	5.53
Others*	16.52	19.32
Travel and conveyance expenses	12.68	9.07
Communication expenses	0.82	0.65
Legal and professional fees	42.98	43.61
Insurance	11.70	11.73
Directors' sitting fees (refer note 42)	0.85	0.94
Printing and stationery	0.36	0.27
Security charges	4.63	3.22
Membership and fees	2.85	1.47
Vehicle expenses	0.52	0.47
Net exchange differences	39.23	-
Payment to auditors (refer note (i) below)	2.39	2.31
Sales promotion expenses	4.26	4.13
Commission on sales to agents	35.08	4.21
Allowance for doubtful loans (refer note 42)	(3.53)	-

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
Impairment loss of Equity Investment (refer note 42)	0.10	-
Allowance for doubtful debts, Loans and advances and Provisions for litigation/dispute (net)	(24.66)	(10.03)
Bad debts recovery	(9.12)	-
Loss on sale of current investments (net)	10.55	-
Loss on disposal of property, plant and equipment (net)	-	6.82
Expenditure towards corporate social responsibility (refer notes (ii) below and 42)	6.75	6.31
Fair valuation loss on investments (net)	-	7.01
Fair value losses on derivatives not designated as hedges (net)	-	0.01
Donation (refer note (iii) below)	13.00	-
Miscellaneous expenses (majorly comprises of bank guarantee charges, office expenses, etc.)	12.11	18.34
Total other expenses	734.70	675.32

*Amount mainly consist of computer maintenance expenses

Note:

	Year ended March 31, 2023	Year ended March 31, 2022
i) Details of payments to auditors		
Payment to auditors		
As auditor:		
Audit fee	1.98	1.96
Tax audit fee	0.10	0.10
In other capacities		
Certification fees	0.27	0.24
Re-imbursment of expenses	0.04	0.01
Total payment to auditors	2.39	2.31
ii) Corporate social responsibility expenditure		
Contribution to Welspun Foundation for Health & Knowledge	6.75	6.31
Total corporate social responsibility expenditure	6.75	6.31
Amount required to be spent as per Section 135 of the Companies Act, 2013	6.75	6.31
Amount spent during the year on:		
On purposes other than construction/ acquisition of an asset	6.75	6.31
Amount required to be spent by the Company during the year	6.75	6.31
Amount of expenditure incurred	6.75	6.31
Amount of shortfall for the year	-	-
Amount of cumulative shortfall at the end of the year	-	-

Company has incurred Rs. 6.75 (March 31, 2022: Rs.6.31) during the year towards donation to Welspun Foundation for Health and Knowledge.

Details of ongoing CSR projects under Section 135(6) of the Act

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

With the Co.	Balance as at 01 April, 2022		Amount spent during the year		Balance as at 31 March, 2023	
	In separate CSR unspent account	From the company's bank account	From separate CSR unspent account	With the Company	In separate CSR unspent account	
-	-	-	-	-	-	-

iii) It includes donation in electoral bonds to the political party Rs.13 (March 31, 2022: Rs. Nil).

33 FINANCE COSTS

	Year ended March 31, 2023	Year ended March 31, 2022
Interest on financial liabilities not at fair value through profit and loss		
Redeemable non-convertible debentures and Term Loan	49.04	35.95
Current borrowings	21.18	18.93
Interest on acceptances and charges on letter of credit	46.20	14.47
Interest on income tax	4.00	1.00
Interest and finance charges on lease liability (refer note 3 (b))	1.65	2.02
Interest on Preference share	21.09	0.87
Other finance cost (majorly consists of interest to vendors etc.)	6.12	3.64
Total finance cost	149.28	76.88

34 INCOME TAX EXPENSE

	Year ended March 31, 2023	Year ended March 31, 2022
Current tax		
Current tax for the year	149.00	109.46
Total Current tax	149.00	109.46

35 DEFERRED TAX (REFER NOTE 39)

	Year ended March 31, 2023	Year ended March 31, 2022
Decrease in deferred tax assets	14.06	9.20
Increase / (Decrease) in deferred tax liabilities	15.14	(9.52)
Total deferred tax expense/ (benefit)	29.20	(0.32)

(i) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Profit before tax	706.84	594.86
Tax rate	25.168%	25.168%
Tax at normal rate	177.90	149.71
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income		
(Income)/ expense on which no deferred tax was required to be recognised	11.91	1.84
Items on which deferred tax was not recognised in the earlier years	(9.93)	-
Items subject to differential tax rate	(1.68)	(42.42)
Total Income tax expense	178.20	109.14

(ii) There are certain income-tax related legal proceedings which are pending against the Company. Potential liabilities, if any have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matters.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

36 EMPLOYEE BENEFIT OBLIGATIONS

(i) Leave obligations

The leave obligations cover the Company's liability for earned leave.

(ii) Post-employment obligations - gratuity

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. The plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen day wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned upon retirement/termination. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. This defined benefit plans expose the Company to actuarial risks, such as interest rate risk and market (investment) risk.

Balance sheet amounts - gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligations over the year are as follows:

	Present value of obligations	Fair value of plan assets	Net amount
April 01, 2021	30.84	(4.01)	26.83
Current service cost	2.37	-	2.37
Interest expense/ (income)	2.08	(0.35)	1.73
Total amount recognised in profit or loss	4.45	(0.35)	4.10
Remeasurements			
Return on plan assets excluding amount included in interest expense	-	0.19	0.19
Experience gains	(1.87)	-	(1.87)
Loss from change in financial assumptions	(0.90)	-	(0.90)
Total amount recognised in other comprehensive income	(2.77)	0.19	(2.58)
Employer's contribution	-	(18.86)	(18.86)
Benefit payment	(6.04)	6.04	-
Adjustment due to transfer out	(1.61)	-	(1.61)
March 31, 2022	24.87	(16.99)	7.88

	Present value of obligations	Fair value of plan assets	Net amount
April 01, 2022	24.87	(16.99)	7.88
Current service cost	2.16	-	2.16
Interest expense/ (income)	1.78	(1.21)	0.57
Total amount recognised in profit or loss	3.94	(1.21)	2.73
Remeasurements			
Return on plan assets excluding amount included in interest income	-	0.78	0.78
Experience gains	(0.10)	-	(0.10)
Loss from change in financial assumptions	(0.61)	-	(0.61)
Total amount recognised in other comprehensive income	(0.71)	0.78	0.07
Benefit payment	(0.87)	0.87	-
Adjustment due to transfer out	(0.35)	-	(0.35)
March 31, 2023	26.88	(16.55)	10.33

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

(iii) The net liabilities disclosed above relating to funded plans are as follows:

	As at March 31, 2023	As at March 31, 2022
Present value of funded obligations	26.88	24.87
Fair value of plan assets	(16.55)	(16.99)
Deficit of funded plan	10.33	7.88
Non-current (refer note 19(a))	5.04	3.24
Current (refer note 19(b))	5.29	4.64

(iv) Significant actuarial assumptions are as follows:

	As at March 31, 2023	As at March 31, 2022
Discount rate	7.23%	6.80%
Salary growth rate	6.00%	6.00%

(v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Assumptions	Impact on defined benefit obligation							
	Change in assumption (%)		Increase in amount				Decrease in amount	
	As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2022
Discount rate	1.00%	1.00%	Decrease by	2.19	2.16	Increase by	1.92	1.89
Salary growth rate	1.00%	1.00%	Increase by	2.19	2.17	Decrease by	1.96	1.93

(vi) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which is asset volatility. The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The plan assets are invested by the Company in Kotak Group Gratuity Fund and India First Employee Benefits Plan. The plan assets have been providing consistent and competitive returns over the years. The Company intends to maintain these investments in the continuing years.

(vii) Defined benefit liability and employer contributions

Expected contribution to post-employment benefit plans for next year ended March 31, 2024 is Rs. 5.29 (March 31, 2023: Rs. 4.64).

The weighted average duration of the defined benefit obligation is 10 years (March 31, 2022 - 10 years). The expected maturity analysis of undiscounted gratuity benefits is as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2023					
Defined benefit obligations- Gratuity	1.79	1.72	6.58	14.13	24.22
March 31, 2022					
Defined benefit obligations- Gratuity	1.20	1.21	6.31	13.25	21.97

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

37 MOVEMENTS IN PROVISION FOR LITIGATION/ DISPUTES/CLAIMS (NON-CURRENT AND CURRENT) (REFER NOTE 19)

Movements in each class of provisions during the financial year ended March 31, 2023 are set out below:

	As at March 31, 2023					
	Excise Duty	Service Tax	Value Added Tax	Provident Fund (Refer note 38)	Other Litigation and Claims	Total
Opening balance as at April 01, 2022	12.00	9.79	6.11	21.68	18.42	68.00
Provided during the year	-	-	-	-	1.50	1.50
Provision reversed during the year	1.84	-	-	-	-	1.84
Closing balance as at March 31, 2023	10.16	9.79	6.11	21.68	19.92	67.66

Movements in each class of provisions during the financial year ended March 31, 2022 are set out below:

	As at March 31, 2022					
	Excise Duty	Service Tax	Value Added Tax	Provident Fund (Refer note 38)	Other Litigation and Claims	Total
Opening balance as at April 01, 2021	12.00	9.79	6.11	21.68	17.52	67.10
Provided during the year	-	-	-	-	1.05	1.05
Provision reversed during the year	-	-	-	-	0.15	0.15
Closing balance as at March 31, 2022	12.00	9.79	6.11	21.68	18.42	68.00

Note: There are uncertainties regarding the timing and amount of the cashflows arising out of the provisions. Changes in underlying facts and circumstances for each provision could result in differences in the amounts provided for and the actual cash outflow.

38 Pursuant to the Supreme Court Judgment in the case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952, and subsequent dismissal of the review petition filed against the Judgement, the Company has assessed the impact and on conservative basis made provision (presented under Current) of Rs. 21.68 (March 31, 2022: Rs. 21.68). The Company has also determined and discharged the provident fund liability from September 1, 2019 considering the impact of the judgement. The Company has changed its salary structure in the month of June 2020 w.e.f. April 01, 2020 to comply with above judgement.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Deferred tax liabilities										Deferred tax assets				Net deferred tax liabilities
	Property, plant and equipment	Fair valuation of investments	Others	Total deferred tax liabilities	Employee benefit obligations	Allowance for doubtful debts and advances, provision for litigations/disputes/claims	Expenses deductible on payment basis	Unabsorbed depreciation	Government grants	Lease liability (net of right-of-use-asset)	Cash flow hedging reserve	Others	Total deferred tax assets		
As at April 01, 2021	78.28	8.33	0.21	86.82	8.99	27.54	6.49	1.40	28.01	0.56	0.84	0.93	74.76	12.06	
Recognised in the statement of profit and loss	(6.55)	(2.76)	(0.21)	(9.52)	(4.59)	(1.80)	3.61	(1.40)	(5.15)	0.59	-	(0.46)	(9.20)	(0.32)	
other comprehensive income	-	-	-	-	(0.65)	-	-	-	-	-	3.34	-	2.69	(2.69)	
As at March 31, 2022	71.73	5.57	-	77.30	3.75	25.74	10.10	-	22.86	1.15	4.18	0.47	68.25	9.05	
Recognised in the statement of profit and loss	14.91	0.23	-	15.14	0.69	(5.83)	(4.01)	-	(5.15)	(0.31)	-	0.55	(14.06)	29.20	
other comprehensive income	-	-	-	-	(0.02)	-	-	-	-	-	(2.80)	-	(2.82)	2.82	
As at March 31, 2023	86.64	5.80	-	92.44	4.42	19.91	6.09	-	17.71	0.84	1.38	1.02	51.37	41.07	

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

40 FAIR VALUE MEASUREMENTS

Financial instruments by category

	As at March 31, 2023		As at March 31, 2022	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
Investments				
Investments	0.68	-	0.11	-
Bonds	514.29	-	1,237.48	-
Government securities	2.50	-	50.43	-
Mutual fund	307.86	-	109.40	-
Others	0.01	-	0.01	-
Loans				
Loans to subsidiary	-	405.06	-	337.71
Loans to employees	-	0.17	-	0.26
Trade receivables	-	788.21	-	801.48
Cash and cash equivalents	-	460.65	-	356.50
Bank balances other than cash and cash equivalents	-	46.82	-	18.81
Other financial assets				
Security deposits	-	15.81	-	157.29
Derivatives not designated as hedges				
Forward contracts	1.03	-	0.74	-
Others	-	47.65	-	44.68
Total financial assets	826.37	1,764.37	1,398.17	1,716.73
Financial liabilities				
Borrowings (includes interest accrued and current maturities of long-term borrowing)	-	1,527.14	-	1,318.14
Trade payables	-	715.09	-	966.72
Other financial liabilities				
Derivatives not designated as hedges				
Forward contracts	1.16	-	-	-
Others	-	52.88	-	19.82
Total financial liabilities	1.16	2,295.11	-	2,304.68

Note: Derivatives designated as hedges are fair valued through other comprehensive income and hence not included as a part of the above table.

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Financial assets measured at fair value - recurring fair value measurements as at March 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVPL				
Investments	-	-	0.68	0.68
Bonds	-	514.29	-	514.29
Government securities	-	2.50	-	2.50
Mutual fund	307.86	-	-	307.86
Others	-	-	0.01	0.01
Derivatives not designated as hedges				
Forward contracts	-	1.03	-	1.03
Total financial assets	307.86	517.82	0.69	826.37

Assets and liabilities which are measured at amortised cost for which fair value are disclosed as at March 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets				
Loans				
Loans to subsidiary	-	-	405.06	405.06
Loans to employees	-	-	0.17	0.17
Other financial assets				
Security deposits	-	-	15.81	15.81
Others	-	-	47.65	47.65
Total financial assets	-	-	468.69	468.69
Financial liabilities				
Borrowings (includes interest accrued and current maturities of long-term borrowing)	-	-	1,527.14	1,527.14
Other financial liabilities				
Others	-	-	52.88	52.88
Total financial liabilities	-	-	1,580.02	1,580.02

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVPL				
Investments	-	-	0.11	0.11
Bonds	-	1,237.48	-	1,237.48
Government securities	-	50.43	-	50.43
Mutual fund	109.40	-	-	109.40
Others	-	-	0.01	0.01
Derivatives not designated as hedges				
Forward contracts	-	0.74	-	0.74
Total financial assets	109.40	1,288.65	0.12	1,398.17

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Assets and liabilities which are measured at amortised cost for which fair value are disclosed as at March 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets				
Loans				
Loans to subsidiary	-	-	337.71	337.71
Loans to employees	-	-	0.26	0.26
Other financial assets				
Security deposits	-	-	157.29	157.29
Others	-	-	44.68	44.68
Total financial assets	-	-	539.94	539.94
Financial liabilities				
Borrowings (includes interest accrued and current maturities of long-term debt)	-	-	1,318.14	1,318.14
Other financial liabilities				
Others	-	-	19.82	19.82
Total financial liabilities	-	-	1,337.96	1,337.96

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below.

Level 1: This hierarchy includes financial instruments measured using quoted prices. The mutual funds are valued using the closing NAV. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. The Company has derivatives which are not designated as hedges, bonds and government securities for which all significant inputs required to fair value an instrument falls under level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted securities.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of forward contracts is determined using forward exchange rates prevailing with Authorised Dealers dealing in foreign exchange.
- the use of Net Assets Value ('NAV') for valuation of mutual fund investment. NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.
- the fair value of bonds and government securities are derived based on the indicative quotes of price and yields prevailing in the market or latest available prices.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

(iii) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended March 31, 2023 and March 31, 2022:

	Unlisted equity shares
As at April 01, 2021	79.96
Reclassified to investment valued at amortised cost	(79.85)
As at March 31, 2022	0.11
Acquisition	0.57
As at March 31, 2023	0.68
Unrealised gain/ (loss) recognised in profit or loss related to assets held at the end of the reporting period	
Year ended March 31, 2023	-
Year ended March 31, 2022	-

(iv) Valuation inputs and relationships to fair value

	Fair value		Significant unobservable inputs*	Probability weighted average		Sensitivity
	As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2022	
Unlisted equity shares	0.68	0.11	Risk adjusted discount rate	-	-	The estimated fair value would not be material on account of increase/ (decrease) if -Discount rate were lower/ (higher)
Others	0.01	0.01	Risk adjusted discount rate	-	-	The estimated fair value would not be material on account of increase/ (decrease) if -Discount rate were lower/ (higher)

(v) Valuation processes:

The fair value of unlisted equity shares, preference shares, debentures and others are through independent valuer.

(vi) Fair value of Financial assets and liabilities measured at amortised cost

	As at March 31, 2023		As at March 31, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Loans				
Loans to subsidiary	405.06	405.06	337.71	337.71
Loans to employees	0.17	0.17	0.26	0.26

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2023		As at March 31, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Other financial assets				
Security deposits	15.81	15.81	157.29	157.29
Others	47.65	47.65	44.68	44.68
Total	468.69	468.69	539.94	539.94
Financial liabilities				
Borrowings (includes interest accrued and current maturities of long-term borrowings)	1,527.14	1,527.14	1,318.14	1,318.14
Other financial liabilities				
Others	52.88	52.88	19.82	19.82
Total	1,580.02	1,580.02	1,337.96	1,337.96

- a) The carrying amount of trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, loans, security deposits, other financial assets, borrowings, trade payables and other financial liabilities are a reasonable approximation of their fair value, due to their short-term nature.
- b) The fair values and carrying value of loans, security deposits, other financial assets, borrowings and other financial liabilities (other than those covered in above note (a)) are materially the same.

(vii) Classification of interest income by instrument category

	Year ended March 31, 2023	Year ended March 31, 2022
Interest income at amortised cost:		
Loans to related party	38.58	11.70
Fixed deposits	0.88	1.31
Interest on customers	10.58	3.42
Others	1.54	28.49
Interest income at FVTPL:		
Current investments	65.27	103.51

41 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables and other financial assets	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit Investment guidelines for debt investments and mutual funds

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Risk	Exposure arising from	Measurement	Management
Liquidity risk	Borrowings and other financial liabilities	Borrowings maturity and cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign currency risk	Recognised financial assets and liabilities not denominated in Rupees	Sensitivity analysis	Forward foreign exchange contracts and derivative contracts
Market risk - security prices risk	Investments in bonds and mutual funds	Sensitivity analysis	Portfolio diversification

The Company's risk management is carried out by treasury department under policies approved by the board of directors. Treasury department identifies, evaluates and hedges financial risks. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity. There is no change in objectives, policies and process for managing the risk and methods used to measure the risk as compared to previous year.

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. This will effectively result in recognising interest expense at a fixed interest rate for the hedged floating rate loans and inventory at the fixed foreign currency rate for the hedged purchases.

(I) Credit risk

Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including bonds, deposits with bank, foreign exchange transactions and other financial instruments.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition."

a) Trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. The Company based on past experiences, current conditions and forecasts of future economic conditions does not expect any material loss on its receivables and hence no provision is deemed necessary on account of expected credit loss ('ECL').

The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The Company uses simplified approach (i.e. lifetime expected credit loss model) for impairment of trade receivables/ contract assets. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Past experience, current conditions and forecasts of future economic conditions suggest a low/ minimum credit risk or allowances of debtors. Exposures of trade receivable broken into ageing bucket as per note 12. The Company's trade receivable do not carry a significant financing element. Hence, trade receivables are measured at transaction price. The Company makes a loss allowance using simplified approach for expected credit loss and on a case to case basis.]

b) Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, loans, derivative financial instruments, investments in government securities, bonds and investments in mutual funds. The Company has diversified portfolio of investment with various number of counterparties which have good credit ratings, good reputation and hence the risk is reduced. Individual risk limits are set for each counterparty based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company.

Expected credit loss for other than trade receivables has been assessed and based on life-time expected credit loss, loss allowance provision has been made.

(II) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities (comprising the undrawn borrowing facilities below), by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

a) Financing arrangements

The Company had access to the following undrawn borrowing facilities for working capital at the end of the reporting period:

	As at March 31, 2023	As at March 31, 2022
Floating rate		
Expiring within one year	2,001.00	488.68
Total	2,001.00	488.68

b) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

All non-derivative financial liabilities, and derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not material.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

As at March 31, 2023

Contractual maturities of financial liabilities	As at March 31, 2023				Total	Carrying value
	< 1 Year	1 - 3 years	3 - 5 years	> 5 years		
Non-derivatives						
Borrowings (includes interest accrued and current maturities of long-term debt)	1,336.95	233.67	6.34	63.05	1,640.01	1,527.14
Trade payables	715.09	-	-	-	715.09	715.09
Lease liability	4.83	9.26	5.10	8.60	27.79	17.23
Other financial liabilities	52.88	-	-	-	52.88	52.88
Total non-derivative liabilities	2,109.75	242.93	11.44	71.65	2,435.77	2,312.34
Derivatives						
Forward contracts	7.55	-	-	-	7.55	7.55
Total derivative liabilities	7.55	-	-	-	7.55	7.55

As at March 31, 2022

Contractual maturities of financial liabilities	As at March 31, 2022				Total	Carrying value
	< 1 Year	1 - 3 years	3 - 5 years	> 5 years		
Non-derivatives						
Borrowings (includes interest accrued and current maturities of long-term debt)	555.10	628.83	219.11	66.15	1,469.19	1,318.14
Trade payables	966.72	-	-	-	966.72	966.72
Lease liability	9.31	9.41	0.13	5.79	24.64	18.13
Other financial liabilities	19.81	-	-	-	19.81	19.81
Total non-derivative liabilities	1,550.94	638.24	219.24	71.94	2,480.36	2,322.80
Derivatives						
Forward contracts	19.47	-	-	-	19.47	19.47
Total derivative liabilities	19.47	-	-	-	19.47	19.47

(III) Market risk - foreign currency risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments, highly probable forecast transactions and foreign currency required at the settlement date of certain receivables/payables. The use of foreign currency forward contracts is governed by the Company's strategy approved by the board of directors, which provide principles on the use of such forward contracts consistent with the Company's risk management policy and procedures.

a) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in equivalent in Rs is as follows:

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2023			As at March 31, 2022		
	USD	EUR	Others	USD	EUR	Others
Financial assets						
Trade receivables	48.10	-	-	133.38	2.62	-
Other financial assets	1.05	-	-	0.70	-	-
Derivatives not designated as hedges						
Forward contracts (Sell foreign currency)	(185.33)	-	-	(98.89)	(3.81)	-
Derivatives designated as hedges*						
Forward contracts (Sell foreign currency)	(472.42)	-	-	(369.25)	(41.90)	-
Financial liabilities						
Borrowing	112.94	-	-	-	-	-
Trade payables	302.53	1.19	0.12	547.54	2.29	15.89
Other financial liabilities	6.15	-	-	0.51	0.23	-
Derivatives not designated as hedges						
Forward contracts (Buy foreign currency)	(319.04)	-	-	(108.86)	(2.19)	(10.12)
Derivatives designated as hedges*						
Forward contracts (Buy foreign currency)	(29.39)	-	-	(111.86)	(370.95)	(8.55)

* Derivative transactions for highly probable forecast transactions and firm commitments

b) As at the balance sheet date, following foreign currency exposure (including non financial assets and liabilities) is not hedged by a derivative instrument or otherwise:

	Amount in Rs. crore		Equivalent amount in USD (in crores)	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Assets				
Investment in equity share	0.51	0.51	0.01	0.01
Investment in equity component of preference shares	29.38	29.38	0.56	0.56
Trade receivables	48.10	136.01	0.59	1.79
Other financial assets	1.05	0.70	0.01	0.01
Advance to suppliers	0.25	0.77	*	0.01
	79.29	167.37	1.17	2.38
Liabilities				
Borrowing	112.94	-	1.37	-
Trade payables	303.84	565.72	3.70	7.46
Other financial liabilities	6.15	0.74	0.07	0.01
Trade advances	230.43	167.61	2.80	2.21
	653.36	734.07	7.94	9.68
Less: Forward contracts (USD-INR)	(133.71)	(9.97)	(1.63)	(0.13)
Less: Forward contracts (EURO-INR)	-	1.62	-	*
Less: Forward contracts (CAD-INR)	-	(10.12)	-	(0.13)
Net unhedged foreign currency exposure	440.36	548.22	5.14	7.04

*Amount is below rounding off norms.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

c) Foreign currency sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and impact on other components of equity arises from foreign forward exchange contracts, designated as cash flow hedges.

	Net impact on profit before tax		Net impact on other reserve	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
USD sensitivity				
INR/USD - Increase by 1% (March 31, 2022 - 1%)*	(2.39)	(4.04)	(4.43)	(2.57)
INR/USD - Decrease by 1% (March 31, 2022 - 1%)*	2.39	4.04	4.43	2.57
EURO sensitivity				
INR/EURO - Increase by 1% (March 31, 2022 - 1%)*	(0.01)	(0.02)	-	3.29
INR/EURO - Decrease by 1% (March 31, 2022 - 1%)*	0.01	0.02	-	(3.29)
Other sensitivity				
INR/Others - Increase by 1% (March 31, 2022 - 1%)*	-	(0.06)	-	0.09
INR/Others - Decrease by 1% (March 31, 2022 - 1%)*	-	0.06	-	(0.09)

* Holding all other variables constant

(IV) Market risk - interest rate risk

The Company had borrowed funds at fixed interest rates.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed rate borrowings	880.77	1,311.45
Floating rate borrowings	618.42	-
Total borrowings	1,499.19	1,311.45

(V) Market risk - security prices

a) Exposure

The Company is mainly exposed to the price risk due to its investment in mutual funds and bonds. The price risk arises due to uncertainties about the future market values of these investments.

In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

b) Sensitivity

The table below summarises the impact of increases/decreases of 1% increase in price of bonds, government securities and mutual funds.

	Impact on profit before tax	
	As at March 31, 2023	As at March 31, 2022
Increase in rate 1% (March 31, 2022 - 1%)	8.25	13.97
Decrease in rate 1% (March 31, 2022 - 1%)	(8.25)	(13.97)

(VI) Impact of hedging activities

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward contracts and derivative contracts

a) Disclosure of effects of hedge accounting on financial position:

As at March 31, 2023

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge ratio
	Assets	Liabilities	Assets	Liabilities		
Cash flow hedge						
Foreign exchange risk						
Forward contract	472.42	29.39	1.20	6.39	Apr 23-Dec 23	1:1

As at March 31, 2022

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge ratio
	Assets	Liabilities	Assets	Liabilities		
Cash flow hedge						
Foreign exchange risk						
Forward contract	411.15	491.36	2.95	19.47	Apr 22 - Nov 22	1:1

As at March 31, 2023

Type of hedge	Change in the Value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash Flow Hedge				
Foreign Exchange Risk	(48.75)	-	59.89	Revenue

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

As at March 31, 2022

Type of hedge	Change in the Value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash Flow Hedge				
Foreign Exchange Risk	(30.56)	-	16.28	Revenue

The Company uses forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments, highly probable forecast transactions and foreign currency required at the settlement date of certain receivables/payables. The use of forward contracts is governed by the Company's strategy approved by the board of directors, which provide principles on the use of such forward contracts consistent with the Company's risk management policy.

The Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Company uses the hypothetical derivative method to assess effectiveness. Ineffectiveness is recognised on a cash flow hedge and net investment hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In hedges of foreign currency forecast sale and purchase transactions, hedges of interest rate risk and hedges of net investment, as applicable, this may arise if:

- The critical terms of the hedging instrument and the hedged item differ (i.e. nominal amounts, timing of the forecast transaction, interest resets changes from what was originally estimated), or
- Differences arise between the credit risk inherent within the hedged item and the hedging instrument. There were no ineffectiveness recognised in the statement of profit and loss during March 31, 2023 and March 31, 2022.

b) Movements in cash flow hedging reserve

Risk category	Foreign currency risk
Derivative instruments	Forward contracts
Cash flow hedging reserve	
As at April 01, 2021	
Changes in fair value of forward contracts	(2.51)
(Gain)/Loss transferred to statement of profit and loss	(30.56)
Hedging loss transferred to inventory	16.28
Income tax on amount recognised in hedging reserve	1.02
	3.34
As at March 31, 2022	
Changes in fair value of forward contracts	(12.43)
(Gain)/Loss transferred to statement of profit and loss	(48.75)
Income tax on amount recognised in hedging reserve	59.89
	(2.80)
As at March 31, 2023	
	(4.09)

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

42 RELATED PARTY TRANSACTIONS

a) Entities having significant influence

Name	Type	Effective proportion of ownership interest (%)	
		As at March 31, 2023	As at March 31, 2022
Balkrishan Goenka, trustee of Welspun Group Master Trust	Shareholder (refer note 16(a) (iii))	44.76%	44.86%

b) List of related parties:

Relationships	Principal place of business	Effective proportion of ownership interest (%)	
		As at March 31, 2023	As at March 31, 2022
Subsidiaries			
Welspun Pipes Inc.	USA	100.00%	100.00%
Welspun Tradings Limited	India	100.00%	100.00%
Welspun DI Pipes Limited	India	100.00%	100.00%
Welspun Metallics Limited	India	100.00%	100.00%
Welspun Mauritius Holdings Limited	Mauritius	89.98%	89.98%
Welspun Tubular LLC	USA	100.00%	100.00%
Welspun Global Trade LLC	USA	100.00%	100.00%
Mahatva Plastic Products and Building Materials Private Limited (from November 26, 2021)	India	100.00%	100.00%
Anjar TMT Steel Private Limited (refer note 51)	India	100.00%	100.00%
Welspun Specialty Solutions Limited (refer note 51)	India	50.03%	50.03%
Big Shot Infra Facilities Private Limited (Acquired on April 28, 2022 amalgamated with Sintex Prefab & Infra Limited on February 24, 2023)	India	-	-
Sintex Prefab & Infra Limited (from February 24, 2023) (refer note 51 b)	India	100.00%	-
Propel Plastic Products Private Limited (Acquired on November 18, 2022)	India	-	-
Amalgamated with Sintex-BAPL Limited on March 29, 2023			-
Sintex-BAPL Limited (from March 29, 2023) (refer note 51 c)	India	100.00%	-
Nauyaan Shipyard Private Limited (from September 19, 2022)	India	100.00%	-
Sintex Holdings B.V (from March 29, 2023)	Netherlands	100.00%	-
Sintex Logistics LLC (from March 29, 2023)	USA	100.00%	-
Joint venture			
Welspun Wasco Coatings Private Limited	India	51.00%	51.00%

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Relationships	Principal place of business	Effective proportion of ownership interest (%)	
		As at March 31, 2023	As at March 31, 2022
Joint ventures of Welspun Mauritius Holdings Limited			
East Pipes Integrated Company for Industry (EPIC) (Joint venture till February 13, 2022)	Kingdom of Saudi Arabia	-	-
Associate company			
East Pipes Integrated Company for Industry (EPIC) (Associate company w.e.f. February 14, 2022) (refer note (i) below)	Kingdom of Saudi Arabia	35.01%	35.01%
Welspun Captive Power Generation Limited (Associate company w.e.f. March 16, 2022) (Also refer note 51)	India	21.20%	22.70%

(i) During the previous year, the Company announced the successful listing of its Joint Venture company in Kingdom of Saudi Arabia ("KSA"), East Pipes Integrated Company for Industry (EPIC) on the Saudi Exchanges Main Market ("Tadawul") at the final offer price of SAR 80 per share. Post the IPO the Company owns 35.01% (from earlier 50.01%) through its step-down subsidiary in Mauritius and will continue to be the largest shareholder in EPIC. Consequently, EPIC is now classified as an associate for the Company.

c) Key management personnel

Name	Nature of relationship
Mr. Balkrishan Goenka	Chairman, Non-Executive Director
Mr. Rajesh Mandawewala	Non Executive, Non Independent Director
Mr. Vipul Mathur	Managing Director & Chief Executive Officer
Mrs. Dipali Goenka	Non Independent, Non Executive Director
Mr. K.H. Viswanathan (Ceased w.e.f. July 1, 2022)	Independent, Non-Executive Director
Mr. Arun Todarwal (w.e.f. July 1, 2022)	Independent, Non-Executive Director
Mrs. Revathy Ashok	Independent, Non-Executive Director
Mr. Desh Raj Dogra (resigned w.e.f. March 14, 2023)	Independent, Non-Executive Director
Mrs. Amita Misra	Independent, Non-Executive Director
Mr. Manish Chokhani (w.e.f. February 2, 2023)	Independent, Non-Executive Director
Mr. Anjani K. Agrawal (w.e.f. April 1, 2023)	Independent, Non-Executive Director
Mr. Percy Birdy	Chief Financial Officer
Mr. Pradeep Joshi	Company Secretary

d) List of Others over which key management personnel or relatives of such personnel exercise significant influence or control and entities which are members of same group with whom transaction have taken place during the current year and previous year:

Welspun India Limited
Welspun Foundation for Health and Knowledge
Welspun Realty Private Limited
Welspun Global Brands Limited
Welspun Enterprises Limited
Welspun Anjar SEZ Limited
Welspun Multiventures LLP

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Welspun Floorings Limited
Welassure Private Limited
Welspun Global Services Limited
Welspun Steel Resources Private Limited
MGN Agro Properties Private Limited
Mounting Renewable Power Limited
Welspun Transformation Services Limited
DBG Estates Private Limited

e) Disclosure in respect of significant transactions with related parties during the year:

	Transactions	
	Year ended March 31, 2023	Year ended March 31, 2022
1) Sale of products and services		
Welspun Tradings Limited	349.11	180.83
Welspun India Limited	65.76	33.03
Welspun Specialty Solutions Limited	4.25	73.96
Welspun Metallics Limited	145.83	21.04
Welspun Tubular LLC	0.73	0.75
Others	58.97	22.60
Total sale of products and services	624.65	332.21
2) Other income		
Welspun Pipes Inc.	0.93	2.37
East Pipes Integrated Company for Industry	-	7.10
Welspun Wasco Coatings Private Limited	3.67	3.71
Welspun Mauritius Holdings Limited	-	307.66
Welspun Specialty Solutions Limited	13.43	1.08
Welspun Metallics Limited	25.24	5.67
Welspun Global Services Limited	0.57	-
Others	7.43	5.17
Total other income	51.27	332.76
3) Purchase of stock-in-trade and other expenses incurred		
Welspun Captive Power Generation Limited	59.74	80.88
Welspun Realty Private Limited	5.34	5.34
Welspun India Limited	14.79	8.42
Welspun Wasco Coatings Private Limited	14.09	24.34
Welspun Speciality Solutions Limited	44.12	87.64
Anjar TMT Steel Private Limited	50.54	-
Others	42.09	21.09
Total purchase of stock-in-trade and other expenses incurred	230.71	227.71
4) Purchase of property, plant and equipment and investment property		
Welspun Enterprises Limited	-	0.03
Total of purchase of property, plant and equipment and investment property	-	0.03

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Transactions	
	Year ended March 31, 2023	Year ended March 31, 2022
5) Corporate social responsibility expenses		
Welspun Foundation for Health and Knowledge	6.75	6.31
Total of corporate social responsibility expenses	6.75	6.31
6) Redemption of optionally convertible debentures (OCD) of subsidiaries		
Mahatva Plastic Products And Building Materials Private Limited	452.00	-
Others	42.90	-
Total of redemption of optionally convertible debentures (OCD) of subsidiaries	494.90	-
7) Sale of non-current Investment		
Anjar TMT Steel Private Limited	1.69	-
Welspun DI Pipes Limited	3.37	-
Total sale of non-current Investment	5.06	-
8) Sale of property, plant and equipment		
Welspun Metallics Limited	4.52	0.06
Welspun Speciality Solutions Limited	-	0.05
Others	0.27	-
Total sale of property, plant and equipment	4.79	0.11
9) Investment in compulsory convertible debentures/optionally convertible debentures of subsidiaries		
Mahatva Plastic Products And Building Materials Private Limited (OCD's)	54.83	401.00
Propel Plastics Products Private Limited (OCD's)	370.70	-
Nauyaan Shipyard Private Limited	87.00	-
Anjar TMT Steel Private Limited (OCD's)	-	20.00
Anjar TMT Steel Private Limited (CCD's)	-	24.82
Others	33.17	-
Total Investment in compulsory convertible debentures/optionally convertible debentures of subsidiaries	545.70	445.82
10) Non-current investments-Investments in preference shares of subsidiary		
Welspun DI Pipes Limited	-	165.00
Anjar TMT Steel Private Limited	20.17	-
Welspun Metallics Limited	141.00	138.00
Total Non-current investments-Investments in preference shares of subsidiary	161.17	303.00
11) Non-current investment in optionally convertible debentures (OCD)		
Mounting Renewable Power Limited	0.10	-
Total Non-current investment in optionally convertible debentures (OCD)	0.10	-
12) Non-current investments-Investments in equity instruments of other related party		
Welspun DI Pipes Limited	5.01	20.00
Welspun Metallics Limited	32.99	-

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Transactions	
	Year ended March 31, 2023	Year ended March 31, 2022
Others	24.57	0.01
Total of Non-current investments-Investments in equity instruments of other related party	62.57	20.01
13) Joint Bond given to Customs		
Welspun Metallics Limited	-	283.26
Welspun DI Pipes Limited	-	467.64
Total Joint Bond given to Customs	-	750.90
14) Conversion of compulsory convertible debentures/Loans to Equity investments		
Welspun Metallics Limited	-	86.18
Others	-	9.56
Total Conversion of compulsory convertible debentures to Equity investments	-	95.74
15) Conversion of optionally convertible debentures to Equity investments		
Anjar TMT Steel Private Limited	-	20.00
Big Shot Infra Facilities Private Limited	0.20	-
Total Conversion of optionally convertible debentures to Equity investments	0.20	20.00
16) Conversion of compulsory convertible debentures to Preference share		
Anjar TMT Steel Private Limited	-	24.82
Total Conversion of compulsory convertible debentures to Preference share	-	24.82
17) Debenture issued		
MGN Agro Properties Private Limited	-	48.00
Total Debenture issued	-	48.00
18) Debentures redeemed		
MGN Agro Properties Private Limited	-	48.00
Total Debenture issued	-	48.00
19) Investments in preference shares converted to equity shares		
Welspun DI Pipes Limited	17.48	-
Total Investments in preference shares converted to equity shares	17.48	-
20) Reimbursement of expenses (paid)/ recovered		
Welspun Tubular LLC	1.38	0.99
Welspun Tradings Limited	-	0.09
Welspun Wasco Coatings Private Limited	1.42	1.16
Welspun Captive Power Generation Limited	0.05	0.10
Welspun India Limited	-	(0.54)
Welspun Metallics Limited	3.99	6.11
Welspun Floorings Limited	-	0.01
Welspun Steel Resources Private Limited	-	67.65
Others	1.42	0.62
Total reimbursement of expenses (paid)/ recovered	8.26	76.19

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Transactions	
	Year ended March 31, 2023	Year ended March 31, 2022
21) Loans and deposit given		
Welspun Metallica Limited	244.84	346.56
Welspun DI Pipes Limited	11.50	143.00
Welspun Specialty Solutions Limited	94.00	97.63
Nauyaan Shipyard Private Limited	85.00	-
Propel Plastic Products Private Limited	100.00	-
Others	-	0.01
Total loans and deposit given	535.34	587.20
22) Loans and deposit received back		
Welspun Realty Private Limited	2.30	2.26
Welspun Metallica Limited	105.00	97.48
Welspun DI Pipes Limited	4.00	149.00
Welspun Specialty Solutions Limited	-	9.00
Nauyaan Shipyard Private Limited	85.00	-
Propel Plastic Products Private Limited	100.00	-
Welspun Wasco Coating Private Limited	3.53	-
Others	0.04	-
Total loans and deposit received back	299.87	257.74
23) Loans and deposit taken		
MGN Agro Properties Private Limited	-	90.00
Total loans and deposit taken	-	90.00
24) Loans and deposit repaid		
MGN Agro Properties Private Limited	-	90.00
Total loans and deposit repaid	-	90.00
25) Loans and deposit converted to Equity Shares		
Welspun Metallica Limited	32.99	-
Total Loans and deposit converted to Equity Shares	32.99	-
26) Loans and deposit converted to Preference Shares		
Welspun Metallica Limited	141.00	-
Total Loans and deposit converted to Preference Shares	141.00	-
27) Impairment on Investments		
Mounting Renewable Power Limited	0.10	-
Total Impairment on Investments	0.10	-
28) Provision Written Back		
Welspun Wasco Coating Private Limited	3.53	-
Total provision written back	3.53	-
29) Release of share lien		
Welspun Specialty Solutions Limited	307.33	-
Total Release of share lien	307.33	-
30) Addition of corporate guarantee		
Welspun DI Pipes Limited	209.00	950.00
Welspun Metallica Limited	901.00	775.00
Welspun Specialty Solutions Limited	197.39	145.00

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Transactions	
	Year ended March 31, 2023	Year ended March 31, 2022
Anjar TMT Steel Private Limited	250.00	150.00
Sintex-BAPL Limited (refer note 51 c)	150.00	-
Welspun Pipes Inc.	246.51	-
Total addition of corporate guarantee	1,953.90	2,020.00
31) Release of corporate guarantee		
East Pipes Integrated Company for Industry	-	1,901.76
Welspun Pipes Inc.	-	743.40
Welspun Metallica Limited	-	524.00
Welspun DI Pipes Limited	-	524.00
Welspun Specialty Solutions Limited	72.36	24.81
Total release of corporate guarantee	72.36	3,717.97
32) Key management personnel compensation (refer notes 2 and 3 below)		
Mr. Vipul Mathur		
Short-term employee benefit	11.47	5.88
Mr. Percy Birdy		
Short-term employee benefit	2.31	1.79
Mr. Pradeep Joshi		
Short-term employee benefit	0.74	0.56
Total key management personnel compensation	14.52	8.23
33) Commission expense		
Mr. Balkrishan Goenka	1.16	3.07
Total commission expense	1.16	3.07
34) Directors' sitting fees		
Mr. K.H. Viswanathan	0.06	0.38
Mr. Atul Desai	-	0.01
Mrs. Revathy Ashok	0.13	0.16
Mr. Desh Raj Dogra	0.17	0.21
Mrs. Amita Misra	0.16	0.18
Mr. Arun Lalchand Tadarwar	0.31	-
Mr Manish Balkrishan Chokani	0.02	-
Total directors' sitting fees	0.85	0.94

Notes:

- Amount is inclusive of applicable taxes
- Remuneration excludes amortization of fair value of employee share based payments under Ind AS 102. Further, Mr. Vipul Mathur has exercised 450,000 stock options of the Company, vested during the year. The perquisite amount of Rs. 4.86 on exercise of these options is considered as a part of his remuneration.
- With respect to post-employment benefits, as these liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not separately determinable and hence not disclosed.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

f) Disclosure of significant closing balances:

	As at March 31, 2023	As at March 31, 2022
1) Trade and other receivables		
East Pipes Integrated Company for Industry	-	0.73
Welspun Pipes Inc.	0.31	-
Welspun DI Pipes Limited	3.95	4.39
Welspun India Limited	7.37	7.56
Welspun Metallics Limited	133.33	15.23
Welspun Specialty Solutions Limited	0.89	45.50
Others	2.33	3.41
Total trade and other receivables	148.18	76.82
2) Trade payables		
Welspun Captive Power Generation Limited	9.94	35.16
Welspun India Limited	2.92	-
Welspun Specialty Solutions Limited	1.73	7.70
Anjar TMT Steel Private Limited	27.79	-
Others	3.08	3.71
Total trade payables	45.46	46.57
3) Trade Advance (other current liabilities)		
Welspun Tradings Limited	60.31	171.69
Others	-	0.16
Total trade advance	60.31	171.85
4) Loans, deposits and capital advance given (Loans, other assets and other financial assets)		
Welspun Wasco Coatings Private Limited (fully impaired, amount shown is gross)	21.17	24.70
Welspun Realty Private Limited	7.51	9.09
Welspun DI Pipes Limited	7.50	-
Welspun Metallics Limited	214.93	249.08
Welspun Specialty Solutions Limited	182.63	88.63
Others	0.24	0.29
Total loans, deposits and capital advance given (Loans, other assets and other financial assets)	433.98	371.79
5) Provision for doubtful loans		
Welspun Wasco Coatings Private Limited	21.17	24.70
Total provision for doubtful loans	21.17	24.70
6) Provision for impairment in equity investment		
Welspun Wasco Coatings Private Limited	25.47	25.47
Total provision for impairment in equity investment	25.47	25.47
7) Corporate guarantees given (to the extent of outstanding loan amount/ acceptances/ export obligation to custom authority) refer note 46 (ii)		
Welspun Metallics Limited	1,558.84	434.43
Welspun DI Pipes Limited	457.71	196.51
Anjar TMT Steel Private Limited	271.27	72.00
Welspun Specialty Solutions Limited	210.23	38.16

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Sintex BAPL Limited (Refer note 51 c)	147.90	-
Total corporate guarantees given	2,645.95	741.10
8) Joint Bond given to Customs		
Welspun Metallics Limited	283.26	283.26
Welspun DI Pipes Limited	467.64	467.64
Total Joint Bond given to Customs	750.90	750.90
9) Shares liened		
Welspun Specialty Solutions Limited	-	307.33
Total Shares liened	-	307.33
10) Employee dues payable (other current liabilities)		
Mr. Vipul Mathur	1.34	1.18
Mr. Percy Birdy	0.38	0.36
Mr. Pradeep Joshi	0.09	0.08
Total Employee dues payable	1.81	1.62
11) Commission payable		
Mr. Balkrishan Goenka	1.16	2.75
Total Commission payable	1.16	2.75
12) Equity investments in subsidiaries and joint venture		
Welspun Mauritius Holdings Limited	0.47	0.47
Welspun Mauritius Holdings Limited (Investment in equity component of preference shares)	29.38	29.38
Welspun Tradings Limited	5.02	5.02
Welspun Wasco Coatings Private Limited (Investments in equity instruments of joint ventures) (Before provision for impairment in equity investment)	25.47	25.47
Welspun Pipes Inc.(Investments in equity instruments of subsidiaries)	0.04	0.04
Welspun DI Pipes Limited (Investments in equity instruments of subsidiaries)	52.06	29.57
Welspun Metallics Limited (Investments in equity instruments of subsidiaries)	119.18	86.19
Welspun Specialty Solutions Limited (Investments in equity instruments of subsidiaries)	283.65	283.65
Anjar TMT Steel Private Limited	20.01	20.01
Others	0.56	-
Total of equity investments in subsidiaries and joint venture	535.84	479.80
13) Investment in optionally convertible debentures of subsidiaries		
Mahatva Plastic Products And Building Materials Private Limited	3.83	401.00
Sintex Prefab & Infra Limited (Refer note 51 b)	30.07	-
Nauyaan Shipyard Private Limited	87.00	-
Sintex-BAPL Limited (Refer note 51 c)	330.70	-
Total of investment in optionally convertible debentures of subsidiaries	451.60	401.00

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
14) Non-current investments		
Welspun Captive Power Generation Limited (Investments in equity shares)	71.52	76.58
Welasure Private Limited	0.11	0.11
Welspun Global Services Limited	*	*
Mounting Renewable Power Limited	*	-
Welspun Transformation Services Limited	0.57	-
Mounting Renewable Power Limited	0.10	-
Total non-current investments	72.30	76.69
15) Non-current investments-Investments in preference shares of subsidiaries		
Welspun DI Pipes Limited	162.52	180.00
Welspun Metallica Limited	353.00	212.00
Anjar TMT Steel Private Limited	44.99	24.82
Total of non-current investments-Investments in preference shares of subsidiaries	560.51	416.82
16) Deposits received (other financial liabilities)		
Welspun Enterprises Limited	-	0.07
Total of deposits received (other financial liabilities)	-	0.07

* Amount is below rounding off norms.

g) Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

All outstanding balances are unsecured and are payable in cash.

43 MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2016

Disclosure of amount due to suppliers under "The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)" is as under:

	As at March 31, 2023	As at March 31, 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	5.03	1.46
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.48	0.01
	5.51	1.47
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	21.20	7.38
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Interest accrued and remaining unpaid at the end of each accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	0.54	0.06
Total outstanding dues of micro and small enterprises	5.57	1.52

44 CAPITAL MANAGEMENT

(I) Risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on the basis of the following gearing ratio:

	As at March 31, 2023	As at March 31, 2022
Net debt (total borrowings (including current maturities) and lease liabilities net of cash and cash equivalents, other bank balances and current investments)*	184.30	-
Total equity	3,472.34	3,054.40
Net debt equity ratio	0.05	-

*The Company had a surplus position of Rs. 443.04 as on March 31, 2022 and hence the net debt as at March 31, 2022 is shown as Rs. Nil.

Loan covenants

The Company has complied with all the loan covenants applicable, mainly fixed assets coverage ratio, net debt to earnings before interest tax depreciation and amortisation ratio and total liability to tangible net worth ratio attached to the borrowings.

(II) Dividend

	As at March 31, 2023	As at March 31, 2022
Equity Share		
Final dividend for the year ended March 31, 2022 of Rs. 5.00 (March 31, 2021 - Rs. 5) per fully paid shares	130.47	130.47
Dividend not recognised at the end of the reporting period		
Directors have recommended the payment of a final dividend of Rs. 5 per fully paid equity share (March 31, 2022 - Rs. 5.00). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	130.77	130.47

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

45 CONTINGENT LIABILITIES

The Company has contingent liabilities as at the year end in respect of:

	As at March 31, 2023	As at March 31, 2022
Claims against the Company not acknowledged as debts	23.51	23.63
Disputed direct taxes	18.01	20.51
Disputed indirect taxes:		
Central Sales Tax	0.53	0.53
Service Tax	18.61	18.61
Sales tax/ Value Added Tax	143.67	143.67
Duty of Excise	57.06	48.97
Duty of Customs	0.69	0.69
Goods and Service tax	0.12	0.26

In respect of matters decided against the Company, for which the Company is in appeal with higher authorities, wherein the company believe there would be no future cash outflows.

The Company does not expect any re-imbursements in respect of the above contingent liabilities.

46 CAPITAL AND OTHER COMMITMENTS

i) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account (net of advances):		
Property, plant and equipment (net of capital advances)	7.80	0.48

ii) Other commitments

	As at March 31, 2023	As at March 31, 2022
Corporate guarantees given by the company for loans of subsidiaries and joint ventures. Loan/ liabilities outstanding against these guarantees aggregate to Rs.2,645.95 (March 31, 2022: Rs. 741.10) (refer note 42)	3,577.57	1,696.03
Outstanding letters of credit	224.50	534.40

47 OPERATING LEASE

As a lessor

The Company has entered into operating leases for land and premises. These lease arrangements are both cancellable and non-cancellable in nature and range for a period between three years to ten years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

Rental income with respect to all operating leases

	Year ended March 31, 2023	Year ended March 31, 2022
Rental income recognised in the statement of profit and loss during the year	2.58	1.68

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

48 SEGMENT INFORMATION

Since the segment information as per Ind AS 108 - Operating Segments is provided on the basis of consolidated financial statement, the same is not provided separately in standalone financial statement.

49 EQUITY SETTLED SHARE BASED PAYMENTS (ESOP) (REFER NOTE 16(B)(IV))

Senior level management employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). In respect of options granted during the current year under the Welspun Employee Stock Options Scheme (WELSOP), the cost of equity-settled transactions is determined by the fair value at the date when the grant is made using Black Scholes Merton formula which is in accordance with Indian Accounting Standard 102 (Ind AS 102).

The cost of equity settled transaction is recognised, together with a corresponding increase in Equity settled share based payments reserves in other equity, over the period in which the service conditions are fulfilled. This expense is included under the head "Employee benefits expense" as employee share-based expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

Expense for the period from grant date to reporting date recognised is Rs. 5.58 (March 31, 2022: Rs. 0.56).

Nature and characteristics of ESOP plans existed during year as tabulated below

	Year ended March 31, 2023		Year ended March 31, 2022
	2nd Grant	1st Grant	1st Grant
Grant Date	August 03, 2022	August 16, 2018	August 16, 2018
Vesting requirement	3 years vesting (30%, 35%, 35%)	3 years vesting (30%, 35%, 35%)	3 years vesting (30%, 35%, 35%)
Maximum term of options	3 years from vesting date	3 years from vesting date	3 years from vesting date
Method of settlement	Equity settled	Equity settled	Equity settled
Exercise Price	Rs. 100.00	Rs. 100.00	Rs. 100.00
Share Price on Grant Date	Rs. 224.05	Rs. 126.10	Rs. 126.10
Accounting method	Fair value method	Fair value method	Fair value method

Options movement during year as tabulated below

	Year ended March 31, 2023		Year ended March 31, 2022
	2nd Grant	1st Grant	1st Grant
Opening balance	-	19,35,000	20,85,000
Granted during the year	11,00,000	-	-
Exercised during the year	-	5,80,000	-
Forfeited during the year	-	10,000	1,50,000
Closing balance	11,00,000	13,45,000	19,35,000
Vested and Exercisable at the end of the year	-	13,45,000	19,35,000

No options expired during the periods covered in the above table

Weighted-average exercise prices of options for 1st Grant and 2nd Grant is Rupees 100 in case of options (March 31, 2022 - 1st Grant: Rupees 100)

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Stock options outstanding at the end of period as tabulated below

	Year ended March 31, 2023		Year ended March 31, 2022
	2nd Grant	1st Grant	1st Grant
Exercise Price			
WELSOP Plan	Rs 100.00	Rs 100.00	Rs 100.00
Weighted average remaining contractual life (Years)			
WELSOP Plan	4.40	0.89	2.43
Expiry date	August 02, 2028	August 15, 2024	August 15, 2024

Black Scholes method is used for fair valuation of ESOP.

The measure of volatility used in ESOP pricing model is the annualized standard deviation of the continuously compounded rates of return.

Fair value and underlying assumptions for stock options granted as tabulated below

	Year ended March 31, 2023		Year ended March 31, 2022
	2nd Grant	1st Grant	1st Grant
Grant date	August 03, 2022	August 16, 2018	August 16, 2018
Option price model	Black Scholes Method	Black Scholes Method	Black Scholes Method
Exercise price	Rs. 100	Rs. 100	Rs. 100
Share price on grant date	Rs. 224.05	Rs. 126.10	Rs. 126.10
Expected volatility	52%	50%	50%
Expected number of years to exercise shares	Immediately after vesting	Immediately after vesting	Immediately after vesting
Risk-free rate of return	6.34% to 6.90%	7.49% to 7.85%	7.49% to 7.85%
Dividend Yield	2.16%	0.55%	0.55%
Expected Volatility period considered for valuation via Black Scholes model	1 year	1 year	6 years
Fair value of ESOP at grant date (vesting year 1)	Rs. 126.97	Rs. 41.53	Rs. 41.53
Fair value of ESOP at grant date (vesting year 2)	Rs. 132.22	Rs. 52.34	Rs. 52.34
Fair value of ESOP at grant date (vesting year 3)	Rs. 136.98	Rs. 60.66	Rs. 60.66
Weighted average fair value of ESOP at grant date	Rs. 132.31	Rs. 52.01	Rs. 52.01
Attrition rate per annum	NIL	NIL	NIL
Expected shares to vest ultimately	11,00,000	13,45,000	19,35,000

50 Assessment of impairment of carrying value of investments and recoverability of loans given to subsidiary: Welspun Specialty Solutions Limited ("WSSL" or "subsidiary") is engaged in manufacturing of pipes in India. The Company has outstanding investment in equity shares of Rs. 283.65 in subsidiary which is carried at cost, as at March 31, 2023. The Company has outstanding loans granted to its subsidiary of Rs. 182.63 which is carried at cost as at March 31, 2023. Considering the financial position and losses of the subsidiary, the Company has assessed the impairment of the carrying value of the investment in the subsidiary based on the market approach model (the "model"). The Company has also assessed the impairment of the carrying value of the loans based on the expected credit loss model ("ECL") resulting in no impairment for the year.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

51 a. During the previous year, the Hon'ble National Company Law Tribunal, Ahmedabad Bench by an order dated March 16, 2022, has sanctioned the Scheme of Arrangement (the "Scheme") filed by WCL and Welspun Steel Limited for transfer and vesting of Demerged Undertaking of the Demerged Company i.e. Welspun Steel Limited (WSL) into the Resulting Company i.e. Welspun Corp Limited with effect from April 1, 2021, being the appointed date as per the Scheme. The certified true copy of the said Order has been received and filed with the Ministry of Company Affairs on March 16, 2022. The effect of amalgamation as per "pooling of interest method", at carrying value adjusted for alignment for accounting policies of the Company has been considered in the books retrospectively and the previous period/year numbers have been accordingly restated.

In terms of the Scheme, the Company has issued 81 Cumulative Redeemable Preference shares (CRPS) of face value of Rs 10/- each of the Company for every 100 Equity Shares of face value of INR 10/- each held in Welspun Steel Limited by shareholders as on the record date stated therein, which were pending for allotment as at March 31, 2022 which will be redeemed at the expiry of 18 months from date of issue i.e. March 16, 2022.

Further, consequent to the above arrangement, Welspun Speciality Solution Limited and Anjar TMT Steel Private Limited have become subsidiaries of the Company.

i. The assets and liabilities recognised as a result of this amalgamation, are as follows:

Particulars	As at April 01, 2020
Total Assets (A)	673.60
Total Liabilities (B)	175.96
Net assets taken over (A-B) = C	497.64
Consideration	
6% Cumulative Redeemable Preference share (refer note 2 below)	351.51
Payment in cash and cash equivalent (refer note 3 below)	11.22
Total (D)	362.73
Capital Reserve (C-D)	134.91

Note 1- As defined in the Scheme, "Demerged Undertaking" means undertaking, business, activities and operations pertaining to steel, specialty steel and thermo mechanical treatment bars manufacturing business carried on by WSL directly or indirectly through its subsidiaries (which includes Welspun Specialty Solutions Limited, Anjar TMT Steel Private Limited). The above figures are as per Management signed unaudited accounts.

Note 2- As at March 31, 2022, the amount to the extent CRPS issued (pending allotment) i.e. Rs. 351.51 is disclosed under "Borrowings". Subsequent to the year end March 31, 2022, CRPS of Rs. 351.51 have been allotted.

Note 3 - It has been disclosed under the head "other financial liabilities" in March 31, 2022. Subsequent to the year end March 31, 2022, the liability of Rs.11.22 has been paid in cash.

ii. Before merger, the Company and demerged undertaking held 19.70% (58,33,500 shares) and 3% (8,72,193 shares) in Welspun Captive Power Generation Limited (WCPGL), respectively. Pursuant to merger, the shareholding of the Company in WCPGL became 22.7% (67,05,693 shares).

Due to this change, Company obtained significant influence over WCPGL in March 2022 and is treated as associate of WCL as at March 31, 2022.

Accordingly, investments in WCPGL has been disclosed under "Investments in equity instruments of subsidiaries, associate and joint venture" (refer note 6) as at March 31, 2022.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

- iii. The Board of Directors at their meeting dated May 27, 2022 have recommended to pay dividend of Rs 8.67 at the stipulated rate of 6% on the CRPS for the financial year ended March 31, 2022, the payment of which made during the current year.
- iv. With respect to the accounting treatment of such CRPS, presentation and measurement has been made in accordance with Ind AS 32 'Financial Instruments: Presentation' and Ind AS 109 'Financial Instruments' which requires the presentation of these CRPS as a financial liability in its entirety, given that as per the terms of the instrument, they are redeemable, at face value, at the option of the holder. The relevant disclosures required under Ind AS 107 'Financial Instruments: Disclosures' and under Ind AS 1 'Presentation of financial statements' for these CRPS have been made in the standalone financial statements. Accordingly, in view of the reasons set out in the aforesaid note, CRPS have not been presented as preference share capital in the standalone financial statements, in accordance with the Companies Act, 2013.
- b. Bigshot Infra Facilities Private Limited ("Bigshot"), a wholly owned subsidiary of the Company from April 18, 2022, has acquired control over Sintex Prefab India Limited ("SPIL") on February 24, 2023. SPIL was admitted under Corporate Insolvency Resolution process (CIRP) in terms of Insolvency and Bankruptcy code, 2016 ("IBC") of India. The National Company Law Tribunal (NCLT) vide its order dated December 21, 2022, approved the resolution plan for acquiring controlling stake in SPIL and merge Bigshot with SPIL by way of scheme of arrangement ("Scheme") approved by NCLT. Consequently, SPIL became wholly owned subsidiary of the Company.
- c. Propel Plastic Products Private Limited ("Propel"), a wholly owned subsidiary of the Company from September 27, 2022, has acquired control over Sintex BAPL Limited ("SBAPL") on March 29, 2023. SBAPL was admitted under Corporate Insolvency Resolution process (CIRP) in terms of Insolvency and Bankruptcy code, 2016 ("IBC") of India. The National Company Law Tribunal (NCLT) vide its order dated March 17, 2023, approved the resolution plan for acquiring controlling stake in SBAPL and merge Propel with SBAPL by way of scheme of arrangement ("Scheme") approved by NCLT. Consequently, SBAPL became wholly owned subsidiary of the Company.

52 During the year, the Company has paid Rs. 589.45 towards the purchase consideration of the private sale of specified assets of ABG Shipyard Limited (in liquidation) under the provisions of the Insolvency & Bankruptcy Code, 2016 ("IBC"). Post payment was made to ABG's Liquidator and receipt of sale certificates by the Company, the Liquidator received a Provisional Attachment Order from ED, Ahmedabad. The Company, the Liquidator of ABG Shipyard Limited ("Liquidator") and the Lenders (SBI & IDBI) have all filed separate writ petitions before Hon'ble Gujarat High Court ("Court") against ED's Provisional Attachment Order wherein during the quarter ended December 31, 2022, the Court has granted interim relief and stayed the Provisional order on the specified assets. The Company has received the possession of moveable properties (partially built obsolete ships, metal, and scrap) from the Liquidator.

53 DISCLOSURES PURSUANT TO THE REGULATION 34(3) READ WITH PARA A OF SCHEDULE V TO SEBI LISTING REGULATIONS, 2015 (REFER NOTE 42)

	As at March 31, 2023	As at March 31, 2022	Maximum amount outstanding during the year	
			Ended March 31, 2023	Ended March 31, 2022
Loans to joint venture and subsidiaries:				
Welspun Wasco Coatings Private Limited (joint venture) (before provision for impairment)	21.17	24.70	24.70	24.70
Welspun DI Pipes Limited (subsidiary)	7.50	-	11.50	121.00

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022	Maximum amount outstanding during the year	
			Ended March 31, 2023	Ended March 31, 2022
Welspun Metalics Limited (subsidiary)	214.93	249.08	442.92	249.08
Welspun Specialty Solutions Limited (subsidiary)	182.63	88.63	182.63	97.63
Propel Plastics Products Private Limited (subsidiary) (refer note 51 c)	-	-	100.00	-
Nauyaan Shipyard Private Limited (subsidiary)	-	-	85.00	-

54 DISCLOSURE PURSUANT TO SECTION 186 OF THE COMPANIES ACT, 2013 FOR LOANS AND GUARANTEES (TO THE EXTENT OF LOAN) GIVEN (REFER NOTE 42):

Nature of the transaction (loans and guarantees given)	Purpose for which the loans and guarantees is given	Year ended March 31, 2023	Year ended March 31, 2022
i) Loans given and outstanding as at year end (refer note 8(a)):			
Welspun Wasco Coatings Private Limited (before impairment)	Working capital and project funding of joint venture	21.17	24.70
Welspun Specialty Solutions Limited	Working capital and/or project funding of subsidiary	182.63	88.63
Welspun Metalics Limited	Working capital and/or project funding of subsidiary	214.93	249.08
Welspun DI Pipes Limited	Working capital funding of subsidiary	7.50	-
		426.23	362.41
ii) Guarantees (to the extent of outstanding loan/ acceptances/ export obligation to custom authority) refer note 46 (ii):			
Welspun Metalics Limited	Business Purpose	1,558.84	434.43
Welspun DI Pipes Limited	Business Purpose	457.71	196.51
Anjar TMT Steel Private Limited	Business Purpose	271.27	72.00
Welspun Specialty Solutions Limited	Business Purpose	210.23	38.16
Sintex BAPL Limited (refer note 51 c)	Business Purpose	147.90	-
		2,645.95	741.10

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Sr. no	Ratio	Numerator	Denominator	Year ended March 31, 2023	Year ended March 31, 2022	Variance in %	Reason for variance
1	Current ratio (times)	Current assets	Current liabilities	1.27	1.56	-19%	Variation is not material (below 25%)
2	Debt-equity ratio (times)	Total debt	Equity	0.43	0.43	0%	Variation is not material (below 25%)
3	Debt service coverage ratio (times)	Earnings available for debt service	Debt service	3.18	6.32	-50%	Decrease in the ratio is mainly on account of: a) higher profit during the year and b) Higher loan repayments in the current year.
4	Return on equity (%)	Profit for the year	Average shareholders equity	16.20%	16.86%	-4%	Variation is not material (below 25%)
5	Inventory turnover ratio (times)	Cost of goods sold	Average inventory	4.55	6.11	-25%	Decrease in the ratio is mainly on account of increase in average inventory in the current year.
6	Trade receivables turnover ratio (times)	Revenue from operations	Trade receivables	8.78	6.60	33%	Increase in ratio is mainly on account of increase in revenue during the year.
7	Trade payable turnover ratio (times)	Purchases of Raw Material, stores and spares and stock in trade and services	Trade payables	9.47	5.17	83%	Increase in ratio is mainly on account of increase in cost of purchase of stock in trade and decrease in trade payable.
8	Net capital turnover ratio (times)	Revenue from operations	Working capital	8.41	3.69	128%	Increase in ratio is mainly on account of increase in revenue from operations and decrease in working capital.
9	Net Profit ratio (%)	Profit for the year	Revenue from operations	7.64%	9.19%	-17%	Variation is not material (below 25%)
10	Return on capital employed (%)	Earnings before interest and tax	Capital employed	16.97%	16.46%	3%	Variation is not material (below 25%)
11	Return on investment (%)	Earnings before interest and tax	Total assets	12.29%	10.37%	18%	Variation is not material (below 25%)

Notes:

- Total debt = Non-current borrowings and Current borrowings
- Earning for debt service = Profit for the year + Non-cash operating expenses like depreciation and other amortisations + Interest expenses
- Debt service = Interest and principal repayments including lease payments
- Cost of Goods Sold = Cost of material consumed + Purchases of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and work-in-progress
- Working capital = Current assets (-) Current liabilities
- Capital employed = Tangible net worth + Total debt + Deferred tax liability

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

56 ADDITIONAL REGULATORY REQUIREMENTS UNDER SCHEDULE III

(i) Details of Benami Property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts except in following cases:

Name of the bank/financial institution	Bank of Baroda, State Bank of India, ICICI Bank, IDBI Bank, IDFC Bank, Bank of India, Punjab National Bank, HDFC Bank, Axis Bank and Yes Bank	
Aggregate working capital limits sanctioned	3,809.00	
Nature of Current Asset offered as Security	Trade Receivable	Inventory
Quarter ended	September 2022	September 2022
Amount disclosed as per quarterly return/statement	288.21	1,681.78
Amount as per books of account	274.11	1,631.65
Difference	14.10	50.13
Reasons for difference	Difference is on account of finalisation entries passed after the submission to the bank.	Difference is mainly on account of Rs. 41 reclassified as property, plant and equipment.

Subsequent to the year-end, the differences have been communicated and acknowledged by the banks.

(iii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or other lender.

(iv) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956 except following:

Name of struck off company	Nature of transactions with struck off Company	Nature of transactions with struck off Company	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
Sew Eurodrive India Private Limited	Purchase of goods/services	0.01	-	Not a related party
RBC Bearings Private Limited	Purchase of goods/services	*	-	Not a related party

* Amount is below rounding off norms.

(v) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

(vi) Compliance with approved scheme(s) of arrangements

The Company has compliance with an accounting impact on approved scheme of arrangements on current or previous financial year (refer note 51).

(vii) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) other than note 1 below, with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Ultimate Beneficiaries or
- provide any guarantee, security or the like on behalf of the ultimate beneficiaries

The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the ultimate beneficiaries

Note 1

During the current year:

- The Company has invested in Optionally Convertible Debentures ("OCD") aggregating to Rs. 30.07 of Big Shot Infra Facilities Private Limited ("Big Shot"), a wholly-owned subsidiary company. Big Shot has paid the lenders of Sintex Prefab and Infra Limited ("SPIL"), for acquiring the debt of SPIL as part of the NCLT-approved resolution plan, after which Bigshot merged with SPIL and SPIL became a wholly owned subsidiary of WCL under the approved NCLT scheme.
- The Company has invested in OCD of Rs. 370.70 of Propel Plastics Products Private Limited ("Propel"), a wholly-owned subsidiary company. Propel has paid the lenders of Sintex BAPL Limited ("SBAPL"), for acquiring the debt of SBAPL as part of the NCLT-approved resolution plan, after which Propel merged with SBAPL and SBAPL became a wholly owned subsidiary of WCL under the approved NCLT scheme.
- The Company has invested in OCD aggregating to Rs. 54.83 of Mahatva Plastic Products and Building Materials Private Limited (Mahatva) and Mahatva has further invested the Rs. 26.02, along with unutilised funds as on April 1, 2022 of Rs. 14.06, aggregating Rs.40.08 in purchasing the NCDs of Sintex BAPL Limited during the year ended March 31, 2023

The above payments made by the Company are for the purpose of acquisitions of unrelated parties through its wholly-owned subsidiaries. There are no non-compliances with the applicable laws and regulations.

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including Right-of-Use assets) or intangible assets or both during the current or previous year.

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

(xi) Title deeds of immovable properties not held in name of the company

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3(a) on property, plant and equipment and Note 4 on investment property to the financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value (in Rs. Crore)	Period held
Freehold Land	34.21	12 - 17 years
Investment properties	7.62	17 years

Note - Title deeds are held in the name of the demerged undertaking i.e. Welspun Steel Limited which has been merged with the Company in the previous year (Refer notes 51). The Company is under process to change the name of these title deeds.

(xii) Registration of Charges or satisfaction with Registrar of Companies (ROC)

The Company does not have any charge or satisfaction not registered with the ROC beyond the statutory period.

(xiii) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

(xiv) Loans or advances to specified person

The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are (a) repayable on demand; or (b) without specifying any terms or period of repayment.

- 57 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The draft rules for the Code on Social Security, 2020 have been released by the Ministry of Labour and Employment on November 13, 2020. The Company is in the process of assessing the additional impact on Provident Fund contributions and on Gratuity liability contributions and will complete their evaluation and give appropriate impact in the standalone financial statements in the period in which the rules that are notified become effective.

58 EARNINGS/ (LOSS) PER SHARE

	Year ended March 31, 2023	Year ended March 31, 2022
Nominal value of an equity share	5.00	5.00
Profit after tax attributable to the equity holders of the Company	528.64	485.72
Basic earnings/ (loss) per share:		
Weighted average number of equity shares used as denominator for calculating basic EPS	26,13,02,696	26,09,49,395
Basic earnings per share (Rs.)	20.23	18.61
Diluted earnings/ (loss) per share:		
Weighted average number of equity shares used as denominator for calculating diluted EPS	26,20,30,089	26,16,08,832
Diluted earnings per share (Rs.)	20.17	18.57
Reconciliation of weighted average number of shares outstanding		
Weighted Average number of equity shares used as denominator for calculating basic EPS	26,13,02,696	26,09,49,395
Total weighted average potential equity shares	7,27,393	6,59,437
Weighted average number of equity shares used as denominator for calculating diluted EPS	26,20,30,089	26,16,08,832

Notes

Notes forming part of the standalone financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

59 DIVIDEND INCOME FROM WMHL

During the previous year ended March 31, 2022, Welspun Mauritius holdings Limited (WMHL) has given a dividend to WCL amounting to \$ 40.49 Million (Rs. 307.66)

60 CORE INVESTMENT COMPANIES (CIC)

Management has assessed that there are three CIC in the Group ('Companies in the Group' is as defined in Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016, as amended).

61 SUBSEQUENT EVENTS

The Board of Directors at their meeting dated May 30, 2023 have recommended to pay dividend at the stipulated 6% Cumulative Redeemable Preference shares of the face value of Rs 10/- each fully paid up and to pay dividend at the rate of 100% per equity share (i.e. INR 5 per equity share) having nominal value of INR 5 for the financial year ended March 31, 2023. The payment is subject to approval of the shareholders in the upcoming Annual General Meeting.

62 The Company in the current year that ended March 2023, has changed its rounding off denomination to crores from millions in order to make it more useful to users of financial statements. This change is also aligned with the results published pursuant to Regulation 33 and Regulation 52 of SEBI (LODR) Regulations, 2015, as amended. Accordingly, the figures of the comparative year has also been changed to give this effect. Further, the said change is in line with Schedule III of the Companies Act, 2013.

63 During the year, the Company has sold land and civil structures (collectively known as "assets sold") situated at the Dahej unit of the Company in the state of Gujarat and included resulting profit of Rs 103.92 under "Other Income".

64 At its meeting held on March 14, 2023, the Board of Directors of the Company have, inter alia, considered and decided to propose a Scheme under Sections 230-232 of the Companies Act, 2013 to National Company Law Tribunal ("NCLT") for its approval. The Scheme, inter alia, provides for transfer and vesting of the entire assets and liabilities of Welspun Metallics Limited, wholly owned subsidiary of the Company (the "Transferor Company"), in the Company with effect from the Appointed Date of April 1, 2022. As the entire share capital of the Transferor Company is held by the Company, upon the Scheme becoming effective, no shares of the Company shall be issued and allotted and the investment by the Company in the Transferor Company shall stand cancelled on the Effective Date (as defined in the Scheme) without any further act, instrument or deed.

65 The figures for the previous year have been regrouped wherever necessary.

As per our attached report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N / N500016

Neeraj Sharma

Partner
Membership No.108391

Place: Zurich, Switzerland
Date: May 30, 2023

For and on behalf of the Board

B.K. Goenka

Chairman
DIN No.00270175

Percy Birdy

Chief Financial Officer

Place: Mumbai

Date: May 30, 2023

Vipul Mathur

Managing Director
and Chief Executive Officer
DIN - 07990476

Pradeep Joshi

Company Secretary
FCS-4959

Independent Auditors' Report

To the Members of Welspun Corp Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

- We have audited the accompanying consolidated financial statements of Welspun Corp Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as the "Group"), its associate companies and joint venture (refer Note 51 to the consolidated financial statements), which comprise the consolidated balance sheet as at March 31, 2023, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").
- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the

Group, its associate companies and joint venture as at March 31, 2023, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

BASIS FOR OPINION

- We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group, its associate companies and joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraphs 16 and 18 of the Other Matters section below, other than the unaudited financial statements/ financial information as certified by the management and referred to in sub-paragraph 17 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTER

- Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Assessment of Impairment of carrying value of Goodwill resulting from investment in subsidiary (Refer note 58 to the consolidated financial statements) The Group has Goodwill resulting from investment in equity shares of Welspun Specialty Solutions Limited ('WSSL' or 'subsidiary') of Rs. 343.12 crore as at March 31, 2023. These amounts are significant to the financial statements. Consequent to the deteriorating net worth and continued losses of the subsidiary, the Group has assessed the impairment of Goodwill based on the market approach model (the "model").	Our procedures included, amongst others, the following: <ul style="list-style-type: none"> Understanding and evaluating the design and testing the operating effectiveness of the Group's controls over impairment assessment of carrying value of Goodwill; In respect of assessment of carrying value of Goodwill, <ul style="list-style-type: none"> (a) Reviewing the market prices available on independent website;

Key audit matter	How our audit addressed the key audit matter
We considered this as a key audit matter due to significant management judgement involved in the above impairment model.	<p>(b) Reviewing the information considered in the model by examining supporting documentation;</p> <p>(c) Assessing the work of the Management's external valuation expert including their independence and objectivity; and</p> <p>(d) Testing the mathematical accuracy of the model;</p> <p>Based on the above procedures performed, we found the Management's conclusion with respect to recoverability of this amount to be reasonable and appropriate.</p>
Key audit matter	How our audit addressed the key audit matter
<p>Appropriateness of accounting for business combination</p> <p>(Refer note 56 e to the consolidated financial statements)</p> <p>On March 29, 2023, the Group acquired 100% shareholding of Sintex-BAPL Limited ("SBAPL") for a purchase consideration of Rs.406.43 crore. The management determined that the acquisition qualifies as a business combination under Ind AS 103 'Business Combinations' ('Business combination').</p> <p>The Management, based on a valuation report obtained from an independent valuer, has determined the fair value of the net identifiable assets acquired at Rs. 471.43 crore for the purpose of allocation of the purchase price to the various assets and liabilities, and recognised capital reserve amounting to Rs. 65.00 crore being the excess of the fair value of identifiable assets and liabilities over the consideration transferred, in accordance with Ind AS 103.</p> <p>We focused on the identification and valuation of the identified assets arising from the business combination as an area of significant judgement, including the methodology adopted to determine the fair values of identified assets, as well as the inputs considered and assumptions like discount rate, growth rate, etc. used in the valuation model. Considering these factors, we determined this to be a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> Understanding and evaluating the design and testing the operating effectiveness of the controls over accounting for business combinations; Evaluating management's assessment that the acquisition of SBAPL qualifies to be accounted for as a business combination; Assessing the appropriateness of the process followed by the Company for identification of assets acquired and the liabilities assumed at the acquisition date; Assessing the appropriateness of allocation of the purchase price to the fair values of acquired assets and assumed liabilities; Assessing the competence, independence and objectivity of the independent valuers engaged by the management and evaluating their work including the appropriateness of the assumptions considered by them; Involving auditor's experts to assess appropriateness of the valuation methodology adopted and reasonableness of the underlying assumptions used to determine the fair values of identifiable assets and allocation of purchase price thereon; Verifying the mathematical accuracy of the computation of capital reserve; and Assessing the adequacy of the disclosures in the financial statements as per Ind AS 103. <p>Based on the above procedures performed, no significant observations were noted on the accounting for the business combination.</p>

5. The following Key Audit Matter was included in the audit report dated May 24, 2023, containing an unmodified audit opinion on the financial statements of Welspun Specialty Solutions Limited, a subsidiary of the Holding Company, reproduced as under:

Key audit matter	How our audit addressed the key audit matter
<p>Assessment of impairment of Property, plant and equipment, Right-of-use asset, Capital work-in-progress and Intangible assets</p> <p>Property, plant and equipment, Right-of-use asset, Capital work-in-progress and Intangible assets having a carrying value of Rs. 208 crore represents a significant proportion of total assets on the balance sheet. Given the losses made by the Company in the previous years and the current year, the possibility of impairment of these assets is an area of focus for the management.</p> <p>Determination of value in use requires use of estimation of discounted future cash flow forecasts and is subject to management judgement on certain key inputs including, for example, discount rates and long-term growth rates.</p> <p>The assessment of impairment of Property, plant and equipment, Right-of-use asset, Capital work-in-progress and Intangible assets is considered to be a key audit matter as the amount involved is significant and involves significant judgement.</p> <p>This note is included in Note 51 to the consolidated financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> -Understanding, evaluating and validating the design and operating effectiveness of controls for identification and assessment of any potential impairment, including determining the value in use of Property, plant and equipment, Right-of-use asset, Capital work-in-progress and Intangible assets. • Together with the auditor's valuation experts, assessing the following - <ul style="list-style-type: none"> a. Valuation methodology b. Evaluating reasonableness of key assumptions used in future cash flow projections such as market size, future revenue growth rate, discount rate etc c. Testing the accuracy and appropriateness of the input data d. Performing sensitivity analysis of possible changes to the key assumptions. • Evaluating independence, competence, capability, and objectivity of the Management's external valuer. • Evaluating the adequacy of the presentation and disclosures made in the financial statements. <p>Based on the above procedures performed, we noted that the management's assessment of impairment of Property, plant and equipment, Right-of-use asset, Capital work-in-progress and Intangible assets is reasonable.</p>

6. The following Key Audit Matter was included in the Memorandum of work performed issued by other auditor whose audit report dated May 29, 2023, containing an unmodified audit opinion on the financial statements of East Pipes Integrated Company for Industry (EPIC), an associate company of the Holding Company issued by other auditors reproduced by us as under:

Key audit matter	How our audit addressed the key audit matter
<p>Allowance for expected credit losses</p> <p>The gross balance of trade receivables as at 31 March 2023 amounted to Saudi Riyals ('SR') 559 million (2022: SR 377 million), against which an allowance for expected credit losses of SR 0.6 million (2022: SR 2.3 million) was maintained.</p> <p>The Company is required to regularly assess the recoverability of its trade receivables. The recoverability of trade receivables was significant to our audit due to the value of amounts and certain customers aged greater than the credit terms.</p>	<p>Our audit procedures performed included, among others, the following:</p> <ul style="list-style-type: none"> • Recording of trade receivables and collections. • Trade receivables aging report. • evaluating management's assessment of the credit review procedures of trade receivables. <p>Obtained and updated our understanding of management's assessment of ECL against trade receivables.</p>

Key audit matter	How our audit addressed the key audit matter
<p>Allowance for expected credit losses</p> <p>Assessment of expected credit losses is highly subjective due to the significant judgement, estimates and assumptions applied by the management in determining the expected losses. The management is required to determine an expected loss rate against the outstanding trade receivables based on the Company's historical credit loss experience adjusted with forward-looking information.</p> <p>We considered this as a key audit matter given the accounts receivables represents 56.6% of total assets and the judgements and assumptions regarding the ECL impairment against trade receivables and the potential impact on the Company's special purpose financial statements.</p> <p>This note is included in Note 51 to the consolidated financial statements.</p>	<p>We compared the Company's accounting policy for ECL allowance and the ECL methodology with the requirements of IFRS 9.</p> <p>Involved our specialists to assess the reasonableness of significant judgments, estimates and assumptions applied in relation to the requirements of IFRS (9). Particularly, we assessed the Company's approach regarding assessment of the probability of default and incorporation of forward-looking information in the calculation of ECL, as well as the changes in loss given default parameter.</p> <p>Evaluated the appropriateness of the Company's criteria and judgement for the determination of individually impaired receivable.</p> <p>Tested the completeness and accuracy of data, on a sample basis, supporting the ECL calculations.</p> <p>Assessed the reasonableness and adequacy of disclosures in the special purpose financial statements as required by IFRS 9 and IFRS 7 Financial instruments: Disclosure.</p>

OTHER INFORMATION

7. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' Report, Corporate Governance Report and Business Responsibility and Sustainability Report and Other Information in Annual Report including Annexures thereto, but does not include the consolidated financial statements and our and other auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we

are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

8. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its associate companies and joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate companies and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation

and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

- In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate companies and joint venture are responsible for assessing the ability of the Group and of its associate companies and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
- The respective Board of Directors of the companies included in the Group and of its associate companies and joint venture are responsible for overseeing the financial reporting process of the Group and of its associate companies and joint venture.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

- Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
- As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial

statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate companies and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and its associate companies and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate companies and joint venture

to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

financial statements. The consolidated financial statements also include the Group's share of total comprehensive income (comprising of profit and other comprehensive income) of Rs. 2.73 crore for the year ended March 31, 2023 as considered in the consolidated financial statements, in respect of one associate company whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements, insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and associate and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of the other auditors.

other comprehensive income) of Rs.73.42 crore for the year then ended, have been prepared in accordance with accounting principles generally accepted in its respective countries and have been audited by other auditors under generally accepted auditing standards applicable in its respective countries. The Holding Company's management has converted the financial statements of such subsidiary and associate company located outside India from the accounting principles generally accepted in its respective country, to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary and associate company located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

necessary for the purposes of our audit of the aforesaid consolidated financial statements.

13. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. We also provide those charged with governance with statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

17. We did not audit the financial statements of three subsidiaries, whose financial statements/ financial information reflect total assets of Rs 97.05 crore and net assets of Rs 36.67 crore as at March 31, 2023, total revenue of Rs. 58.02 crore, total comprehensive loss (comprising of loss and other comprehensive loss) of Rs (1.62) crore and net cash inflows amounting to Rs 31.14 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Board of Directors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

19. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.

The statutory audit reports of Mahatva Plastic Products and Building Material Private Limited, a subsidiary and Clean Max Dhyuthi Private Limited, an associate company of the Holding Company has not been issued until the date of this report. Accordingly, no comments for the said subsidiary and associate company have been included for the purpose of reporting under this clause.

20. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were

- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture incorporated in India, none of the directors of the Group companies, its associate companies and joint venture incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group, its associate companies and joint venture- Refer Note 45 to the consolidated financial statements.

OTHER MATTERS

16. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs. 759.98 crore and net assets of Rs.427.15 crore as at March 31, 2023, total revenue of Rs. 9 crore, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 1.03 crore and net cash inflows amounting to Rs. 75.34 crore for the year ended on that date, as considered in the consolidated

18. The financial statements of (i) one subsidiary located outside India, included in the consolidated financial statements, which constitute total assets of Rs. 322.17 crore and net assets of Rs. (6.12) crore as at March 31, 2023, total revenue of Rs. Nil, total comprehensive loss (comprising of loss and other comprehensive loss) of Rs. (17.15) crore and net cash outflows amounting to Rs. (8.14) crore for the year then ended and (ii) one associate company located outside India, which constitute total comprehensive income (comprising of profit and

- ii. The Group, its associate companies and joint venture were not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Group, its associates and joint venture did not have any long-term derivative contracts as at March 31, 2023.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiaries, associate and joint venture, which are companies incorporated in India, during the year ended March 31, 2023..
- iv. (a) The respective Managements of the Company and its subsidiaries, joint venture and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, other than as disclosed in the note 65 (vii) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries / joint venture/ associate to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries/ joint venture/ associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Company and its subsidiaries, joint venture and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of their knowledge and belief, as disclosed in the note 65(vii) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries / joint venture/ associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries/ joint venture/ associate shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries/ joint venture/ associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. The dividend declared and paid during the year by the Holding Company, is in compliance with Section 123 of the Act. The subsidiary companies, associate companies and joint venture, has not declared any dividend during the year.

21. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Group, associate companies and joint venture, is applicable to the Group, associate companies and joint venture only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.
22. The Group, its associate companies and joint venture have paid/ provided for managerial remuneration in accordance with the requisite

approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Neeraj Sharma
Partner
Membership Number: 108391
UDIN: 23108391BGTBVI3322

Place: Zurich, Switzerland
Date: May 30, 2023

Annexure A to Independent Auditors' Report

Referred to in paragraph 20(f) of the Independent Auditors' Report of even date to the members of Welspun Corp Limited on the consolidated financial statements for the year ended March 31, 2023.

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

1. In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2023 we have audited the internal financial controls with reference to financial statements of Welspun Corp Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its joint venture and associate company, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. The respective Board of Directors of the Holding Company, its subsidiary companies, its joint venture and associate company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the

Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to

permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

8. In our opinion, the Holding Company, its subsidiary companies, its joint venture and associate company, which are companies incorporated in India, have, in all material respects, an adequate

internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

OTHER MATTERS

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to 2 subsidiary companies, 1 associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Neeraj Sharma

Partner

Membership Number: 108391

UDIN: 23108391BGTBVI3322

Place: Zurich, Switzerland

Date: May 30, 2023

Consolidated Balance Sheet

as at March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	4,282.74	1,939.54
Capital work-in-progress	3(a)	86.90	1,260.37
Right-of-use asset	3(b)	216.82	128.87
Investment properties	4	53.56	15.64
Goodwill on consolidation	5	343.12	343.12
Intangible assets	5	13.74	6.07
Intangible assets under development	5	-	0.90
Financial assets			
Investments	7(a)	0.71	387.06
Investments accounted for using the equity method	6	560.44	426.48
Loans	8(a)	-	-
Other financial assets	9(a)	24.39	88.41
Deferred tax assets (net)	10	65.71	0.03
Other non-current assets	11(a)	40.86	256.18
Total non-current assets		5,688.99	4,852.67
Current assets			
Inventories	12	5,686.16	1,019.46
Financial assets			
Investments	7(b)	976.02	1,493.18
Trade receivables	13	1,140.47	812.56
Cash and cash equivalents	14	1,016.34	640.21
Bank balances other than cash and cash equivalents	15	185.95	61.27
Loans	8(b)	0.17	0.30
Other financial assets	9(b)	87.78	115.89
Current tax assets (net)	16	19.18	2.21
Other current assets	11(b)	536.65	169.60
Assets held for sale	17	1.65	1.53
Total current assets		9,650.37	4,316.21
Total assets		15,339.36	9,168.88
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18(a)	130.77	130.48
Other equity			
Reserves and surplus	18(b)	4,305.89	4,115.20
Other reserves	18(c)	295.39	182.64
Equity attributable to owners of Welspun Corp Limited		4,732.05	4,428.32
Non-controlling interests	51(b)	112.09	99.23
Total equity		4,844.14	4,527.55

Consolidated Balance Sheet

as at March 31, 2023 (Contd.)

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19(a)	1,926.24	1,429.42
Lease liabilities	3(b)	35.41	18.90
Other financial liabilities	20(a)	0.25	22.47
Provisions	21(a)	27.71	5.89
Deferred tax liabilities (net)	22	179.47	138.41
Government grants	23	160.95	70.36
Total non-current liabilities		2,330.03	1,685.45
Current liabilities			
Financial liabilities			
Borrowings	19(b)	1,389.97	592.02
Lease liabilities	3(b)	10.13	16.58
Trade payables			
total outstanding dues of micro and small enterprises	25	17.57	3.09
total outstanding dues other than above	25	2,556.65	980.91
Other financial liabilities	20(b)	249.75	310.46
Provisions	21(b)	85.57	81.58
Government grants	23	29.35	20.48
Current tax Liabilities (net)	26	654.74	589.38
Other current liabilities	24	3,171.46	361.38
Total current liabilities		8,165.19	2,955.88
Total liabilities		10,495.22	4,641.33
Total equity and liabilities		15,339.36	9,168.88

The above consolidated balance sheet should be read in conjunction with the accompanying notes. This is the consolidated balance sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N / N500016

Neeraj Sharma

Partner
Membership No.108391

Place: Zurich, Switzerland
Date: May 30, 2023

For and on behalf of the Board

B.K. Goenka
Chairman
DIN No.00270175

Vipul Mathur
Managing Director
and Chief Executive Officer
DIN - 07990476

Percy Birdy
Chief Financial Officer

Pradeep Joshi
Company Secretary
FCS-4959

Place: Mumbai
Date: May 30, 2023

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations	27	9,758.10	6,505.11
Other income	28	319.98	551.22
Total income		10,078.08	7,056.33
Expenses			
Cost of materials consumed	29	8,865.21	4,167.49
Purchases of stock-in-trade	30	27.78	137.60
Changes in inventories of finished goods, stock-in-trade and work-in-progress	31	(1,639.01)	452.95
Employee benefit expense	32	541.05	383.48
Depreciation and amortisation expense	33	302.97	254.75
Other expenses	34	1,478.50	891.89
Finance costs	35	243.16	101.89
Total expenses		9,819.66	6,390.05
Profit before share of profit/ (loss) of joint ventures and associates accounted for using the equity method and tax		258.42	666.28
Share of profit of joint ventures and associates accounted for using the equity method (net)	51(c)	75.21	(5.72)
Profit before before tax		333.63	660.56
Income tax expense	36		
Current tax		170.58	229.71
Deferred tax		(36.12)	(13.32)
Total income tax expense		134.46	216.39
Profit for the year (A)		199.17	444.17
Other comprehensive income			
Items that may be reclassified to profit or loss			
Gains/ (loss) on cash flow hedges (net)		11.47	(15.36)
Income tax relating to this item		(2.91)	3.34
Exchange differences on translation of foreign operations (including non-controlling interests)		105.78	51.24
Items that will not be reclassified to profit or loss			
Remeasurements of post employment benefit obligations		(0.03)	2.44
Income tax relating to this item		(0.03)	(0.65)
Share of other comprehensive income of joint ventures and associates accounted for using the equity method		0.40	(0.48)
		0.34	1.31
Other comprehensive income for the year, net of tax (B)		114.68	40.53
Total comprehensive income for the year (A+B)		313.85	484.70
Profit/ (loss) is attributable to:			
Owners of Welspun Corp Limited		206.69	438.81
Non-controlling interests		(7.52)	5.36
		199.17	444.17

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Other comprehensive income is attributable to:			
Owners of Welspun Corp Limited		113.36	39.23
Non-controlling interests		1.32	1.30
		114.68	40.53
Total comprehensive income is attributable to:			
Owners of Welspun Corp Limited		320.05	478.04
Non-controlling interests		(6.20)	6.66
		313.85	484.70
Earnings per equity share attributable to owners of Welspun Corp Limited:	61		
Basic earnings per share (in Rupees)		7.91	16.82
Diluted earnings per share (in Rupees)		7.89	16.77

The above consolidated statement of profit and loss should be read in conjunction with the accompanying notes. This is the consolidated statement of profit and loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N / N500016

Neeraj Sharma

Partner
Membership No.108391

Place: Zurich, Switzerland
Date: May 30, 2023

For and on behalf of the Board

B.K. Goenka
Chairman
DIN No.00270175

Vipul Mathur
Managing Director
and Chief Executive Officer
DIN - 07990476

Percy Birdy
Chief Financial Officer

Pradeep Joshi
Company Secretary
FCS-4959

Place: Mumbai
Date: May 30, 2023

Consolidated Statement of Cash Flows

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash flow (used in)/ from operating activities		
Profit/(Loss) before tax	333.63	660.56
Adjustments for:		
Depreciation and amortisation expense	302.97	254.75
Employee share-based expense	5.58	0.56
Loss/(Gain) on sale/ redemption of		
Current investments	9.46	(5.77)
Non-current investment	(54.52)	(359.02)
(Gain)/ loss on sale / discarding of property, plant and equipment (net)	(111.81)	7.00
Share of (gain)/ loss of joint venture and associates accounted for using the equity method (net)	(75.21)	5.72
Fair valuation (gain)/ loss on investment (net)	(36.05)	15.05
Reversal of allowance for doubtful debts	(24.76)	(9.92)
Bad debts expense	(8.94)	-
Provision for litigation, disputes and other matters (net)	(0.32)	0.58
Liabilities/ provisions no longer required written back	(3.29)	(3.61)
Reversal of allowance for doubtful loans	(3.53)	-
Dividend income	(0.57)	(0.10)
Interest income and commission income	(92.14)	(157.03)
Interest expenses	176.14	79.57
Unrealised net exchange differences	13.75	6.71
Operating profit before changes in operating assets and liabilities	430.39	495.05
Changes in operating assets and liabilities (bracket figures represents increase in asset and decrease in liabilities)		
Movement in other non-current financial assets	67.67	(64.01)
Movement in other non-current assets	149.69	(146.07)
Movement in inventories	(4,594.43)	193.54
Movement in trade receivables	(287.85)	(138.48)
Movement in other current financial assets	34.38	(63.34)
Movement in other current assets	(341.62)	(56.65)
Movement in other non-current financial liabilities	(11.00)	4.31
Movement in trade payables	1,475.07	270.03
Movement in other non-current liabilities	-	(2.01)
Movement in other current financial liabilities	122.00	(100.89)
Movement in other current liabilities	2,785.60	15.46
Movement in provisions	4.99	(16.69)
Movement in government grants	99.46	(20.48)
Total changes in operating assets and liabilities	(496.04)	(125.28)
Cash flow from / (used in) operations	(65.65)	369.77
Income taxes paid (net of refund received)	(119.48)	(151.30)
Net cash (used in)/ from operating activities (A)	(185.13)	218.47
B. Cash flow (used in)/ from investing activities		
Payments for property, plant and equipment, investment property and intangible assets (including Capital work-in-progress and Intangible assets under development)	(1,194.18)	(979.13)
Proceeds from property, plant and equipment and investment property	144.03	3.76
Proceeds from disposal of assets of disposal group	-	805.95
Cash outflow on acquisition of a subsidiary	(436.43)	-

Consolidated Statement of Cash Flows

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
Proceeds from sales/ redemption of long term investments	481.53	499.96
Purchase of long term investments	(48.36)	(386.94)
Purchase of current investments	(25,448.23)	(16,278.09)
Proceeds from sales/ redemption of current investments	25,991.98	15,940.00
Proceeds from maturity of fixed deposit (net)	(19.70)	27.41
Interest and commission received	108.47	156.92
Dividend received	0.57	0.10
Loan repaid by others (net)	0.13	0.03
Loan given to joint venture	-	0.94
Repayment of loans by joint venture	3.53	-
Net cash from/ (used in) investing activities (B)	(416.66)	(209.09)
C. Cash flow from/ (used in) financing activities		
Proceeds from issue of equity share capital	5.80	-
Payment of dividends to non-controlling interests	-	(34.50)
Proceeds from long term borrowings	1,620.79	997.56
Repayment of long term borrowings	(204.33)	(681.29)
Proceeds from short term borrowings	1,379.18	2,039.30
Repayment of short term borrowings	(1,489.32)	(1,648.86)
Interest paid	(177.67)	(73.54)
Dividend paid	(130.23)	(130.27)
Principal elements of lease payments	(95.46)	(15.66)
Net cash (used in)/ from financing activities (C)	908.76	452.74
Net increase in cash and cash equivalents (A+B+C)	306.97	462.12
Cash and cash equivalents at the beginning of the financial year	640.21	169.80
Add: Cash and cash equivalents pursuant to business combinations	42.61	-
(Loss)/ gain on exchange rate changes on cash and cash equivalents	26.55	8.29
Cash and cash equivalents at the end of year	1,016.34	640.21
Non-cash investing activities:		
- Acquisition of right-of-use assets	103.98	-
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following:		
Cash on hand	0.06	0.13
Balances with banks		
In current accounts	470.57	511.25
Deposits with original maturity of less than three months	545.71	128.83
Balance per statement of cash flows	1,016.34	640.21

The above consolidated statement of cash flow should be read in conjunction with the accompanying notes. This is the consolidated statement of cash flow referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N / N500016

Neeraj Sharma

Partner
Membership No.108391

Place: Zurich, Switzerland
Date: May 30, 2023

For and on behalf of the Board

B.K. Goenka
Chairman
DIN No.00270175

Percy Birdy
Chief Financial Officer

Place: Mumbai
Date: May 30, 2023

Vipul Mathur
Managing Director
and Chief Executive Officer
DIN - 07990476

Pradeep Joshi
Company Secretary
FCS-4959

Consolidated Statement of Changes in Equity

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Notes		Amount
Balance as at April 01, 2021			130.44
Changes in equity share capital during the year	18(a)		0.04
Balance as at March 31, 2022			130.48
Changes in equity share capital during the year	18(a)		0.29
Balance as at March 31, 2023			130.77

B. OTHER EQUITY [REFER NOTE 16(b) and (c)]

	Attributable to owners of Welspun Corp Limited										Non-controlling interests	Share application money pending allotment	Total other equity		
	Reserves and surplus			Other reserves				Total other equity							
	Capital reserve	Securities premium reserve	Debt redemption reserve	General reserve	Equity settled share based payments	Capital redemption reserve	Equity component of borrowings		Equity Component of 12% Non-cumulative redeemable preference shares (Refer note 63)	Retained earnings				Cash flow hedging reserve	Foreign currency translation reserve
Balance as at April 01, 2021	150.37	1,005.56	13.50	99.45	12.26	2.18	5.53	-	2,519.69	(2.50)	145.61	3,951.65	126.76	0.65	4,079.06
Profit for the year	-	-	-	-	-	-	-	-	438.81	-	-	438.81	5.36	-	444.17
Other comprehensive income	-	-	-	-	-	-	-	-	0.97	(12.03)	49.90	38.84	1.30	-	40.14
Total comprehensive income for the year	-	-	-	-	-	-	-	-	439.78	(12.03)	49.90	477.65	6.66	-	484.31
Movement in general reserve	-	-	-	4.50	-	-	-	-	-	-	-	4.50	-	-	4.50
Movement in debt redemption reserve	-	-	(4.50)	-	-	-	-	-	-	-	-	(4.50)	-	-	(4.50)
Movement in Equity component of borrowings	-	-	-	5.53	-	-	(5.53)	-	-	-	-	-	-	-	-
Hedging loss transferred to inventory	-	-	-	-	-	-	-	-	-	1.66	-	1.66	-	-	1.66
Transactions with owners in their capacity as owners:															
Share application money pending allotment	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.65)	(0.65)

Consolidated Statement of Changes in Equity

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Attributable to owners of Welspun Corp Limited										Non-controlling interests	Share application money pending allotment	Total other equity		
	Reserves and surplus			Other reserves				Total other equity							
	Capital reserve	Securities premium reserve	Debt redemption reserve	General reserve	Equity settled share based payments	Capital redemption reserve	Equity component of borrowings		Equity Component of 12% Non-cumulative redeemable preference shares (Refer note 63)	Retained earnings				Cash flow hedging reserve	Foreign currency translation reserve
Share issue expenses during the period	-	-	-	-	-	-	-	-	(3.48)	-	-	(3.48)	-	-	(3.48)
Employee share-based expenses	-	-	-	-	0.61	-	-	-	-	-	-	0.61	-	-	0.61
Employee share-based options lapsed	-	-	-	0.78	(0.78)	-	-	-	-	-	-	-	-	-	-
Options exercised	-	2.23	-	-	(2.01)	-	-	-	-	-	-	0.22	-	-	0.22
Dividends paid	-	-	-	-	-	-	-	-	(130.47)	-	-	(130.47)	-	-	(164.66)
Balance as at March 31, 2022	150.37	1,007.79	9.00	110.26	10.08	2.18	-	-	2,825.52	(12.87)	195.51	4,297.84	99.23	-	4,397.07
Profit for the year	-	-	-	-	-	-	-	-	206.69	-	-	206.69	(7.52)	-	199.17
Other comprehensive income	-	-	-	-	-	-	-	-	(0.51)	8.49	104.26	112.24	1.32	-	114.68
Total comprehensive income for the year	-	-	-	-	-	-	-	-	206.18	8.49	104.26	318.93	(6.20)	-	313.85
Addition pursuant to business combination (refer note 56)	65.00	-	-	-	-	-	-	-	-	-	-	65.00	-	-	65.00
Equity component of investments in associate	20.09	-	-	-	-	-	-	-	-	-	-	20.09	-	-	20.09
Transactions with owners in their capacity as owners:															
Share issue expenses during the period	-	-	-	-	-	-	-	-	(0.11)	-	-	(0.11)	-	-	(0.11)
Employee share-based expenses	-	-	-	-	5.58	-	-	-	-	-	-	5.58	-	-	5.58
Employee share-based options lapsed	-	-	-	0.04	(0.04)	-	-	-	-	-	-	-	-	-	-
Options exercised	-	7.94	-	-	(2.43)	-	-	-	-	-	-	5.51	-	-	5.51

Consolidated Statement of Changes in Equity

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Attributable to owners of Welspun Corp Limited										Share application money pending allotment	Total other equity			
	Reserves and surplus		Other reserves			Non-controlling interests		Total other equity							
	Capital reserve	Securities premium reserve	Debt redemption reserve	General reserve	Equity settled share based payments	Capital redemption reserve	Equity component of borrowings	Equity Component of 12% Non-cumulative redeemable preference shares (Refer note 63)	Retained earnings	Cash flow hedging reserve	Foreign currency translation reserve	Total other equity	Non-controlling interests	Share application money pending allotment	Total other equity
Change in liability portion of 12% Non-cumulative Preference shares (refer note 63)	-	-	-	-	-	-	-	18.91	-	-	-	18.91	18.84	-	37.75
Dividends paid	-	-	-	-	-	-	-	-	(130.47)	-	-	(130.47)	-	-	(130.47)
Other changes	-	-	-	-	-	-	-	-	-	-	-	-	0.22	-	0.22
Balance as at March 31, 2023	235.46	1,015.73	9.00	110.30	13.19	2.18	-	18.91	2,901.12	(4.38)	299.77	4,601.28	112.09	-	4,713.37

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes. This is the consolidated statement of changes in equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N / N5000016

Neeraj Sharma

Partner
Membership No:108391

Place: Zurich, Switzerland
Date: May 30, 2023

For and on behalf of the Board

B.K. Goenka

Chairman
DIN No.00270175

Percy Birdy

Chief Financial Officer

Place: Mumbai
Date: May 30, 2023

For and on behalf of the Board

Vipul Mathur

Managing Director
and Chief Executive Officer
DIN - 07990476

Pradeep Joshi

Company Secretary
FCS-4959

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

GENERAL INFORMATION

Welspun Corp Limited (hereinafter referred to as “WCL” or the “Company”) and its subsidiaries (hereinafter referred to as the “Group”) are primarily engaged in the business of manufacture and distribution of steel products and others (including plastic products).

The Company is a public limited company which is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) and is incorporated and domiciled in India. The address of its registered office is “Welspun City”, Village Versamedi, Tal. Anjar, Dist Kutch, Gujarat - 370110, India.

These consolidated financial statements were approved for issue by the Board of Directors on May 30, 2023.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The Consolidated Financial Statements (“consolidated financial statements”) of the “financial statements”) relate to the Group and its interest in joint venture and associates.

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

a) Compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended, and other relevant provisions of the Act.

b) Historical cost convention

The financial statements have been prepared on the accrual and going concern basis. The financial statements have been prepared on a historical cost basis, except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivatives instruments)	Fair Value
Assets or disposal groups classified as held for sale	Fair value less cost to sell
Share based payments	Fair Value

Items	Measurement basis
Net defined benefit (asset)/ liability	Fair Value of plan assets less present value of defined benefit obligations

c) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Group’s normal operating cycle (i.e. 12 months) and other criteria set out in Schedule III (Division II) to the Act.

d) Recent Accounting Pronouncements

i. New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends certain accounting standards, and are effective April 01, 2023. These amendments are not expected to have a material impact on the company in the current or future reporting periods and on foreseeable future transactions.

Items	Key requirements
Disclosure of Accounting Policies Amendments to Ind AS 1, Presentation of financial statements.	The amendment requires entities to disclose their material rather than their significant accounting policies. The amendments define what is ‘material accounting policy information’ and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.
Definition of Accounting Estimates Amendments to Ind AS 8, Accounting policies, changes in accounting estimates and errors.	The amendment clarifies how entities should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Items	Key requirements
Deferred tax related to assets and liabilities arising from a single transaction Amendments to Ind AS 12, Income taxes.	<p>The amendment requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities. The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:</p> <ul style="list-style-type: none"> right-of-use assets and lease liabilities, and decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets. <p>The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. Ind AS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable.</p>

For list of subsidiaries consolidated, refer table below:

Name of the Subsidiaries	Country of Incorporation	Extent of Holding	
		As at March 31, 2023	As at March 31, 2022
Direct Subsidiaries			
Welspun Pipes Inc.	USA	100%	100%
Welspun Tradings Limited	India	100%	100%
Welspun Mauritius Holdings Limited	Mauritius	89.98%	89.98%

1.2 PRINCIPLES OF CONSOLIDATION AND EQUITY ACCOUNTING

a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. In assessing control, potential voting rights that currently are exercisable are taken into account. The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

The financial statements of the subsidiaries used in consolidation are drawn up to the same reporting date as that of the Company.

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(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Name of the Subsidiaries	Country of Incorporation	Extent of Holding	
		As at March 31, 2023	As at March 31, 2022
Welspun DI Pipes Limited	India	100%	100%
Welspun Metallics Limited	India	100%	100%
Mahatva Plastic Products and Building Materials Private Limited (w.e.f. November 26, 2021)	India	100%	100%
Anjar TMT Steel Private Limited	India	100%	100%
Welspun Specialty Solutions Limited	India	50.03%	50.03%
Big Shot Infra Facilities Private Limited (Acquired on April 18, 2022, merged with Sintex Prefab and Infra Limited on February 24, 2023)	India	-	-
Sintex Prefab & Infra Limited (from February 24, 2023)	India	100%	-
Propel Plastic Products Private Limited (Acquired on November 18, 2022, merged with Sintex-BAPL Limited on March 29, 2023)	India	-	-
Sintex-BAPL Limited (from March 29, 2023)	India	100%	-
Nauyaan Shipyard Private Limited (from September 19, 2022)	India	100%	-
Indirect Subsidiaries			
Held through Welspun Pipes Inc.			
Welspun Tubular LLC	USA	100%	100%
Welspun Global Trade LLC	USA	100%	100%
Held through Sintex-BAPL Limited			
Sintex Holdings B.V (from March 29, 2023)	Netherlands	100%	-
Sintex Logistics LLC (from March 29, 2023)	USA	100%	-

Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Company has one joint venture.

For list of Joint venture consolidated, refer table below:

Name of the Subsidiaries	Country of Incorporation	Extent of Holding	
		As at March 31, 2023	As at March 31, 2022
Welspun Wasco Coatings Private Limited	India	51%	51%

For list of Associates consolidated, refer table below:

Name of the Subsidiaries	Country of Incorporation	Extent of Holding	
		As at March 31, 2023	As at March 31, 2022
East Pipes Integrated Company for Industry (EPIC) (Associate company w.e.f. February 14, 2022)	Kingdom of Saudi Arabia	35.01%	35.01%
Welspun Captive Power Generation Limited (Associate, w.e.f. March 16, 2022)	India	22.90%	22.90%
Clean Max Dhyuthi Private Limited (Associate, w.e.f. August 1, 2022)	India	26.00%	-

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Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The financial statements of the joint venture are prepared for the same reporting period as the Group.

Interests in joint ventures are accounted for using the equity method (refer below), after initially being recognised at cost in the consolidated balance sheet.

Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (refer note below), after initially being recognised at cost.

b) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

The statement of profit and loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the

extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amounts of equity accounted investments are tested for impairment.

c) Change in Ownership Interest

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control, and any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as a joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture is reduced but joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

1.3 FOREIGN CURRENCY TRANSLATIONS

a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Indian rupee (INR/Rs.), which is Group's functional and presentation currency.

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Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other expenses or other income, as applicable.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of initial transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example: translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

The Group has elected to apply the exemption from the transition date i.e. April 01, 2015 in respect of accounting policy followed for long term foreign currency monetary items. Accordingly, long term foreign currency monetary items in the financial statements have been accounted in accordance with the policy previous GAAP as given below:

- Foreign exchange differences on account of depreciable assets are adjusted in the cost of depreciable assets and depreciated over the balance life of the assets.
- In other cases, foreign exchange differences are accumulated in "Foreign Currency Monetary Item Translation Difference

Account" and amortised over the balance period of such long term assets/ liabilities.

c) Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet;
- income and expenses are translated at exchange rates prevailing at the dates of transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of transactions; and
- All resulting exchange differences are recognised in other comprehensive income under head Foreign currency translation reserve (FCTR).

1.4 REVENUE RECOGNITION

a) Sale of goods

The Group derives revenue principally from sale of pipes.

The Group recognises revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Group has the present right to payment, all of which occurs at a point in time upon shipment or delivery of the product. The Group considers freight activities as costs to fulfil the promise to transfer the related products and the payments by the customers for freight costs are recorded as a component of revenue.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

In certain customer contracts, freight services are treated as a distinct separate performance obligation and the Group recognises revenue for such services when the performance obligation is completed.

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The Group considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the Group expects to be entitled to in exchange for transferring of promised goods and services to the customer after deducting incentive programs, included but not limited to discounts, volume rebates, etc.

Revenue is recognized at a determined transaction price when identified performance obligations are satisfied. The bill and hold contracts are entered at the request of the customer. Revenue from bill and hold contracts is recognised at the agreed transaction price (determined price). The price for bill and hold contracts is determined at the time of entering into the transaction and the performance obligation is satisfied when goods have been appropriated towards the sale transaction (the control of asset is transferred to the customer).

Revenue excludes any taxes and duties collected on behalf of the government.

b) Sale of services

The Group also provides freight services to its customers.

Revenue from providing freight services is recognised in the accounting period in which the services are rendered.

The related freight costs incurred are included in freight expenses when the Group is acting as principal in the freight arrangement.

Freight services may be considered a separate performance obligation if control of the goods transfers to the customer before goods reach to the agreed place of shipment, but the entity has promised to ship the goods (or arrange for the goods to be shipped). In contrast, if control of a good does not transfer to the customer before goods reach to the agreed place of shipment, freight service is not a promised service to the customer. This is because freight service is a fulfillment activity as the costs are incurred as part of transferring the goods to the customer.

The Group does not have any contracts where in the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

1.5 CONTRACT ASSETS AND CONTRACT LIABILITIES

When the Group performs a service or transfers a good in advance of receiving consideration, it recognises a contract asset or receivable.

A contract asset is a Group's right to consideration in exchange for goods or services that the Group has transferred to a customer. If the Group transfers control of goods or services to a customer before the customer pays consideration, the Group records a contract asset when the nature of the Group's right to consideration for its performance is other than passage of time. A contract asset will be classified as a receivable when the Group's right to consideration is unconditional (that is, when payment is due only on the passage of time). The Group shall assess a contract asset for impairment in accordance with Ind AS 109. Impairment of a contract asset is measured, presented and disclosed on similar basis as other financial asset in nature of trade receivable within the scope of Ind AS 109. The Group discloses contract assets under "Other Assets".

The Group recognises a contract liability if the customer's payment of consideration precedes the Group's performance. A contract liability is recognised if the Group receives consideration (or if it has the unconditional right to receive consideration) in advance of performance. The Group discloses contract liabilities under "Other Liabilities".

1.6 SEGMENT REPORTING

The board of directors of the Company assess the financial performance and position of the Group, and makes strategic decisions. The chief operating decision makers are board of directors of the Company. Operating segments are reported in a manner consistent with the internal reporting provided to and reviewed by the chief operating decision maker (refer note 48).

1.7 GOVERNMENT GRANTS

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Export incentives and subsidies are recognized when there is reasonable assurance that the Group will comply with the conditions and the incentive will be received.

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Grants related to assets are government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. Grants related to income are government grants other than those related to assets.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented either under "other operating revenue" or are deducted in reporting the related expense. Grants related to income are presented under Other Operating Revenue or Other Income in the statement of profit and loss depending upon the nature of the underlying grant. This presentation approach is applied consistently to all similar grants.

Government grants relating to the purchase of property, plant and equipment are included in liabilities as "Government grants" and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within "Other operating revenue". In case of disposal of such property, plant and equipment, related government grants included in the liabilities are written back and charged to the statement of profit and loss.

1.8 INCOME TAX AND DEFERRED TAX

The Income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in the Statement of Profit and Loss except to the extent it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income respectively.

a) Current income tax

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions

where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b) Deferred tax

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Such deferred tax assets and liabilities are computed separately for each taxable entity and for each taxable jurisdiction. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax assets is realized or deferred tax liability is settled.

Deferred tax are recognised for all deductible temporary difference and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and interests in jointly controlled entities, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient

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Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

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taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Group has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the Deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

1.9 LEASES

a) As a lessee

The Group leases various leasehold lands, buildings, vehicles, Plant & machinery and office and other equipments. Rental contracts are typically made for fixed periods of one to ninety-nine years but may have extension options as described in note 3(b). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments, as applicable:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date.
- amounts expected to be payable by the Group under residual value guarantees.
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments

are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following, wherever applicable:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term (including extension considering reasonable certainty), on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets and short term lease assets comprises of dumpsite land, laptops and other office equipments.

b) As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct cost incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

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1.10 PROPERTY, PLANT AND EQUIPMENT

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

In case where the acquisition of an asset or a group of assets that does not constitute a business, the Group identifies and recognises the individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets in Ind AS 38, Intangible Assets) and liabilities assumed. The cost of the group has been allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction or event does not give rise to goodwill.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can

be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Cost of Capital Work-in-Progress ('CWIP') comprises amount paid towards acquisition of property, plant and equipment outstanding as of each balance sheet date and construction expenditures, other expenditures necessary for the purpose of preparing the CWIP for its intended use and borrowing cost incurred before the qualifying asset is ready for the intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.

Depreciation methods, estimated useful lives and residual value

Freehold land is not depreciated. Leasehold improvements and leasehold land are amortised over the shorter of estimated useful life or the related lease term. Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

Assets	Estimated Useful Lives (in years)	Useful Life as per Companies Act, 2013
Buildings		
Buildings and land improvements	Ranging between 15 to 39 years	Ranging between 3 to 60 years
Residential and other buildings	60	60
Road, fencing, etc.	Ranging between 3 to 15 years	Ranging between 3 to 10 years
Office and other equipments		
Office Equipment	Ranging between 3 to 10 years	5 years
Computer	3 years except Networking equipment's which are depreciated over useful life of 5 years	Ranging between 3 to 6 years
Plant and Machinery	Ranging between 2 to 40 years	Ranging between 8-40 years
Vehicles	Ranging between 5 to 10 years	Ranging between 6 to 10 years
Furniture and fixtures	Ranging between 5 to 10 years	Ranging between 8 to 10 years

The useful lives have been determined based on technical evaluation done by management's expert which may differ from those specified in Schedule II of the Companies Act, 2013 (as indicated in table above) in order to reflect the actual usage of the assets.

The estimated useful lives of plant and machinery has been determined based on internal technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, etc.

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The residual values are not more than 5% of the original cost of the asset.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income or other expenses, as applicable.

1.11 INVESTMENT PROPERTIES

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as Investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties (except freehold land) are depreciated using the straight-line method over their estimated useful lives over a period of thirty years. These estimated useful lives are in accordance with those prescribed under Schedule II to the Companies Act, 2013.

1.12 INTANGIBLE ASSETS

a) Goodwill on consolidation:

Goodwill on acquisitions of subsidiaries is shown separately. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation

is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arise. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

b) Other intangible assets

Other intangible assets with finite useful lives acquired by the Group are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged on a straight-line basis over the estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

c) Amortisation methods and periods

Other intangible assets comprise of computer software which is amortised on a straight-line basis over its expected useful life over a period of three to five years which is based on a technical evaluation done by the Management.

Intangible Asset under Development comprises amount paid towards acquisition/ development of Intangible Assets outstanding as of each balance sheet date and acquisition expenditures, other expenditures necessary for the purpose of preparing the Intangible Asset for its intended use. Intangible Assets under Development is not amortised until such time as the relevant asset is completed and ready for its intended use.

1.13 NON-CURRENT ASSETS (OR DISPOSAL GROUPS) HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal groups) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair

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value less costs to sell of an asset (or disposal groups), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal groups) is recognised at the date of de-recognition.

Non-current assets (including those that are part of disposal groups) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to liabilities of disposal groups classified as held for sale continue to be recognized.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of disposal groups classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or are of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

1.14 IMPAIRMENT OF ASSETS

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Non-financial assets other than goodwill that suffered impairment are reviewed for possible

reversal of the impairment at the end of each reporting period.

1.15 INVENTORIES

Raw materials, stores and spares, work in progress, traded goods and finished goods

Raw materials, stores and spares, work in progress, traded goods and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases on moving weighted average basis. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory moving weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

1.16 INVESTMENT IN JOINT VENTURES

Investment in joint ventures is carried at cost in the separate financial statements.

1.17 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

(I) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

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For investments in debt instruments, this will depend on the business model in which the investment is held.

For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(II) Measurement

At initial recognition, the Group measures a financial asset (excluding trade receivables) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(i) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount

are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income.

(ii) Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(III) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

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For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(IV) Derecognition of financial assets

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(V) Income recognition

(i) Interest income

Interest income from a financial assets is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on time basis by reference to principal outstanding and the effective interest rate applicable which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(ii) Dividend income

Dividend income is recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

(iii) Export benefits

In case of sale made by the Group as Support Manufacturer, export benefits arising from Duty Entitlement Pass Book (DEPB), Duty Drawback scheme and Remission of Duties and Taxes on Export Products ("RoDTEP") are recognised on export of such goods in accordance with the agreed terms and conditions with customers. In case of direct exports made by the Group, export benefits arising from DEPB, Duty Drawback scheme and RoDTEP are recognised on shipment of direct exports.

(VI) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

(VII) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance

b) Financial liabilities

(I) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction (in case

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of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss. Liabilities from finance lease agreements are measured at the lower of fair value of the leased asset or present value of minimum lease payments.

(II) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(III) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of profit or loss as other income or other expenses (as applicable).

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(IV) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are recognised initially at, their fair value, and subsequently measured at amortised cost using effective interest rate method.

Trade payables includes acceptances arrangements where operational suppliers of goods are paid by Banks while Group continues to recognise the liability till settlement with the Banks.

a) Financial guarantee contracts

Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 and amount initially recognized less cumulative amortization, where appropriate. The fair value of guarantee is determined as at the present value of difference in net cash flows between the

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contractual payments under the debt instrument and the payment that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligation. Where guarantee in relation to loan or other payables of group companies are provided for no consideration, the fair values are accounted for as contributions and recognized as part of the cost of investment.

b) Derivatives and hedging activities

In order to hedge its exposure to foreign exchange and interest rate, the Group enters into forward and interest rate swap contracts and other derivative financial instruments. The Group does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Group designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions and variable interest rate risk associated with borrowings (cash flow hedges).

The Group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

(I) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other

comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other income or other expenses (as applicable).

When forward contracts are used to hedge forecast transactions, the Group generally designates the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss within other income or other expenses (as applicable). If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

(II) Derivatives that are not designated as hedges

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income or other expenses (as applicable).

c) Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

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Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

d) Embedded foreign currency derivatives

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- the functional currency of any substantial party to that contract;
- the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world; and
- a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency)

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit and loss. The Group currently does not have any such derivatives which are not closely related.

1.18 BORROWING COSTS

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

1.19 EMPLOYEE BENEFITS

a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be

settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

c) Post-employment obligations

The Group operates the following post-employment schemes:

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund and superannuation fund.

(I) Defined Benefit Plans

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

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The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Remeasurements are not reclassified to profit and loss in the subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(II) Defined contribution plans

(i) Provident Fund, Employee State Insurance Corporation (ESIC), Pension Fund and other Social Security Funds

The Contribution towards provident fund, ESIC, Pension fund and other Social Security Funds for certain employees is made to the regulatory authorities where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations apart from the contributions made on a monthly basis.

(ii) Superannuation Fund

Contribution towards superannuation fund for certain employees is made to SBI Life Insurance Group where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from contribution made on monthly basis.

d) Bonus Plan

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

e) Equity-settled share-based payments (ESOP)

Equity-settled share-based payments to employees are measured at the fair value of the options at the grant date.

The fair value of option at the grant date is expensed over the vesting period with a corresponding increase in equity as "Equity settled share based payments". In case of forfeiture of unvested option, portion of amount already expensed is reversed. In a situation where the vested option forfeited or expires unexercised, the related balance standing to the credit of the "Equity settled share based payments" are transferred to the "Retained Earnings".

When the options are exercised, the Company issues new equity shares of the Company of Rs. 5 each fully paid-up. The proceeds received and the related balance standing to credit of the Equity settled share based payments, are credited to share capital (nominal value) and Securities Premium.

1.20 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

a) Provisions

Provisions for legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Group.

b) Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events

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the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

c) Contingent assets

Contingent assets are disclosed, where an inflow of economic benefits is probable.

1.21 CONTRIBUTED EQUITY

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.22 DIVIDENDS

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.23 EARNINGS PER SHARE

a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group; and
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

b) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

1.25 BUSINESS COMBINATIONS

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are

acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

The excess of the:

- consideration transferred
- amount of any non-controlling interest in the acquired entity
- acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

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If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

NOTE 2: CRITICAL ESTIMATES AND JUDGMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of changes to previous estimates.

Critical estimates and judgments

i) Estimation of Provisions and Contingent Liabilities

The Group exercises judgment in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision (Refer Note 40 and Note 45).

ii) Estimation of useful life of Property, Plant and Equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology (Refer Note 1.10).

iii) Estimation of Provision for Inventory

The Group writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of estimates of net selling prices of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

iv) Estimated fair value of Financial Instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Management uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period (Refer Note 42).

v) Impairment of carrying of Goodwill arising from Investment in subsidiary

Determining whether the impairment of carrying value of Goodwill requires an estimate of the value in use.

In considering the value in use, the board of directors of Investee Company have selected the appropriate method for the determination of value-in-use, for example market approach model, discounted cash flow model etc. Accordingly, Company anticipates the market rates from independent website, assesses the work of the external valuation expert for valuation of the Investee Company in case of market approach model.

vi) Business Combinations

In accounting for business combinations, judgement is required for valuation of assets and determining whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable asset acquired and liabilities involves management judgement. These measurements are based on information available at the acquisition date and are based on expectations and assumptions, such as discount rate, that have been deemed reasonable by management. Changes in these judgements,

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estimates and assumptions can materially affect the amount of capital reserve/ goodwill (Refer note 56).

vii) Asset Acquisitions

In accounting for acquisition of assets/ group of assets, judgement is required for valuation of assets. Additionally, estimating the acquisition date fair value of the identifiable asset acquired involves

management judgement. These measurements are based on information available at the acquisition date and are based on expectations and assumptions, such as market value/realisable price that have been deemed reasonable by management. Changes in these judgements, estimates and assumptions can materially affect the values allocated to individual identifiable assets based on their value (Refer note 56).

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Carrying amounts	Freehold land	Land improvements	Buildings	Plant and machinery	Office and other equipments	Vehicles	Furniture and fixtures	Total
Year ended March 31, 2022								
Gross carrying amount								
Balance as at April 01, 2021	179.15	179.46	1,090.65	2,467.57	80.66	5.15	15.23	4,017.87
Additions	31.13	1.58	2.83	39.66	3.15	0.57	1.60	80.52
Exchange differences on translation of foreign operations	1.28	6.58	14.90	31.22	2.23	0.06	0.03	56.30
Disposals	1.53	-	5.04	26.84	0.77	0.52	-	34.70
Reclassification as investment property (refer note 4)	-	-	1.04	-	-	-	-	1.04
Gross carrying amount as at March 31, 2022	210.03	187.62	1,102.30	2,511.61	85.27	5.26	16.86	4,118.95
Year ended March 31, 2023								
Gross carrying amount								
Addition pursuant to business combination (refer note 56)	167.60	-	78.91	118.40	-	0.20	0.11	365.22
Additions	13.97	7.38	376.15	1,830.28	8.13	0.19	10.57	2,246.67
Exchange differences on translation of foreign operations	3.05	15.79	35.40	74.28	5.46	0.14	0.08	134.20
Disposals	1.78	-	33.62	17.25	3.45	0.49	0.76	57.35
Reclassification as investment property (refer note 4)	3.78	-	-	-	-	-	-	3.78
Gross carrying amount as at March 31, 2023	389.09	210.79	1,559.14	4,517.32	95.41	5.30	26.86	6,803.91

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Accumulated depreciation	Freehold land	Land Improvements	Buildings	Plant and machinery	Office and other equipments	Vehicles	Furniture and fixtures	Total
Balance as at April 01, 2021	-	80.42	246.86	1,548.40	49.39	3.27	8.24	1,936.58
Depreciation charge during the year	-	15.99	35.33	177.35	3.91	0.50	1.07	234.15
Disposals	-	-	0.93	21.86	0.68	0.42	-	23.89
Reclassification as investment property (refer note 4)	-	-	0.35	-	-	-	-	0.35
Exchange differences on translation of foreign operations	-	3.23	2.81	25.46	1.34	0.05	0.03	32.92
Accumulated depreciation as at March 31, 2022	-	99.64	283.72	1,729.35	53.96	3.40	9.34	2,179.41
Year ended March 31, 2023								
Depreciation charge during the year	-	17.28	38.93	221.71	4.80	0.40	1.11	284.23
Disposals	-	-	14.66	8.36	3.36	0.26	0.73	27.37
Reclassification as investment property (refer note 4)	-	-	0.22	-	-	-	-	0.22
Exchange differences on translation of foreign operations	-	8.77	7.51	65.35	3.29	0.12	0.08	85.12
Accumulated depreciation as at March 31, 2023	-	125.69	315.28	2,008.05	58.69	3.66	9.80	2,521.17
Net carrying amount of property, plant and equipment								
As at March 31, 2022	210.03	87.98	818.58	782.26	31.31	1.86	7.52	1,939.54
As at March 31, 2023	389.09	85.10	1,243.86	2,509.27	36.72	1.64	17.06	4,282.74

3(A). PROPERTY, PLANT AND EQUIPMENT (PPE)

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Capital work-in-progress

Opening balance as at April 01, 2021	147.23
Additions	1,157.97
Capitalisation	44.83
Closing balance as at March 31, 2022	1,260.37

Opening balance as at April 01, 2022	1,260.37
Additions	637.99
Capitalisation	1,804.96
Disposals/Sale	6.50
Closing balance as at March 31, 2023	86.90

Capital work-in-progress mainly comprises of plant and machinery.

Capital work-in-progress ageing: For the year ending on March 31, 2023

Capital work-in-progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	83.79	2.25	0.86	-	86.90
Projects temporarily suspended	-	-	-	-	-
Total	83.79	2.25	0.86	-	86.90

For the year ending on March 31, 2022

Capital work-in-progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	1,139.09	121.28	-	-	1,260.37
Projects temporarily suspended	-	-	-	-	-
Total	1,139.09	121.28	-	-	1,260.37

Notes:

- For property, plant and equipment pledged as security (refer note 19 and 64).
- Contractual obligations: Refer note 46 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- Project execution plans are monitored on a quarterly basis to determine whether the progress is as per the plans.
- The completion schedule for the above capital work-in-progress is not overdue and has not exceeded its cost compared to its original plan.

3(B) RIGHT-OF-USE ASSETS

(i) Amount recognised in balance sheet

The Balance sheet shows the following amounts relating to leases:

	As at March 31, 2023	As at March 31, 2022
Right-of-use assets		
Leasehold land	175.93	83.99
Buildings	17.42	15.91
Vehicle	-	3.00
Office and other equipments	23.47	25.97
Total Right-of-use assets	216.82	128.87

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Lease Liabilities		
Current	10.13	16.58
Non-Current	35.41	18.90
Total Lease Liabilities	45.54	35.48

Net addition to the right-of-use assets during the year Rs. 103.98 (March 31, 2022 Rs. Nil)

Net addition to the right-of-use assets pursuant to business combination during the year Rs. 0.20 (March 31, 2022 Rs. Nil) (Refer Note 56)

The group leases various lands, buildings, plant and machinery, vehicles, and office and other equipments. Rental contracts are typically made for fixed periods as below, but may have extension options or purchase option as described in below point:

Asset Class	Years
Leasehold Land	01-99 years
Building	03-60 years
Vehicles	05-10 years
Office and other equipments	03-10 years

Extension options for one to three years and termination options are included in a number of leasehold lands, buildings, plant and machinery, vehicles, and office and other equipments across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable by the Group. The lessee may also have purchase option after the lease term.

(ii) Amount recognised in the statement of profit and loss

The statement of profit or loss shows the following amounts relating to leases:

	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation charge of Right-of-use assets		
Leasehold land	2.76	1.34
Buildings	5.94	6.20
Vehicle	3.00	3.02
Office & other equipments	4.53	6.10
Total	16.23	16.66
Interest and Other expense		
Interest expense on leases (included in finance cost)	3.42	3.15
Expense relating to short-term leases (included in other expenses)	13.33	2.75
Total	16.75	5.90

The total cash outflow for the leases for the year ended March 31, 2023 is Rs. 95.46 (March 31, 2022 Rs. 15.66)

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

4 INVESTMENT PROPERTIES

	As at March 31, 2023	As at March 31, 2022
Investment property - land	49.04	10.37
Investment property - building	4.52	5.27
Total investment properties	53.56	15.64

	Year ended March 31, 2023	Year ended March 31, 2022
Gross carrying amount		
Opening balance	17.43	16.39
Addition pursuant to business combination (refer note 56)	34.94	-
Transferred from property, plant and equipment (refer note 3(a))	3.78	1.04
Disposals during the year	0.83	-
Closing balance	55.32	17.43
Accumulated Depreciation		
Opening balance	1.78	1.43
Depreciation on Investment properties transferred from property, plant and equipment (refer note 3(a))	0.22	0.35
Disposals during the year	0.25	-
Closing balance	1.75	1.78

(i) Amount recognised in statement of profit and loss in respect of investment properties

	Year ended March 31, 2023	Year ended March 31, 2022
Rental Income (Other income)	2.58	1.68
Gain on disposal of Investment property (Other income)	6.37	-
Profit from investment properties before depreciation	8.95	1.68
Depreciation	(0.22)	(0.35)
Profit from investment properties	8.73	1.33

There are no direct operating expenses (including repairs and maintenance) on investment properties recognised in statement of profit and loss.

(ii) Fair Value

	Year ended March 31, 2023	Year ended March 31, 2022
Investment property - land	88.82	28.86
Investment property - building	11.49	17.70
	100.31	46.56

Estimation of fair value

The Group has obtained independent valuation of its freehold lands located at various locations in Gujarat, Rajasthan and flat located at Mumbai and office located in Delhi based on current prices in an active market for properties of similar nature. The fair values of investment properties have been determined by an independent valuer. The main inputs used are the rental growth rates and a study of the micro market in discussion with industry experts. Resulting fair value estimate for investment properties are included in level 3.

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

5 INTANGIBLE ASSETS AND GOODWILL ON CONSOLIDATION

Carrying amounts	Intangible assets (Software)	Goodwill on consolidation (Refer note 58)
Year ended March 31, 2022		
Gross carrying amount		
Balance as at April 01, 2021	26.33	343.12
Additions	0.57	-
Gross carrying amount as at March 31, 2022	26.90	343.12
Year ended March 31, 2023		
Gross carrying amount		
Additions	10.02	-
Addition pursuant to business combination (refer note 56)	0.16	-
Gross carrying amount as at March 31, 2023	37.08	343.12

Accumulated amortisation / impairment allowance	Intangible assets (Software)	Goodwill on consolidation (Refer note 58)
Year ended March 31, 2022		
Balance as at April 01, 2021	16.89	-
Amortisation charge during the year	3.94	-
Impairment charge during the year	-	-
Accumulated amortisation / impairment allowance as at March 31, 2022	20.83	-
Year ended March 31, 2023		
Amortisation charge during the year	2.51	-
Impairment charge during the year	-	-
Accumulated amortisation / impairment allowance as at March 31, 2023	23.34	-

Net carrying amount

As at March 31, 2022	6.07	343.12
As at March 31, 2023	13.74	343.12

Intangible assets under development (IAUD)	Intangible assets (Software)
Opening balance as at April 01, 2021	-
Additions	0.90
Capitalisation	-
Closing balance as at March 31, 2022	0.90

	Intangible assets (Software)
Opening balance as at April 01, 2022	0.90
Additions	0.16
Capitalisation	1.06
Closing balance as at March 31, 2023	-

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Intangible assets under development ageing:

Ageing for intangible assets under development as at March 31, 2023 is as follows:

Intangible assets under development ageing	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Intangible assets under development ageing:

Ageing for intangible assets under development as at March 31, 2022 is as follows:

Intangible assets under development ageing	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	0.90	-	-	-	0.90
Projects temporarily suspended	-	-	-	-	-
Total	0.90	-	-	-	0.90

Notes:

Contractual obligations: Refer note 46 for disclosure of contractual commitments for the acquisition of intangible assets.

6 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (REFER NOTE 51(C))

	As at March 31, 2023	As at March 31, 2022
Investments in equity instruments of associates and joint ventures (fully paid up) (refer note 50 and 52)		
Measured at amortised costs		
Quoted		
East Pipes Integrated Company for Industry (EPIC) (refer note 51 and (i) below)	452.85	349.23
11,027,207 (March 31, 2022: 7,351,471) equity shares of SAR 10 each	-	-
Unquoted		
Welspun Wasco Coatings Private Limited		
25,465,014 (March 31, 2022: 25,465,014) equity shares of Rs.10 each	-	-
Welspun Captive Power Generation Limited (refer note 56(a)(ii))	100.00	77.25
6,764,768 (March 31, 2022: 6,764,768) equity shares of Rs. 10 each		
Investments in associate carried at fair value through profit and loss		
Unquoted		
Clean Max Dhyuthi Private Limited (refer note (ii) below)	7.59	-
48,599 (March 31, 2022: Nil) equity shares of Rs. 10 each		
Total	560.44	426.48

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Aggregate amount of quoted investments and market value thereof	1,232.28	1,157.46
Aggregate amount of quoted investments	452.85	349.23
Aggregate amount of unquoted investments	107.59	77.25

Notes:

(i) During the current year, EPIC has issued bonus shares in ratio of 1 share for every 2 shares held by the shareholders, hence the Group holding of equity shares in EPIC has increased from 7,351,471 to 11,027,207.

(ii) During the current year, the Group has acquired 26% equity stake for a consideration of Rs 7.59.

7 INVESTMENTS

7(a) Non-current investments

Unquoted (refer note 50)

Investment carried at fair value through profit and loss (fully paid up)

	As at March 31, 2023	As at March 31, 2022
I. Investment in Non convertible debentures		
Sintex BAPL Limited (refer note 56 and note 1 below)		
Nil (March 31, 2022: 91,495) Debentures of Rs. 100,000 each (Refer Note 1 below)	-	386.93
Total investment in Non convertible debentures	*	386.93
II. Investment in optionally convertible debentures of other entities		
Mounting Renewable Power Ltd	0.10	-
103,000 (March 31, 2022: Nil) debenture of Rs. 10 each		
Less: Provision for Impairment in in optionally convertible debentures	(0.10)	-
Total investment in optionally convertible debentures	-	-
III. Investment in equity instruments of other entities		
Welasure Private Limited		
1,900 (March 31, 2022: 1,900) equity shares of Rs. 10 each	0.12	0.12
Welspun Global Services Limited		
1,900 (March 31, 2022: 1,900) equity shares of Rs. 10 each	*	*
Welspun Transformation Services Limited		
570,000 (March 31, 2022: Nil) equity shares of Rs. 10 each	0.57	-
Mounting Renewable Power Limited		
1,300 (March 31, 2022: Nil) equity shares of Rs. 10 each	0.01	-
Less: Provision for Impairment in equity investment	(0.01)	-
Total investment in equity instruments of other entities	0.70	0.12
* Amount is below rounding off norms.		
Investment carried at fair value through profit or loss (fully paid up)		
In government securities at fair value through profit and loss		
National Saving Certificates	0.01	0.01
Total investment in other entity	0.01	0.01

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Total non-current investments	0.71	387.06
Aggregate amount of unquoted investments	0.71	387.06
Aggregate amount of impairment in the value of investments	0.01	-

Note 1:

During the year ended March 31, 2023, one of the subsidiary of the Company (Mahatva Plastic Products and Building Materials Private Limited) has sold the Non convertible debentures of Sintex BAPL Limited ("SBAPL") and resulting profit of 54.52, disclosed under "Other Income" (Refer note 28).

7(b) Current investments

	As at March 31, 2023	As at March 31, 2022
Bonds	600.95	1,324.83
Government securities	2.50	50.43
Mutual funds	372.57	117.92
Total current investments	976.02	1,493.18

Unquoted

Investment carried at fair value through profit and loss

I. Investments in bonds

	Face value in Rupees	As at March 31, 2023		As at March 31, 2022	
		Units	Amount	Units	Amount
7.50% NHPC Limited Bonds (Series Y -Strpp 1) 07/10/2025	200,000	-	-	1,000	21.13
8.45% Jorabat Shillong Expressway Limited 28/02/2020	100,000	1,444	11.98	1,444	-
8.50% Canara Bank 31/12/2020	1,000,000	-	-	168	17.00
5.24% Small Industries Development Bank of India 26/03/2024	1,000,000	-	-	50	5.00
9.35% Punjab National Bank 09/09/2024	1,000,000	-	-	39	3.92
7.40% Rural Electrification Corporation Limited 26/11/2024	1,000,000	-	-	10	1.04
5.59% Small Industries Development Bank of India 21/02/2025	1,000,000	-	-	250	25.00
5.63% National Bank for Agriculture and Rural Development 26/02/2025	1,000,000	-	-	750	74.96
5.59% Housing and Urban Development Corporation Limited 04/03/2025	1,000,000	-	-	250	24.87
5.57% Small Industries Development Bank of India 03/03/2025	1,000,000	-	-	250	25.00
5.20% Export Import Bank Of India 04/03/2025	1,000,000	-	-	150	15.00
5.70% Small Industries Development Bank of India 28/03/2025	1,000,000	-	-	250	25.00
9.70% Uttar Pradesh Power Corporation Limited 31/03/2025	1,000,000	50	5.04	-	-

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Face value in Rupees	As at March 31, 2023		As at March 31, 2022	
		Units	Amount	Units	Amount
5.40% Export Import Bank Of India 31/03/2025	1,000,000	-	-	150	15.00
5.36% Hindustan Petroleum Corporation Limited (Series iii) 11/04/2025	1,000,000	-	-	50	4.93
7.17% Power Finance Corporation Limited 22/05/2025	1,000,000	-	-	24	2.48
7.50% HDB Financial Services Limited 23/09/2025	1,000,000	100	10.00	-	-
5.50% Indian Oil Corporation Limited 20/10/2025	1,000,000	-	-	150	14.78
5.85% Rural Electrification Corporation Limited 20/12/2025	1,000,000	-	-	50	4.97
10.15% Uttar Pradesh Power Corporation Limited (Series II G) 20/01/2026	1,000,000	12	1.23	-	-
1.80% State Bank of India (London) MTN REG 13/07/2026	USD 100	5,000	3.69	5,000	3.51
2.50% Golub Cap Bdc Inc Make Whole 24/08/2026	USD 100	30,000	21.13	30,000	20.92
7.62% Export Import Bank Of India 01/09/2026	1,000,000	25	2.51	25	2.63
7.70% Power Finance Corporation Limited 15/09/2026	100,000	2,500	25.00	-	-
9.62% Andhra Pradesh State Beverages Corporation Limited 30/11/2026	1,000,000	50	5.01	-	-
3.95% Synchrony Financial Note Call Make Whole 12/01/2027	USD 100	30,000	20.88	30,000	22.55
6.14% Indian Oil Corporation Limited 18/02/2027	1,000,000	-	-	250	24.90
6.09% Hindustan Petroleum Corporation Limited 26/02/2027	1,000,000	-	-	50	4.98
9.70% Uttar Pradesh Power Corporation Limited 31/03/2027	1,000,000	30	3.03	-	-
4.45% Citigroup Inc 09/29/2027	USD 100	25,000	19.92	25,000	19.58
6.45% ICICI Bank Ltd 16/07/2028	1,000,000	-	-	205	20.19
9.62% Andhra Pradesh State Beverages Corporation Limited 31/05/2029	1,000,000	4	0.40	-	-
8.55% Housing and Urban Development Corporation Limited 27/03/2029	1,000,000	8	0.82	-	-
7.49% National Highways Authority of India 01/08/2029	1,000,000	-	-	150	15.47
7.60% Food Corporation of India 09/01/2030	1,000,000	100	9.99	50	5.14
8.45% Jorabat Shillong Expressway Limited 31/01/2030	100,000	2,191	18.19	2,191	-
7.03% Hindustan Petroleum Corporation Limited 12/04/2030	1,000,000	-	-	250	25.27
7.55% Indian Railway Finance Corporation Limited 12/04/2030	1,000,000	-	-	150	15.54

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Face value in Rupees	As at March 31, 2023		As at March 31, 2022	
		Units	Amount	Units	Amount
6.75% Housing And Urban Development Corporation Limited Bonds (Series D) 29/05/2030	1,000,000	-	-	50	4.94
7.79% Power Finance Corporation Limited 22/07/2030	1,000,000	-	-	410	42.97
6.79% Bharat Sanchhar Nigam Limited 23/09/2030	1,000,000	106	10.05	50	4.88
6.65% Food Corporation of India (Series ix) 23/10/2030	1,000,000	-	-	700	68.42
6.44% National Bank for Agriculture and Rural Development 04/12/2030	1,000,000	-	-	150	14.58
2.25% Export-Import Bank of India 13/01/2031	USD 100	32,000	21.04	32,000	20.79
6.43% National Thermal Power Corporation Limited 27/01/2031	1,000,000	-	-	100	9.66
7.00% Power Finance Corporation Limited (Series iv) 22/01/2031	1,000	-	-	247,000	25.13
6.28% Power Grid Corporation Of India Limited Bonds (Series Ixviii) 11/04/2031	1,000,000	-	-	50	4.79
6.29% NTPC Limited Bonds (Series 71) 11/04/2031	1,000,000	-	-	250	23.90
6.41% Indian Railway Finance Corporation Limited (Series 152) 11/04/2031	1,000,000	-	-	150	14.46
6.50% National Highways Authority of India (Series-IV- EFT-II) 11/04/2031	1,000,000	-	-	250	24.22
7.32% India Grid Trust 27/06/2031	1,000,000	-	-	99	9.90
6.92% Indian Railway Finance Corporation Limited 13/08/2031	1,000,000	-	-	100	9.97
7.09% Food Corporation of India Govt. 13/08/2031	1,000,000	40	3.87	40	3.98
6.69% National Thermal Power Corporation Limited 13/09/2031	1,000,000	-	-	500	49.08
9.70% Uttar Pradesh Power Corporation Limited 26/09/2031	100,000	111	1.00	-	-
7.14% Bank Of India 30/09/2031	10,000,000	-	-	28	28.00
7.10% Punjab National Bank 18/11/2031	10,000,000	-	-	25	25.03
6.92% Rural Electrification Corporation Limited 20/03/2032	1,000,000	120	11.41	186	18.49
7.17% India Infrastructure Finance Company Limited 14/03/2032	1,000,000	-	-	370	37.00
6.85% National Bank for Agriculture & Rural Development 2032	1,000,000	-	-	50	4.95
6.87% National Highways Authority of India 14/04/2032	1,000,000	25	2.38	-	-
6.92% Power Finance Corporation Limited 14/04/2032	1,000,000	-	-	250	24.85
7.48% Mangalore Refinery and Petrochemicals Limited 14/04/2032	1,000,000	50	5.08	471	48.16

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Face value in Rupees	As at March 31, 2023		As at March 31, 2022	
		Units	Amount	Units	Amount
7.42% Power Finance Corporation Limited (Series 217-A) 08/09/2032	1,000,000	20	1.96	-	-
8.70% IDFC First Bank 01/12/2032	10,000,000	30	30.20	-	-
7.51% State Bank Of India 06/12/2032	1,000,000	997	100.15	-	-
7.55% Nuclear Power Corporation Of India Limited Ncd (Series XXXVII) 23/12/2032	1,000,000	50	4.97	-	-
8.45% Jorabat Shillong Expressway Limited 01/03/2023	100,000	1,118	9.28	1,118	-
7.78% Mahanagar Telephone Nigam Limited 10/02/2033	1,000,000	426	42.73	-	-
7.54% Hindustan Petroleum Corporation Limited (Series V) 15/04/2033	1,000,000	50	5.00	-	-
7.70% Power Finance Corporation Limited 15/04/2033	100,000	1,500	15.01	-	-
7.82% DME Development Limited 24/02/2033	100,000	4,515	45.31	-	-
7.03% Indian Railway Finance Corporation Limited 30/07/2036	1,000,000	300	28.46	-	-
10.25% ECL Finance Limited Perpetual	1,000,000	48	2.40	48	2.40
8.44% Indian Bank Perpetual	1,000,000	13	1.30	391	39.56
7.75% State Bank Of India Perpetual	10,000,000	2	2.00	-	-
8.25% Bank Of Baroda (SR XII) Perpetual	1,000,000	-	-	20	2.02
7.84% HDFC Bank Limited Perpetual	10,000,000	17	16.71	-	-
8.40% Punjab National Bank (Series XVII)	10,000,000	26	26.06	-	-
8.64% Union Bank of India Perpetual	10,000,000	-	-	8	8.04
9.04% Bank of India Perpetual	1,000,000	27	2.76	-	-
8.57% Bank of India	10,000,000	15	14.97	-	-
7.55% State Bank of India Perpetual	10,000,000	-	-	70	69.48
7.72% State Bank of India Perpetual	10,000,000	-	-	13	12.98
7.73% State Bank of India Perpetual	1,000,000	-	-	50	5.00
7.74% State Bank of India Perpetual	1,000,000	-	-	73	7.31
8.00% Bank of Baroda Perpetual	10,000,000	-	-	40	40.40
8.05% Canara Bank Perpetual	10,000,000	1	0.99	20	20.00
8.07% Canara Bank Perpetual	10,000,000	7	6.94	25	24.96
8.40% Punjab National Bank Perpetual	10,000,000	-	-	35	34.90
8.50% Punjab National Bank Perpetual	10,000,000	-	-	34	34.43
8.40% Union Bank of India Perpetual	10,000,000	-	-	44	44.44
8.40% Union Bank Perpetual Bonds (Series XXXVIII)	10,000,000	30	30.10	-	-
Total Investments in bonds		138,158	600.95	383,624	1,324.83

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Unquoted

Investment carried at fair value through profit and loss

II. Investments in government securities

	Face Value in Rupees	As at March 31, 2023		As at March 31, 2022	
		Units	Amount	Units	Amount
7.26% Government of India 2032	100	250,000	2.50	-	-
7.29% Gujarat SDL 2032	-	-	-	5,000,000	50.43
Total Investments in bonds		250,000	2.50	5,000,000	50.43

Unquoted

Investment carried at fair value through profit and loss

III. Investments in mutual funds

	As at March 31, 2023		As at March 31, 2022	
	Units	Amount	Units	Amount
ABSL Liquid Fund Direct Plan - Growth	6,148,263	223.23	175,445	6.02
Axis Overnight Fund - Direct - Growth	289,612	34.33	-	-
HDFC Money Market Fund - Direct Plan - Growth	46,701	22.97	-	-
Kotak Overnight Fund - Direct - Growth	2,168	0.26	-	-
HDFC Liquid Fund - Growth	7,196	3.16	-	-
ICICI Prudential Mutual Fund	-	-	218,842	2.51
Nippon india overnight fund - Direct Growth Plan	415,973	5.01	258,263	89.40
Nippon India Liquid Fund - Direct - Growth	81,766	45.03	-	-
SBI Overnight Fund Direct Growth Plan	1,404	0.51	1,752,904	20.00
SBI Liquid Fund Direct Growth Plan	108,025	38.07	-	-
Total investments in mutual funds	7,101,108	372.57	2,405,454	117.93
Aggregate amount of unquoted investments		976.02		1,493.18
		976.02		1,493.18

8 LOANS

8(a) Non-current

Unsecured, considered doubtful

	As at March 31, 2023	As at March 31, 2022
Loans to joint ventures (refer note 50)	21.17	24.70
Less: Allowance for doubtful loans	(21.17)	(24.70)
Total non-current loans	-	-

8(b) Current

Unsecured, considered good

	As at March 31, 2023	As at March 31, 2022
Loans to employees	0.17	0.30
Total current loans	0.17	0.30
Total loans	0.30	0.30

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

9 OTHER FINANCIAL ASSETS

9 (a) Non-current

	As at March 31, 2023	As at March 31, 2022
Secured, considered good		
Security deposits*	2.68	3.87
Unsecured, considered good		
Security deposits		
Related parties (refer note 50)	6.76	8.39
Other parties	12.42	74.81
Margin money deposits (refer note 15(b))	2.53	1.34
Total non-current other financial assets	24.39	88.41

9 (b) Current

	As at March 31, 2023	As at March 31, 2022
Secured		
Security deposits*	1.16	1.11
Unsecured, considered good		
Security deposits		
Related parties (refer note 50)	0.99	0.99
Other parties	0.99	72.99
	1.98	73.98
Interest accrued on		
Current investments	12.16	27.45
Others	1.60	1.94
	13.76	29.39
Other receivables from		
Related parties (refer note 50)	50.52	7.49
Other parties	16.45	0.23
	66.97	7.72
Derivatives designated as hedges		
Foreign exchange Forward contracts	1.54	2.95
Derivatives not designated as hedges		
Foreign exchange Forward contracts	1.03	0.74
	2.57	3.69
Receivable towards claim	1.34	-
Total current other financial assets	87.78	115.89
Total other financial assets	112.17	204.30

* Secured against particular assets of the party.

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

10 DEFERRED TAX ASSETS (NET) (REFER NOTE 38)

	As at March 31, 2023	As at March 31, 2022
The balance comprises temporary differences attributable to:		
Deferred tax asset		
Employee benefits obligations	0.28	0.02
Cash flow hedging reserve	0.09	-
Property, plant and equipment	-	0.02
Lease liability (net of right-of-use asset)	0.08	-
Business Losses	93.80	-
	94.25	0.04
Set-off of deferred tax liabilities pursuant to set-off provisions		
Deferred tax liabilities		
Property, plant and equipment	25.86	-
Fair valuation on investment	0.05	0.01
Government grant	2.63	-
	28.54	0.01
Total deferred tax assets (net)	65.71	0.03

11 OTHER ASSETS

	As at March 31, 2023	As at March 31, 2022
11(a) Non-current		
Capital advances	18.30	83.97
Less: Allowance for doubtful capital advances	(0.09)	(0.09)
	18.21	83.88
Balance with statutory authorities	33.69	187.04
Less: Allowance for doubtful balance with statutory authorities	(29.46)	(29.54)
	4.23	157.50
Advance to suppliers	2.81	2.81
Less: Allowance for doubtful balance with suppliers	(2.81)	(2.69)
	-	0.12
Prepaid expenses	7.69	3.95
Others*	10.73	10.73
Total other non-current assets	40.86	256.18

*Represents amount recoverable from employees towards employees' contribution for provident fund (refer note 41)

11(b) Current

	As at March 31, 2023	As at March 31, 2022
Balance with statutory authorities	385.56	45.91
Advance to suppliers		
Unsecured, considered good		
Related parties (refer note 50)	-	0.06
Others	89.84	89.20
Less: Allowance for doubtful balance with vendors	(2.05)	(1.89)
	87.79	87.37

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	25.86	24.98
Advance to employees	1.27	0.27
Government grant receivable	13.02	-
Export benefit receivable	15.77	8.89
Claim receivable	7.38	-
Others	-	2.18
Total other current assets	536.65	169.60
Total other assets	577.51	425.78

12 INVENTORIES (REFER NOTE 19(B))

	As at March 31, 2023	As at March 31, 2022
Raw materials	2,004.13	371.07
Goods-in-transit for raw materials	855.51	73.05
Work-in-progress	235.11	68.68
Finished goods	1,837.26	337.05
Stores and spares	218.08	169.61
Acquired scrap (Refer note 56)	536.07	-
Total inventories	5,686.16	1,019.46

Write-downs of inventories to net realisable value amounted to Rs. 28.29 (March 31, 2022 - Rs. 1.50). These were recognised as an expense during the year and included in 'Changes in inventories of finished goods, stock-in-trade and work-in-progress' in the statement of profit and loss.

13 TRADE RECEIVABLES (REFER NOTE 19(B))

	As at March 31, 2023	As at March 31, 2022
Trade receivables from related parties (refer note 50)	13.26	2.72
Trade receivables from others	1,134.28	839.65
Less: Allowance for doubtful debts	(7.07)	(29.81)
Total trade receivables	1,140.47	812.56
Break-up of security details		
Unsecured, considered good	1,140.47	812.56
Unsecured, considered doubtful	7.07	29.81
Total	1,147.54	842.37
Less: Allowance for doubtful debts	(7.07)	(29.81)
Total trade receivables	1,140.47	812.56

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Ageing for trade receivables as at March 31, 2023 is as follows:

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of receipt					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables								
(i) considered good	-	837.97	167.96	129.58	4.06	0.89	0.01	1,140.47
(ii) considered doubtful	-	-	0.08	0.51	0.23	1.22	0.58	2.62
Disputed trade receivables								
(i) considered doubtful	-	-	-	-	-	-	4.45	4.45
Gross Total	-	837.97	168.04	130.09	4.29	2.11	5.04	1,147.54
Less: Allowance for doubtful debts								(7.07)
Total Trade receivables								1,140.47

Ageing for trade receivables as at March 31, 2022 is as follows:

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of receipt					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables								
(i) considered good	62.61	281.40	400.41	68.14	-	-	-	812.56
(ii) considered doubtful	-	-	25.03	0.33	-	-	-	25.36
Disputed trade receivables								
(i) considered doubtful	-	-	-	-	-	-	4.45	4.45
Gross Total	62.61	281.40	425.44	68.47	-	-	4.45	842.37
Less: Allowance for doubtful debts								(29.81)
Total Trade receivables								812.56

Notes:

- (i) The Group's trade receivable do not carry a significant financing element. Hence, trade receivables are measured at transaction price. The Group makes a loss allowance using simplified approach for expected credit loss and on a case to case basis.

Reconciliation of allowance for doubtful debts on trade receivables:

	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance	(29.81)	(39.72)
Changes in allowance for doubtful debts	22.74	9.91
Closing balance	(7.07)	(29.81)

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

14 CASH AND CASH EQUIVALENTS

	As at March 31, 2023	As at March 31, 2022
Cash on hand	0.06	0.13
Balances with banks		
In current accounts	470.57	511.25
Deposits with original maturity of less than three months	545.71	128.83
Total cash and cash equivalents	1,016.34	640.21

15 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2023	As at March 31, 2022
Deposits with original maturity of more than three months but less than twelve months	79.98	-
Unclaimed dividend (refer note (a) below)	1.09	0.85
Margin money deposits (refer note (b) below)	7.06	60.42
Bank Balance Earmarked for paying off Unpaid CIRP Dues (refer note (b) below)	97.82	-
Total bank balances other than cash and cash equivalents	185.95	61.27

(i) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end. This amount represents restricted cash.

(ii) Fixed deposits, margin money deposits and bank balances of Rs. 107.41 (March 31, 2022: Rs. 61.76) represent earmarked balances with banks (refer note 9(a)).

16 CURRENT TAX ASSETS (NET)

	As at March 31, 2023	As at March 31, 2022
Opening balance of current tax liability transferred (refer note 26)	0.26	0.06
Addition pursuant to business combination (refer note 56)	16.73	-
Add: Taxes paid net of refunds (including tax deducted at source)	2.19	2.15
Closing balance	19.18	2.21

17 ASSETS HELD FOR SALE

	As at March 31, 2023	As at March 31, 2022
Assets held for sale*	1.65	1.53
Total assets held for sale	1.65	1.53

*It represents plant and machinery held for sale (March 31, 2022: Land)

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

18 EQUITY SHARE CAPITAL AND OTHER EQUITY

18 (a) Share capital

	Equity shares			Preference shares		
	Number of Shares	Par value	Amount	Number of Shares	Par value	Amount
Authorised share capital						
As at April 01, 2021	30,41,00,000	5	152.05	40,00,00,000	10	400.00
Increase/ (decrease) during the year	-	-	-	-	-	-
As at March 31, 2022	30,41,00,000	5	152.05	40,00,00,000	10	400.00
Increase/ (decrease) during the year	-	-	-	-	-	-
As at March 31, 2023	30,41,00,000	5	152.05	40,00,00,000	10	400.00

i) Movement in equity shares capital

	Number of shares	Amount
Issued, subscribed and paid up capital		
As at April 01, 2021	26,08,84,395	130.44
Increase/ (decrease) during the year	65,000	0.04
As at March 31, 2022	26,09,49,395	130.48
Increase/ (decrease) during the year		
Shares issued on exercise of employee stock options (refer note 60)	5,80,000	0.29
As at March 31, 2023	26,15,29,395	130.77

ii) Terms and rights attached to shares

Equity shares

The Company has only one class of equity shares having a par value of Rs. 5 per share. Each holder of equity shares is entitled to one vote per share. The dividend when proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting except in case of interim dividend.

In the event of liquidation of the company the holders of the equity shares will be entitled to receive remaining assets of the company after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference shares

Preference shares do not carry any voting rights in the company, except as provided in the Companies Act, 2013. Preference share will have priority over equity shares in the payment of dividend and repayment of capital.

iii) Details of shareholders holding more than 5% shares in the Company

As at March 31, 2023	No. of shares	% holding
Equity shares held by		
Balkrishan Goenka, Trustee of Welspun Group Master Trust	117,063,807	44.76%
As at March 31, 2022	No. of shares	% holding
Equity shares held by		
Balkrishan Goenka, Trustee of Welspun Group Master Trust	117,063,807	44.86%

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Details of shareholding of promoters

Name of the promoter	Year ended March 31, 2023			Year ended March 31, 2022		
	Number of shares	% of total number of shares	Percentage of change during the year	Number of shares	% of total number of shares	Percentage of change during the year
Balkrishan Goenka, trustee of Welspun Group Master Trust	117,063,807	44.76%	-0.10%	117,063,807	44.86%	-0.01%
Aryabhat Vyapar Private Limited	6,915,000	2.64%	-0.01%	6,915,000	2.65%	-
Welspun Investments and Commercials Limited	6,758,000	2.58%	0.08%	6,523,000	2.50%	-
Sitadevi Mandawewala	1000	0.00%	-	0	0.00%	-
Rajesh R. Mandawewala	200	0.00%	-	200	0.00%	-
Balkrishan Gopiram Goenka	140	0.00%	-	140	0.00%	-
B. K. Goenka Family Trust (Balkrishan Goenka)	5	0.00%	-	5	0.00%	-
Dipali B. Goenka	2	0.00%	-	2	0.00%	-
Total	130,738,154	49.99%		130,502,154	50.01%	

Other equity

18 (b) Reserves and surplus

	As at March 31, 2023	As at March 31, 2022
(i) Capital reserve	235.46	150.37
(ii) Securities premium	1,015.73	1,007.79
(iii) Debenture redemption reserve	9.00	9.00
(iv) General reserve	110.30	110.26
(v) Equity settled share based payments	13.19	10.08
(vi) Capital redemption reserve	2.18	2.18
(vii) Retained earnings	2,901.12	2,825.52
(viii) Equity Component of Borrowings	-	-
(ix) Equity Component of 12% Non-cumulative redeemable preference shares	18.91	-
Total reserves and surplus	4,305.89	4,115.20

	As at March 31, 2023	As at March 31, 2022
(i) Capital reserve		
Opening balance	150.37	150.37
Capital Reserve on acquisitions (Refer note 56)	65.00	-
Capital Reserve on increase in investment in equity instrument of associate	20.09	-
Closing balance	235.46	150.37
(ii) Securities premium		
Opening balance	1,007.79	1,005.56
Transferred from securities premium on exercise of stock options	2.43	2.01
Premium on share issued on exercise on employee stock options	5.51	0.22
Closing balance	1,015.73	1,007.79

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
(iii) Debenture redemption reserve		
Opening balance	9.00	13.50
Transfer to general reserve	-	(4.50)
Closing balance	9.00	9.00
(iv) General reserve		
Opening balance	110.26	99.45
Transfer from debenture redemption reserve	-	4.50
Transfer from Equity Component of Borrowings	-	5.53
Transfer from equity settled share based payments	0.04	0.78
Closing balance	110.30	110.26
(v) Equity settled share based payments (refer note 60)		
Opening balance	10.08	12.26
Employee share-based expense	5.58	0.61
Employee share-based options lapsed	(0.04)	(0.78)
Transferred to securities premium on exercise of stock options	(2.43)	(2.01)
Closing balance	13.19	10.08
(vi) Capital redemption reserve		
Opening balance	2.18	2.18
Closing balance	2.18	2.18
(vii) Retained earnings		
Opening balance	2,825.52	2,519.69
Profit for the year	206.69	438.81
Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post employment benefit obligations, net of tax (refer note 39)	(0.07)	1.40
Share of OCI of joint ventures and associates [excluding share of NCI Rs. 0.04 (March 31, 2022: Rs. (0.05))]	(0.44)	(0.43)
Share issue expenses during the year	(0.11)	(3.48)
Dividend on equity shares	(130.47)	(130.47)
Closing balance	2,901.12	2,825.52
(viii) Equity Component of Borrowings		
Opening balance	-	5.53
Transfer to general reserve	-	(5.53)
Closing balance	-	-
(ix) Equity Component of 12% Non-cumulative redeemable preference shares		
Opening balance	-	-
Equity Component of 12% Non-cumulative redeemable preference shares (refer note 63)	18.91	-
Closing balance	18.91	-

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

18 (c) Other reserves

	As at March 31, 2023	As at March 31, 2022
(i) Cash flow hedging reserve	(4.38)	(12.87)
(ii) Foreign currency translation reserve	299.77	195.51
Total other reserves	295.39	182.64

	As at March 31, 2023	As at March 31, 2022
(i) Cash flow hedging reserve		
Opening balance	(12.87)	(2.50)
Amount recognised in cash flow hedging reserve during the year (net)	(48.50)	(31.00)
(Gain)/ loss transferred to statement of profit and loss (net)	59.90	15.63
Hedging loss transferred to inventory	-	1.66
Income tax on amount recognised in cash flow hedging reserve (net)	(2.91)	3.34
Closing balance	(4.38)	(12.87)
(ii) Foreign currency translation reserve		
Opening balance	195.51	145.61
Movement during the year (net) [excluding share of NCI Rs. 1.52 (March 31, 2022: Rs. 1.36)]	104.26	49.90
Closing balance	299.77	195.51

18 (d) Share application money pending allotment

	As at March 31, 2023	As at March 31, 2022
Share application money pending allotment (refer note 60)	-	0.65
Share allotment during the year	-	(0.65)
Total share application money pending allotment	-	-

Nature and purpose of other equity

(i) Capital reserve

The Group has created capital Reserve pursuant to merger, acquisitions and increase in investments.

(ii) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(iii) Debenture redemption reserve

The Companies Act, 2013 requires companies that issue debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. The amounts credited to the debenture redemption reserve may not be utilised except to redeem debentures.

(iv) General reserve

General Reserve represents appropriation of profit by the Company. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

(v) Cash flow hedging reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in the fair value of the designated portion of hedging instruments that are recognised and accumulated under the heading of cash flow reserve will be reclassified to statement of profit and loss only when the hedged transaction affects the profit or loss or included as a basis adjustment to the non-financial hedged item.

(vi) Equity settled share based payments (refer note 60)

This account is used to recognise the grant date fair value of options issued to employees under "WELSOP" Employee stock option plan.

(vii) Capital redemption reserve

Capital Redemption Reserve is created equal to the nominal value of the shares purchased pursuant to Buy Back of its own fully paid up equity shares.

(viii) Foreign Currency Translation Reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

(ix) Equity Component of Borrowings

It was created upon fair valuation of the loan from shareholder viz. Welspun Steel Limited (WSL - Non steel business) on 31.3.2021. The said loan has been repaid in the FY 2021-22 and hence, the fair value has been amortised in the general reserves.

(x) Retained Earnings

Retained earnings comprises of prior years as well as current year's undistributed earnings after taxes.

19 BORROWINGS

19 (a) Non-current borrowings

	As at March 31, 2023			As at March 31, 2022		
	Non-Current Portion	Current Maturities*	Total	Non-Current Portion	Current Maturities*	Total
Secured						
Redeemable non-convertible debentures (refer note (i) below)	199.26	200.00	399.26	398.79	36.00	434.79
Term Loan (refer note (ii) below)	1,529.23	412.76	1,941.99	489.02	10.42	499.44
Unsecured						
- Redeemable non-convertible debentures (refer note (i) below)	40.00	-	40.00	40.00	-	40.00
- 6% Cumulative redeemable preference share (refer note (iii) below)	-	351.51	351.51	351.51	-	351.51
- 12% Non-Cumulative Redeemable Preference Shares of Rs.10/- each fully paid up [refer note (iv)]	-	-	-	50.90	-	50.90

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2023			As at March 31, 2022		
	Non-Current Portion	Current Maturities*	Total	Non-Current Portion	Current Maturities*	Total
- Loans from related parties [refer note (v)]	-	-	-	49.25	-	49.25
- Inter Corporate Deposit [refer note (v)]	-	-	-	49.95	-	49.95
- Domestic Buyers credit (refer note (ii) below)	10.53	-	10.53	-	-	-
- Acceptances for Capital Goods (refer note (ii) below)	130.56	-	130.56	-	-	-
- Liability component of compound financial instruments						
12% Non-Cumulative Redeemable Preference Shares of Rs.10/- each fully paid up [refer note (iv)]	16.66	-	16.66	-	-	-
Total borrowings	1,926.24	964.27	2,890.51	1,429.42	46.42	1,475.84

* Current maturities of non-current borrowings have been disclosed under "Current borrowings", refer note 19 (b).

Note:-

i) Details of Redeemable non-convertible debentures:

No. of debentures	Face value (Rs.)	Redemption date (last instalment)	Rate of interest per annum	As at March 31, 2023	As at March 31, 2022
Secured					
2,000 (March 31, 2022: 2,000)	1,000,000	February 2026	7.25%	200.00	200.00
1,000 (March 31, 2022: 1,000)	1,000,000	February 2024	6.50%	100.00	100.00
1,000 (March 31, 2022: 1,000)	1,000,000	February 2024	6.50%	100.00	100.00
Nil (March 31, 2022: 360)	1,000,000	November 2022	11.00%	-	36.00
Total (* and #)				400.00	436.00
Unsecured					
200 (March 31, 2022: 200)	1,000,000	July 2036	7.90%	20.00	20.00
200 (March 31, 2022: 200)	1,000,000	July 2036	7.90%	20.00	20.00
Total				40.00	40.00

* the above is excluding effective interest rate resulting in decrease in borrowing by Rs. 0.74 (March 31, 2022: Rs. 1.21).

Secured by first charge ranking pari passu by way of mortgage of certain movable and immovable property, plant and equipment of the Company.

(ii) Term loan from Banks, Domestic Buyers credit and Acceptances for Capital Goods

- (a) Term loan of Rs. 350 (March 31, 2022: Rs. Nil) carrying interest link to 3 months Treasury Bill i.e. 7.97% p.a. from bank repayable each from Quarter June 2023 to March 2024 for Rs. 100 each of which Rs. 50 is prepaid during the year. Exclusive charge on specific assets of purchase from ABG Shipyard Limited (refer note 64). The above amount is excluding effective interest rate resulting in decrease in borrowing by Rs. 1.52.

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

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- (b) Term loan from financial institution of Rs. 0.60 (March 31, 2022: Rs. 1.83) secured against equipment for which loan was obtained. The loan carry interest @ 4.59% p.a. The loan is repayable in equal monthly installment till September 01, 2023.
- (c) Term loan from financial institution of Rs. 0.10 (March 31, 2022: Rs. 0.37) secured against equipment for which loan was obtained. The loan carry interest @ 2.75% p.a. The loan is repayable in equal monthly installment till July 29, 2023.
- (d) Rupee Term Loan of Rs. 28.95 (Previous year Rs. 37.39) is secured by way of:
- First Pari Passu charge on Property, Plant and Equipment of the Welspun Specialty Solutions Limited (WSSL) both present and future.
 - Second Pari Passu charge on all current assets of the WSSL both present and future.
 - Pledge of company shares Nil shares (Previous year 15,88,26,392 shares) of Welspun Corp Limited.
 - Corporate Guarantee by Welspun Corp Limited.
 - The Rupee term Loan carries interest rate of 6.55%-8.95% p.a. (March 31, 2022: 6.94% p.a.). Interest rate is derived from base rate/ MCLR / MIBOR plus margin. Loan is repayable in 10 remaining quarterly instalments till September 30, 2025.
- (e) Rupee Term Loan from Bank of Rs. 131.37 (Previous year Rs. 70.66) is Secured by first charge ranking pari passu on hypothecation of entire plant & machinery of Anjar TMT Steel Private Limited (ATMT) and registered mortgage on leasehold right on land and second pari passu charge on the current assets of ATMT. The term loan is repayable in quarterly installments starting from April 30, 2023 and maturing on April 30, 2029. Interest rate on term loan is 9% p.a.(0.60% above 6 month State Bank of India MCLR rate).
- (f) Rupee Term Loan from Bank of Rs. 329.58 (Previous year Rs. 110.99), Buyers credit for capital items of Rs 5.32 (Previous year Rs. Nil) and Acceptances for Capital Goods of Rs. 80.26 (Previous year Rs. Nil) are Secured by first charge ranking pari passu on hypothecation on all movable and immovable property, plant and machinery, intangible assets, insurance policies of the Welspun DI Pipes Limited (WDI) both present and future and Second charge on current assets of the WDI. The Term loan from UBI led consortium of Banks are payable in 10 years door to door. The rate of interest of the consortium lenders are linked to respective bank's MCLR plus spread, such that, applicable rate of interest is linked to 8.34% p.a. Buyers credit for capital item and Acceptances for Capital Goods carries an interest in range of 4% to 6% pa. and originally repayable at maturity of 12 months. However the WDI under existing sanctioned facility expects to convert the outstanding buyers credit and Acceptances for Capital Goods into term loan and hence classified as non current during the current year.
- (g) Rupee Term Loan from Bank of Rs. 938.65 (Previous year Rs.278.15), Buyers credit for capital items of Rs 5.21 (Previous year Rs. Nil) and Acceptances for Capital Goods of Rs. 50.30 (Previous year Rs. Nil) are Secured by first charge ranking pari passu on hypothecation on all movable and immovable property, plant and machinery, intangible assets, insurance policies of the Welspun Metallics Limited (WML) both present and future and Second charge on current assets of the WML. The Term loan from UBI led consortium of Banks are payable in 10 years door to door. The rate of interest of the consortium lenders are linked to respective bank's MCLR plus spread, such that, applicable rate of interest is linked to 8.34% p.a. Buyers credit for capital item and Acceptances for Capital Goods carries an interest in range of 4% to 6% pa. and originally repayable at maturity of 12 months. However the WML under existing sanctioned facility expects to convert the outstanding buyers

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

credit and Acceptances for Capital Goods into term loan and hence classified as non current during the current year.

(h) Rupee Term Loan from Bank of Rs. 147.90 pertaining to Sintex BAPL Ltd (SBAPL) which is secured by first ranking exclusive charge by way of hypothecation over all tangible and intangible movable assets, all bank accounts of the SBAPL both present and future. The Term loan is repayable in 8 years, quarterly repayment starting after a moratorium of 12 months starting from June 30, 2024. The applicable rate of interest is linked to 8.90% p.a.

(i) Rupee Term Loan from Bank of Rs. 0.86 pertaining to Sintex Logistic LLC and is secured against equipment. Term loan is repayable in 60 equal monthly installments starting from the month of July, 2023. It carries a rate of interest of 4.7% p.a.

(j) The amount of Rs. 15.50 (pertaining to Sintex Prefab and Infra Limited) shall be paid in the form of Deferred consideration, not later than 3 years from February 24, 2023. There is no interest component on the borrowings to be accrued pursuant to NCLT scheme.

iii) 6% Cumulative redeemable preference share repayable on September 17, 2023 of 351.51 (March 31, 2022: Rs. Nil)

iv) 12% Non-Cumulative Redeemable Preference Shares

a) Details of Preference Shareholders

i. Reconciliation of the Number of Shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Rs.	Number of shares	Rs.
Preference Shares: Face value of Rs. 10 each				
As at beginning of the year	5,09,04,271	50.90	5,09,04,271	50.90
Shares issued during the year	-	-	-	-
Outstanding at the end of the year	5,09,04,271	50.90	5,09,04,271	50.90

ii. Details of Preference Shareholders holding more than 5% shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% Held	Number of shares	% Held
Right Growth Trading Private Limited	5,09,04,271	100%	5,09,04,271	100%

iii. Rights, Preference and Restriction attached to Preference Shares:

- The non-cumulative redeemable preference shares carry dividend of 12% per annum;
- The non-cumulative redeemable preference shares are redeemable at par on February 19, 2033 or any date before based on the availability of the cash flow.
- Preference shares does not carry any voting rights in the Company, except as provided in the Companies Act, 2013. Preference share will have priority over equity shares in the payment of dividend and repayment of capital.

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

- Refer note 63 for recognition of the fair value of the preference shares.

	As at March 31, 2023
12% Non-cumulative redeemable preference shares	
Face value	50.90
Equity component	37.75
Accumulated Interest expense	3.51
Interest paid	-
Non-current borrowings portion	16.66

- Inter Corporate Deposits and Loan from Related Party are repaid during the year. The Interest rate varies between 6.00% to 12.00%

19 (b) Current borrowings

	As at March 31, 2023	As at March 31, 2022
Secured		
Working capital loan from banks (refer notes (i) below)	222.76	0.92
Supplier Finance Facility (refer note (i))	-	3.04
Buyers' Credit from banks (refer note (i) and (ii)(d) below)	-	8.70
Short Term Loan from Banks (refer note (ii)(d) below)	-	47.94
Unsecured		
Working capital loan from banks (refer note (ii)(b) below)	90.00	315.00
Buyers' Credit from banks (refer note (i) and (ii)(c) below)	112.94	-
Commercial papers (refer note (ii)(a) below)	-	170.00
Total	425.70	545.60
Add: Current maturities of long term borrowings	964.27	46.42
	1,389.97	592.02

(i) Nature of security for current borrowings

Working capital loans facilities including cash credit from Banks Rs. 157.00 (March 31, 2022: Rs. 0.15) Secured by first charge ranking pari passu on hypothecation of raw materials, finished goods, work-in-progress, goods-in-transit, stores and spares and trade receivables of the Company and second charge on all movable and immovable property, plant and equipment of the Company both present and future. Carrying interest which is linked to 1 month - Treasury Bill carrying rate of 7.53% to 7.60% from banks repayable in the month of May 2023 and June 2023 for Rs 37 and Rs 120 respectively (March 31, 2022: Repayable on demand).

Working capital loans from Banks Rs. 5.04 repayable on demand (March 31, 2022: Rs. 3.82) of Welspun Specialty Solutions Limited (WSSL) from Banks are secured by way of first charge against Current Assets and second charge against Property, Plant and Equipment's of the WSSL.

Working capital loans from Banks Rs. 25 repayable on demand (March 31, 2022: Rs Nil) of Welspun Metallics Limite (WML) from Banks are secured by way of first charge against Current Assets and second charge against Property, Plant and Equipment's of the WML.

Working capital loans from Banks Rs. 35.72 repayable on demand (March 31, 2022: Rs Nil) of Welspun DI Pipes Limited (WDI) from Banks are secured by way of first charge against Current Assets and second charge against Property, Plant and Equipment's of the WDI.

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Buyers' Credit from banks and Short Term Loan from Banks of Rs. Nil (Previous year Rs. 6.30) is Secured by first charge ranking pari passu on hypothecation on all movable and immovable property, plant and machinery, intangible assets, insurance policies of the Welspun DI Pipes Limited and both present and future.

Buyers' Credit from banks and Short Term Loan from Banks of Rs. Nil (Previous year Rs. 50.34) is Secured by first charge ranking pari passu on hypothecation on all movable and immovable property, plant and machinery, intangible assets, insurance policies of the Welspun Metallics Limited and both present and future.

(ii) Terms of repayment and interest

- Commercial papers carry an interest of Nil (March 31, 2022: 4.45%-4.75%) and are repaid during the year (March 31, 2022: April 18, 2022 - Rs. 20, May 31, 2022 - Rs. 100 and June 10, 2022 - Rs. 50).
- Working capital loan from banks carrying interest at 7.55% and repayable in 120 days ending on May 2023 for loans outstanding as on March 31, 2023 and for previous year it was carrying interest rate of 4.5% to 4.65% and were repayable on demand.
- Buyers credit carry an interest linked to SOFR at 7.75% p.a. and repayable in April 2023.
- Buyers credit and Short Term Loan from Banks carry an interest of the consortium lenders are linked to respective bank's MCLR plus spread, such that, applicable rate of interest is linked to 8.30% p.a.

(iii) Net debt reconciliation

	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	(1,016.34)	(640.21)
Current investments	(976.02)	(1,493.18)
Non-current borrowings*	2,892.18	1,485.09
Current borrowings	425.70	545.60
Lease liabilities (current and non-current)	45.54	35.48
	1,371.06	(67.22)

	Financial assets		Financial liabilities			Total (F) = (A)+(B)-(C)- (D)-(E)
	Cash and cash equivalents (A)	Current investments (B)	Non-current borrowings* (C)	Current borrowings (D)	Lease liabilities (E)	
Net debts as at April 01, 2021	169.80	1,151.07	(807.20)	(155.54)	(58.26)	299.87
Interest accrued as at April 01, 2021			(6.71)			(6.71)
Cash flow (net)	470.41	338.09	(316.28)	(390.44)	15.66	117.44
Foreign exchange adjustments (net)	-	-	(0.03)		0.47	0.44
Interest expenses			(40.71)	(34.71)	(3.15)	(78.57)
Interest paid			38.03	35.52		73.55
Prepaid interest				(0.81)		(0.81)
Other non cash adjustments						
Fair value adjustment	-	(5.98)	-	-	-	(5.98)
Unapplied advance with asset management company for purchase of mutual funds units		10.00				10.00
Preference share issued on account of merger (refer note 56)	-		(351.51)			(351.51)
Others	-	-	(0.68)	0.38	9.80	9.50
Net debts as at March 31, 2022	640.21	1,493.18	(1,475.84)	(545.60)	(35.48)	76.47

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Financial assets		Financial liabilities			Total (F) = (A)+(B)-(C)- (D)-(E)
	Cash and cash equivalents (A)	Current investments (B)	Non-current borrowings* (C)	Current borrowings (D)	Lease liabilities (E)	
Interest accrued as at March 31, 2022			(9.25)			(9.25)
Cash flow (net)	376.13	(543.75)	(1,416.78)	110.14	95.46	(1,378.80)
Foreign exchange adjustments (net)	-	-	(0.47)	-	2.08	1.61
Interest expenses	-	-	(114.80)	(53.92)	(3.42)	(172.14)
Interest paid	-	-	123.75	53.92	-	177.67
New Lease	-	-	-	-	(104.18)	(104.18)
Other non cash adjustments						
Fair value adjustment	-	26.59	-	-	-	26.59
Others	-	-	(19.88)	9.76	-	(10.12)
Net debts as at March 31, 2023	1,016.34	976.02	(2,890.51)	(425.70)	(45.54)	(1,369.39)
Interest accrued as at March 31, 2023			(22.76)			(22.76)

* Includes interest accrued and current portion of long-term borrowings.

20 OTHER FINANCIAL LIABILITIES

20 (a) Non-current

	As at March 31, 2023	As at March 31, 2022
Deposits received		
Related parties (refer note 50)	0.08	0.07
Others	0.17	0.14
Liability to be settled on account of merger (refer note 56)	-	11.22
Interest accrued on loan	-	11.04
Total other non-current financial liabilities	0.25	22.47

20 (b) Current

	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due on borrowings	1.67	9.25
Interest accrued but not due on acceptances and others	43.85	1.36
Unclaimed dividend (refer note 15)	1.09	0.85
Trade deposits	41.57	2.04
Deposits received	10.84	0.07
Capital creditors	97.87	275.80
Liability towards claims	0.47	0.43
Derivatives not designated as hedges		
Forward contracts	3.27	1.34
Derivatives designated as hedges		
Forward contracts	6.50	19.18
Other payables to related parties (refer note 50)	1.05	-
Other payables (majorly consists of transfer fee payable and stamp duty payable)	41.57	0.14
Total other current financial liabilities	249.75	310.46
Total other financial liabilities	250.00	332.93

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

21 PROVISIONS

21 (a) Non-current

	As at March 31, 2023	As at March 31, 2022
Employee benefit obligations		
Gratuity (refer note 39)	20.79	5.41
Leave obligations (refer note 39)	6.70	0.48
Other provisions		
Provision for litigation/ disputes (refer note 40 and 41)	0.22	-
Total non-current provisions	27.71	5.89

21 (b) Current

	As at March 31, 2023	As at March 31, 2022
Employee benefit obligations		
Gratuity (refer note 39)	7.30	5.25
Leave obligations (refer note 39)	10.44	7.96
Other provisions		
Provision for claims (refer note 40 and 41)	19.76	18.25
Provision for litigation/ disputes (refer note 40 and 41)	48.07	50.12
Total current provisions	85.57	81.58
Total provisions	113.28	87.47

22 DEFERRED TAX LIABILITIES (NET) (REFER NOTE 38)

	As at March 31, 2023	As at March 31, 2022
The balance comprises temporary differences attributable to Deferred tax liabilities		
Property, plant and equipment	213.62	214.59
Fair valuation of investments	5.94	5.57
Undistributed profit of subsidiary and joint venture	42.51	19.62
	262.07	239.78
Set-off of deferred tax assets pursuant to set-off provisions		
Deferred tax asset		
Employee benefit obligations	4.44	4.16
Expenses deductible on payment basis	6.10	10.10
Allowance for doubtful debts and advances, provision for litigations/disputes/claims	20.62	28.30
Government grants	17.71	22.86
Cash flow hedging reserve	1.38	4.18
Lease liability (net of right-of-use-asset)	0.87	1.19
State tax deduction	1.69	2.35
Inventory write down	2.86	4.99
Unabsorbed depreciation	23.28	22.77
Others	3.65	0.47
	82.60	101.37
Total deferred tax liabilities (net)	179.47	138.41

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

23 GOVERNMENT GRANTS

	As at March 31, 2023	As at March 31, 2022
Opening balance	90.84	111.32
Grants during the year	134.42	-
Less: Recognised in the statement of profit and loss (refer note 27)	34.96	20.48
Closing balance	190.30	90.84
Total government grants	190.30	90.84
Non Current	160.95	70.36
Current	29.35	20.48
Total government grants	190.30	90.84

Note: Government grants mainly in relation to:

- Welspun Corp Limited entitled to VAT Incentive, on its investment in the eligible property plant and equipment, on fulfilment of the conditions stated in the scheme.
- Welspun Metalics Limited and Anjar TMT Steel Private Limited were entitled to SGST incentive, on its investments in the eligible property, plant and equipment on fulfilment of the conditions stated in the scheme. These companies has followed net basis of accounting of government grants. As per this method, the balance sheet would reflect the cumulative net amount of grant that has been amortised to date and the cash that has been received / reasonably assured to be received under the terms of the grant and corresponding government grant is recognized in the statement of profit and loss.
- Welspun Metalics Limited and Welspun DI Pipes Limited has availed the benefit of Export Promotion Capital Goods (EPCG) scheme provided by the Government of India (Ministry of Commerce and Industry) on import of property, plant and equipment. These companies have recognised assets and corresponding liability as deferred income.

24 OTHER CURRENT LIABILITIES

	As at March 31, 2023	As at March 31, 2022
Trade advances		
Related parties (refer note 50)	-	0.16
Others	3,087.27	324.45
Statutory dues payable	51.32	19.14
Employee dues payable	28.20	15.76
Other payables	4.67	1.87
Total other current liabilities	3,171.46	361.38

25 TRADE PAYABLES

	As at March 31, 2023	As at March 31, 2022
Current		
Trade payables: dues of micro and small enterprises	17.57	3.09
Trade payables other than above:		
Trade payables for acceptances	1,207.51	613.44
Trade payable to related parties (refer note 50)	42.18	47.54
Trade payables others	1,306.96	319.93
	2,556.65	980.91
Total trade payables	2,574.22	984.00

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Ageing for trade payable as at March 31, 2023 is as follows:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Payables							
(i) Micro enterprise and small enterprises	0.28	5.70	11.59	-	-	-	17.57
(ii) Others	266.10	1,910.51	362.22	8.21	4.87	4.74	2,556.65
Total	266.38	1,916.21	373.81	8.21	4.87	4.74	2,574.22

Ageing for trade payable as at March 31, 2022 is as follows:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Payables							
(i) Micro enterprise and small enterprises	-	3.08	0.01	-	-	-	3.09
(ii) Others	99.26	310.34	540.14	31.17	-	-	980.91
Total	99.26	313.42	540.15	31.17	-	-	984.00

26 CURRENT TAX LIABILITIES (NET)

	As at March 31, 2023	As at March 31, 2022
Opening balance	589.64	506.91
Addition pursuant to business combination (refer note 56)	(16.73)	-
Add: Current tax payable for the year (refer note 36)	170.58	229.71
Add: Interest on Income tax	4.00	1.00
Add: Exchange difference	7.55	0.86
Less: Taxes paid net of refunds (including tax deducted at source)	(119.48)	(151.31)
	635.56	587.17
Shown under Current tax assets (refer note 16)	19.18	2.21
Closing balance	654.74	589.38

27 REVENUE FROM OPERATIONS

	Year ended March 31, 2023	Year ended March 31, 2022
(a) Sale of products and services		
Finished goods	9,444.15	6,150.83
Traded goods	36.47	151.75
Sale of services	6.44	26.60
Total sale of products and services	9,487.06	6,329.18

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
(b) Other operating income		
Government grants		
Deferred grant income (related to VAT incentive)	20.48	20.48
SGST Incentive Income	12.27	-
Export obligation deferred income amortization	2.21	-
Export benefits	35.96	19.04
Payroll incentive income	-	0.57
Employee retention credit	-	7.27
Scrap sale	183.34	61.79
Provision/ liability no longer required written back	3.29	3.61
Others (mainly comprises of recovery of claims from cutomers)	13.49	63.17
Total other operating income	271.04	175.93
Total revenue from operations	9,758.10	6,505.11

The Group is primarily engaged in the business of manufacture and distribution of steel products and others (including plastic products) and revenue from such products is derived from transfer at a point in time which is shown under sale of products as above.

Reconciliation of revenue recognised with contract price:

	Year ended March 31, 2023	Year ended March 31, 2022
Contract price	9,755.54	6,524.25
Adjustments for:		
Discount	-	(3.71)
Liquidated damages and quality claims	2.56	(15.43)
Total revenue from operations	9,758.10	6,505.11

28 OTHER INCOME

	Year ended March 31, 2023	Year ended March 31, 2022
Interest income		
Loan to related party (refer note 50)	2.62	2.66
Current investments	68.37	104.76
Fixed deposits	8.00	4.27
Income tax refund	0.10	14.81
Others (mainly comprises of interest earned on sale/discarding of tangible assets and from customer)	13.15	38.24
Dividend income on		
Non-current investments	0.57	0.10
Current investments	-	0.17
Net gain on sale/redemption of		
Non-current investments (refer note 7 and 51)	54.52	359.02
Current investments	-	5.77
Other non-operating income		
Rental income from Investment properties (refer note 49)	2.58	1.68
Rental income: Others	1.41	1.97
Net exchange differences	6.45	0.50

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
Commission income (refer note 50)	-	7.10
Fair value gain on investment (net)	36.05	-
Profit on sale/ discarding of tangible assets and investment properties (net) (refer note 57 and (i) below)	111.81	-
Reversal of allowance for doubtful debts	0.15	-
Miscellaneous income (mainly comprises of insurance claim received, etc)	14.20	10.17
Total other income	319.98	551.22

Note:

(i) Includes gain of Rs. 6.37 on sale of investment property (March 31, 2022: Nil)

29 COST OF MATERIALS CONSUMED

	Year ended March 31, 2023	Year ended March 31, 2022
Raw materials at the beginning of the year	444.85	205.43
Add: Added on acquisition of Subsidiary	27.42	-
Add: Purchases	11,230.52	4,405.35
Less: Raw materials at the end of the year	2,859.64	444.12
Net exchange differences on translation of foreign operations	22.06	0.83
Total cost of materials consumed	8,865.21	4,167.49

30 PURCHASES OF STOCK-IN-TRADE

	Year ended March 31, 2023	Year ended March 31, 2022
Purchase of stock-in-trade	27.78	137.60
Total purchase of stock-in-trade	27.78	137.60

31 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance		
Work-in-progress	68.68	33.34
Finished goods	337.05	816.40
Total opening balance	405.73	849.74
Closing balance		
Work-in-progress	235.11	68.68
Finished goods	1,837.26	337.05
Total closing balance	2,072.37	405.73
Net exchange differences on translation of foreign operations	27.63	8.94
Total changes in inventories of finished goods, stock-in-trade and work-in-progress	(1,639.01)	452.95

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

32 EMPLOYEE BENEFIT EXPENSE

	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	499.52	354.65
Contribution to provident and other funds (refer note below)	18.69	14.65
Employee share-based payment expenses (refer note 60)	5.58	0.61
Gratuity expense (refer note 39)	3.91	4.47
Staff welfare expenses	13.35	9.10
Total employee benefit expense	541.05	383.48

Note:

Defined contribution plans

- Employers' contribution to Provident Fund and Employee's Pension Scheme, 1995
- Employees' State Insurance Act, 1948
- Superannuation fund
- Contribution to 401 (k) retirement savings plan

During the year, the Group has recognised the following amounts in the statement of profit and loss

	Year ended March 31, 2023	Year ended March 31, 2022
Employer's contribution to Provident Fund	11.39	9.65
Employer's contribution to Employees State Insurance	0.11	0.09
Employer's contribution to Employees Pension Scheme	1.22	1.19
Employer's contribution to Superannuation Fund	0.53	0.46
Contribution to 401 (k) retirement savings plan	5.44	3.26
Total expenses recognised in the statement of profit and loss	18.69	14.65

33 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of property, plant and equipment and investment property (refer note 3(a) and 4)	284.23	234.15
Amortisation of intangible assets (refer note 5)	2.51	3.94
Depreciation of right-of-use assets (refer note 3(b))	16.23	16.66
Total depreciation and amortisation expense	302.97	254.75

34 OTHER EXPENSES

	Year ended March 31, 2023	Year ended March 31, 2022
Consumption of stores and spares	258.91	132.73
Labour charges	121.09	21.84
Coating and other job charges	22.52	12.24
Power, fuel and water charges	305.61	162.39
Freight, material handling and transportation	430.37	336.06
Rental charges (refer note 3(b))	13.33	2.75
Rates and taxes	9.96	9.63

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Year ended March 31, 2023		Year ended March 31, 2022
Repairs and maintenance			
Plant and machinery	14.65		9.63
Buildings	1.37		5.75
Others*	27.85		21.39
Travelling and conveyance expenses	21.18		10.99
Communication expenses	3.41		2.93
Legal and professional fees	101.78		77.25
Insurance	21.11		18.08
Directors' sitting fees	0.97		1.06
Printing and stationery	0.88		0.84
Security charges	7.07		4.48
Membership and subscription	4.30		3.16
Vehicle expenses	1.55		1.20
Net exchange differences	42.08		-
Payment to auditors	3.80		2.81
Sales promotion expenses	7.91		4.64
Commission on sales to agents	40.01		4.75
Allowance for doubtful debts, Loans and advances and Provisions for litigation/dispute (net)	(24.61)		(9.68)
Allowance for doubtful loans (refer note 50)	(3.53)		-
Provision for diminution in value of Investment	0.10		-
Loss on sale of current investments (net)	9.46		-
Bad debts recovery	(8.94)		-
Bad debts expenses		0.24	
Less: Allowance for doubtful debts	-	(0.24)	-
Loss on disposal of property, plant and equipment (net)	-		7.00
Expenditure towards corporate social responsibility (refer notes (ii) below and 50)	6.78		6.31
Fair valuation loss on investments (net)	-		15.05
Fair value losses on derivatives not designated as hedges (net)	-		0.01
Donation (refer note (i) below)	13.00		-
Miscellaneous expenses	24.53		26.60
Total other expenses	1,478.50		891.89

*Amount mainly consist of computer maintenance expenses

(i) It includes donation in electoral bonds to the political party ₹ 13 (March 31, 2022: ₹ Nil).

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
ii) Corporate social responsibility expenditure		
Contribution to Welspun Foundation for Health & Knowledge	6.78	6.31
Total corporate social responsibility expenditure	6.78	6.31
Amount required to be spent as per Section 135 of the Companies Act, 2013	6.78	6.31
Amount spent during the year on:		
On purposes other than construction/ acquisition of an asset	6.78	6.31
Amount of expenditure incurred	6.78	6.31
Amount of shortfall for the year	-	-
Amount of cumulative shortfall at the end of the year	-	-
Company has incurred Rs. 6.78 (March 31, 2022: Rs.6.31) during the year towards donation to Welspun Foundation for Health and Knowledge.		

35 FINANCE COSTS

	Year ended March 31, 2023	Year ended March 31, 2022
Interest on financial liabilities not at fair value through profit and loss		
Term borrowings	58.34	4.74
Redeemable non-convertible debentures	33.71	35.97
Current borrowings	33.25	33.04
Others	20.67	1.67
Interest on acceptances and charges on letter of credit	49.79	14.49
Interest on income tax (refer note 26)	4.00	1.00
Interest on Preference share	22.75	-
Interest and finance charges on lease liability (refer note 3(b))	3.42	3.15
Others finance cost	17.23	7.83
Total finance cost	243.16	101.89

36 INCOME TAX EXPENSE

	Year ended March 31, 2023	Year ended March 31, 2022
(i) Income tax expenses		
Current tax		
Current tax on profits for the year	162.79	228.99
Adjustments for current tax of prior years	7.79	0.72
Total current tax	170.58	229.71
Deferred tax (refer note 38)		
Decrease in deferred tax assets	(75.41)	22.15
Increase/ (decrease) in deferred tax liabilities	39.29	(35.47)
Total deferred tax charge/ (benefit)	(36.12)	(13.32)
Total Current tax	134.46	216.39

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

37 RECONCILIATION OF TAX EXPENSE AND THE ACCOUNTING PROFIT MULTIPLIED BY INDIA'S TAX RATE

	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax	333.63	660.56
Tax rate	25.168%	25.168%
Tax at normal rate	83.97	166.25
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income		
Expense on which no deferred tax was required to be recognised	15.87	10.15
Tax effect of current year losses on which no deferred tax asset is recognized	7.68	11.70
Items subject to differential tax rate	(1.68)	-
Adjustments for current tax of prior years	7.53	0.72
Tax on distributed earning relating to subsidiaries and joint ventures	-	36.30
Tax on undistributed earning relating to subsidiaries and joint ventures/associates	21.11	(0.46)
Differences in subsidiary tax rates	29.62	-
Tax effect of share of profit of associate which is considered net of tax in profit before tax	(18.38)	1.38
Differences in overseas tax rates	(1.15)	(3.86)
Items on which deferred tax was not recognised in the earlier years	(10.26)	-
Others	0.15	(5.79)
Total income tax expense	134.46	216.39

	As at March 31, 2023	As at March 31, 2022
Unused tax losses and unabsorbed depreciation on which no deferred tax asset is recognized in Balance Sheet		
Unused Tax losses	1,057.11	256.63
Unabsorbed Tax depreciation	1,160.57	414.98
Total	2,217.68	671.61

- (i) Unabsorbed depreciation does not have any expiry period under the Income Tax Act 1961.
- (ii) The Tax benefits for the losses would expire if not utilized starting from financial year 2023-24 to 2029-30.
- (iii) No Deferred Tax Asset is recognized in absence of reasonable certainty that taxable income will be generated by Welspun Speciality Solutions Limited, Sintex Prefab & Infra Limited and Sintex BAPL Limited to offset the losses.
- (iv) There are certain income-tax related legal proceedings which are pending against the Group. Potential liabilities, if any have been adequately provided for, and the Group does not currently estimate any probable material incremental tax liabilities in respect of these matters.

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

38 MOVEMENT IN DEFERRED TAX LIABILITIES AND DEFERRED TAX ASSETS (REFER NOTES 10 AND 22)

	Deferred tax assets											Deferred tax liabilities		Net deferred tax liabilities							
	Property, plant and equipment	Fair value of investments	Undistributed profit of subsidiary and joint venture	Others	Total deferred tax liabilities	Employee benefits obligations	Expenses deductible on payment basis	Allowance for doubtful debts and advances, provision for litigations/ disputes/ claims	Unabsorbed business losses	Unabsorbed depreciation	Fair value of investments	Government grants	Cash flow hedging reserve		Lease liability (net of right-of-use-asset)	State tax deduction	Product compensation and claims	Inventory write down	Others	Total deferred tax assets	
As at April 01, 2021	237.82	8.34	19.38	0.21	265.75	9.41	6.49	31.88	-	21.86	-	28.01	0.84	0.61	2.42	4.22	8.02	1.51	115.27	150.48	
Recognised in the statement of profit and loss	(26.55)	(8.34)	0.24	(0.82)	(35.47)	(4.58)	3.61	(3.58)	-	0.91	(5.58)	(5.15)	-	0.58	(0.07)	(4.22)	(3.03)	(1.04)	(22.15)	(13.32)	
other comprehensive income	-	-	-	-	-	(0.65)	-	-	-	-	-	3.34	-	-	-	-	-	-	-	2.69	(2.69)
Exchange difference on translation of foreign operations	3.30	-	-	0.61	3.91	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.91
As at March 31, 2022	214.57	-	19.62	-	234.19	4.18	10.10	28.30	-	22.77	(5.58)	22.86	4.18	1.19	2.35	-	4.99	0.47	95.81	138.38	
Recognised in the statement of profit and loss	16.35	0.05	22.89	-	39.29	0.57	(4.00)	(7.68)	93.80	0.51	(0.36)	(7.78)	0.20	(0.24)	(0.66)	-	(2.13)	3.18	75.41	(36.12)	
other comprehensive income	-	-	-	-	-	(0.03)	-	-	-	-	-	-	(2.91)	-	-	-	-	-	(2.94)	2.94	
Exchange difference on translation of foreign operations	8.56	-	-	-	8.56	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.56	
As at March 31, 2023	239.48	0.05	42.51	-	282.04	4.72	6.10	20.62	93.80	23.28	(5.94)	15.08	1.47	0.95	1.69	-	2.86	3.65	168.28	113.76	

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

39 EMPLOYEE BENEFIT OBLIGATIONS

(i) Leave obligations

The leave obligations cover the Group's liability for earned leave.

(ii) Post-employment obligations - gratuity

The Company and its subsidiaries incorporated in India have a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. The plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen day wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned. The gratuity plan is a funded plan and the Company and its subsidiaries incorporated in India makes contributions to recognised funds in India.

This defined benefit plans expose the Company and its subsidiaries incorporated in India to actuarial risks, such as interest rate risk and market (investment) risk.

Balance sheet amounts - gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligations over the year are as follows:

	Present value of obligations	Fair value of plan assets	Net amount
April 01, 2021	32.59	(4.17)	28.42
Current service cost	2.62	(0.02)	2.60
Interest expense/ (income)	2.22	(0.36)	1.86
Total amount recognised in profit or loss*	4.84	(0.38)	4.46
Remeasurements			
Return on plan assets excluding amount included in interest income	-	0.19	0.19
Experience gain	(1.71)	0.01	(1.70)
Gain from change in financial assumptions	(0.94)	-	(0.94)
Total amount recognised in other comprehensive income	(2.65)	0.20	(2.45)
Benefit payments	(6.16)	6.04	(0.12)
Contribution Employers	-	(18.86)	(18.86)
Adjustment due to transfer out	(0.79)	-	(0.79)
March 31, 2022	27.83	(17.17)	10.66
	Present value of obligations	Fair value of plan assets	Net amount
April 01, 2022	27.83	(17.17)	10.66
Addition pursuant to business combination (refer note 56)	15.55	(1.70)	13.85
Current service cost	3.15	(0.01)	3.14
Interest expense/ (income)	1.99	(1.22)	0.77
Total amount recognised in profit or loss	5.14	(1.23)	3.91
Remeasurements			
Return on plan assets excluding amount included in interest income	-	0.71	0.71
Experience losses/ (gains)	(0.02)	-	(0.02)
Gain from change in financial assumptions	(0.72)	-	(0.72)
Total amount recognised in other comprehensive income	(0.74)	0.71	(0.03)
Benefit payment	(1.51)	1.21	(0.30)
March 31, 2023	46.27	(18.18)	28.09

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

(iii) The net liability disclosed above relating to funded and unfunded plans are as follows

	As at March 31, 2023	As at March 31, 2022
Present value of funded obligations	42.57	25.05
Fair value of plan assets	(18.18)	(17.17)
Deficit of funded plan	24.39	7.88
Unfunded plan	3.70	2.78
Deficit of gratuity plan	28.09	10.66
Non-current provision (refer note 21(a))	20.79	5.41
Current provision (refer note 21(b))	7.30	5.25

(iv) Significant actuarial assumptions are as follows:

	As at March 31, 2023	As at March 31, 2022
Discount rate	7.23% - 7.50%	6.80% - 7.38%
Salary growth rate	4.00% - 7.00%	4.00% - 6.00%

(v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is

Assumptions	Impact on defined benefit obligation							
	Change in assumption (%)		Increase in amount				Decrease in amount	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022		
Discount rate	1.00%	1.00%	Decrease by 4.39	2.61	Increase by 6.62	2.39		
Salary growth rate	1.00%	1.00%	Increase by 6.83	2.68	Decrease by 4.36	2.39		

(vi) Risk exposure

Through its defined benefit plans, the Company and its subsidiaries incorporated in India are exposed to a number of risks, the most significant of which is asset volatility. The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The plan assets are invested by the Company and its subsidiaries incorporated in India in Kotak Group Gratuity Fund wholly with Kotak Life Insurance and India First Employee Benefit Plan wholly with India First Life Insurance Company Ltd. The plan assets have been providing consistent and competitive returns over the years. The Company and its subsidiaries incorporated in India intend to maintain this investment in the continuing years.

(vii) Defined benefit liability and employer contributions

Expected contribution to post-employment benefit plans for the year ending March 31, 2024 is Rs. 5.91 (March 31, 2023: Rs. 5.02).

The The weighted average duration of the defined benefit obligation is 10 years (March 31, 2022 - 10 years). The expected maturity analysis of undiscounted gratuity benefits is as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2023					
Defined benefit obligations- Gratuity	5.44	3.76	16.66	21.76	47.62
March 31, 2022					
Defined benefit obligations- Gratuity	2.10	2.16	9.97	13.71	27.94

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

40 MOVEMENTS IN PROVISION FOR LITIGATION/ DISPUTES AND CLAIMS (REFER NOTE 21 (A) AND (B))

Movements in each class of provisions during the financial year ended March 31, 2023 are set out below:

	As at March 31, 2023					
	Excise Duty	Service Tax	Value Added Tax	Provident Fund (Refer note 41)	Others	Total
Opening balance as at April 01, 2022	12.00	9.79	6.11	21.90	18.57	68.37
Provided during the year	-	-	-	-	1.50	1.50
Provision reversed during the year	(1.82)	-	-	-	-	(1.82)
Closing balance as at March 31, 2023	10.18	9.79	6.11	21.90	20.07	68.05

Movements in each class of provisions during the financial year ended March 31, 2022 are set out below:

	As at March 31, 2022					
	Excise Duty	Service Tax	Value Added Tax	Provident Fund (Refer note 41)	Others	Total
Opening balance as at April 01, 2021	12.00	9.79	6.11	21.90	17.99	67.79
Provided during the year	-	-	-	-	1.05	1.05
Provision reversed during the year	-	-	-	-	(0.47)	(0.47)
Closing balance as at March 31, 2022	12.00	9.79	6.11	21.90	18.57	68.37

Note: There are uncertainties regarding the timing and amount of the provisions. Changes in underlying facts and circumstances for each provision could result in differences in the amounts provided for and the actual cash outflow.

- 41** Pursuant to the Supreme Court Judgment in the case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952, and subsequent dismissal of the review petition filed against the Judgment, the Company and Welspun Tradings Limited, subsidiary of the Company had assessed the impact and on conservative basis made provision (presented under Non-current) of Rs. 21.90 (March 31, 2022: Rs. 21.90).

The Company and its subsidiaries Welspun Tradings Limited and Welspun Speciality Solutions Limited have changed its salary structure in the month of June 2020 w.e.f. April 01, 2020, to comply with above judgment.

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

42 FAIR VALUE MEASUREMENTS

Financial instruments by category

	As at March 31, 2023		As at March 31, 2022	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
Investments				
Equity instruments	0.70	-	387.04	-
Bonds	600.95	-	1,324.83	-
Government securities	2.50	-	50.43	-
Mutual funds	372.57	-	117.92	-
Others	0.01	-	0.01	-
Loans	-	0.17	-	0.30
Trade Receivables	-	1,140.47	-	812.56
Cash and cash equivalents	-	1,016.34	-	640.21
Bank balances other than cash and cash equivalents	-	185.95	-	61.27
Other financial assets				
Margin money deposits	-	2.53	-	1.34
Security deposits	-	25.00	-	162.16
Derivatives not designated as hedge				
Forward contracts	1.03	-	0.74	-
Others	-	82.07	-	37.11
Total financial assets	977.76	2,452.53	1,880.97	1,714.95
Financial liabilities				
Borrowings (includes interest accrued and current maturities of long-term borrowings)	16.66	3,322.31	-	2,030.69
Trade payables	-	2,574.22	-	984.00
Other financial liabilities				
Derivatives not designated as hedge				
Forward contracts	3.27	-	1.34	-
Others	-	217.47	-	303.16
Total financial liabilities	19.93	6,114.00	1.34	3,317.85

Note: Note: Derivatives designated as hedges are fair valued through Other Comprehensive Income and hence not included as a part of the above table.

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVPL				
Equity instruments	-	-	0.70	0.70
Bonds	-	600.95	-	600.95
Government securities	-	2.50	-	2.50
Mutual fund	372.57	-	-	372.57
Others	-	-	0.01	0.01
Derivatives not designated as hedges				
Forward contracts	-	1.03	-	1.03
Total financial assets	372.57	604.48	0.71	977.76
Financial liabilities				
Borrowings (liability component of Compound financial instrument)	-	-	16.66	16.66
Derivatives designated not as hedges				
Forward contracts	-	3.27	-	3.27
Total financial liabilities	-	3.27	16.66	19.93

Assets and liabilities which are measured at amortised cost for which fair value are disclosed as at March 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets				
Loans				
Loans to employees	-	-	0.17	0.17
Other financial assets				
Security deposits	-	-	25.00	25.00
Margin money deposits	-	-	2.53	2.53
Others	-	-	82.07	82.07
Total financial assets	-	-	109.77	109.77
Financial liabilities				
Borrowings (includes interest accrued and current maturities of long-term debt)	-	-	3,322.31	3,322.31
Other financial liabilities				
Others	-	-	217.47	217.47
Total financial liabilities	-	-	3,539.78	3,539.78

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVPL				
Equity instruments	-	-	387.04	387.04
Bonds	-	1,324.83	-	1,324.83
Mutual Fund	117.92	-	-	117.92
Government securities	-	50.43	-	50.43
Others	-	-	0.01	0.01

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Level 1	Level 2	Level 3	Total
Derivatives not designated as hedges				
Forward contracts	-	0.74	-	0.74
Total financial assets	117.92	1,376.00	387.05	1,880.97
Financial liabilities				
Derivatives designated not as hedges				
Forward contracts	-	1.34	-	1.34
Total financial liabilities	-	1.34	-	1.34

Assets and liabilities which are measured at amortised cost for which fair value are disclosed as at March 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets				
Loans				
Loans to employees	-	-	0.30	0.30
Other financial assets				
Margin money deposits	-	-	1.34	1.34
Security deposits	-	-	162.16	162.16
Others	-	-	37.11	37.11
Total financial assets	-	-	200.91	200.91
Financial liabilities				
Borrowings (includes interest accrued and current maturities of long-term debt)	-	-	2,030.69	2,030.69
Other financial liabilities				
Others	-	-	303.16	303.16
Total financial liabilities	-	-	2,333.85	2,333.85

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below.

Level 1: This hierarchy includes financial instruments measured using quoted prices. The mutual funds are valued using the closing NAV. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. The Group has derivatives which are not designated as hedges, bonds and government securities for which all significant inputs required to fair value an instrument falls under level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted securities.

(ii) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the fair value of forward contracts is determined using forward exchange rates prevailing with Authorised Dealers dealing in foreign exchange.
- the use of Net Assets Value ('NAV') for valuation of mutual fund investment. NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

- the fair value of unquoted bonds and government securities are derived based on the indicative quotes of price and yields prevailing in the market or latest available prices.”

(iii) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended March 31, 2023 and March 31, 2022:

	Unlisted equity shares	Borrowings (liability component of Compound financial instrument)
As at April 01, 2021	80.67	-
Reclassified to amortised cost	(80.55)	-
Interest expenses	-	-
As at March 31, 2022	0.12	-
Reassessment	-	16.66
Reclassified to amortised cost	0.58	-
Interest expenses	-	-
As at March 31, 2023	0.70	16.66

(iv) Valuation inputs and relationships to fair value

	Fair value		Significant unobservable inputs	Probability weighted average		Sensitivity
	As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2022	
Unlisted equity shares	0.70	0.12	Risk adjusted discount rate	-	-	The estimated fair value would not be material on account of increase/ (decrease) if -Discount rate were lower/ (higher)
Borrowings (liability component of Compound financial instrument)	16.66	-	Risk adjusted discount rate	12.05%	-	The estimated fair value would increase by Rs. 1.52 (March 31, 2022 Rs. Nil) if the discount rate were lower by 1% and the same would decrease by Rs. 1.38 (March 31, 2022 Rs. Nil) if the discount rate were higher by 1%.

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

(v) Valuation processes:

The fair value of unlisted equity instruments and unlisted preference shares are determined using discounted cash flow analysis by independent valuer.

(vi) Fair value of Financial assets and liabilities measured at amortised cost

	As at March 31, 2023		As at March 31, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Loans	0.17	0.17	0.30	0.30
Other financial assets				
Margin money deposits	2.53	2.53	1.34	1.34
Others	107.07	107.07	199.27	199.27
Total	109.77	109.77	200.91	200.91
Financial liabilities				
Borrowings (includes interest accrued and current maturities of long-term debt)	3,322.31	3,322.31	2,030.69	2,030.69
Other financial liabilities				
Others	217.47	217.47	303.16	303.16
Total	3,539.78	3,539.78	2,333.85	2,333.85

- The carrying amount of trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, loans, other financial assets, borrowings, trade payables and other financial liabilities are a reasonable approximation of their fair value, due to their short-term nature.
- The fair values and carrying value of loans, other financial assets, borrowings and other financial liabilities (other than those covered in above note (a)) are materially the same.

(vii) Classification of interest income by instrument category

	Year ended March 31, 2023	Year ended March 31, 2022
Interest income at amortised cost:		
Loans to related party	2.62	2.66
Fixed deposits	8.00	4.27
Interest on customers and others	13.15	38.24
Interest income at FVTPL:		
Current investments	68.37	104.76

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

43 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables and other financial assets	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit. Investment guidelines for debt investments and mutual funds
Liquidity risk	Borrowings and other financial liabilities	Borrowings maturity and cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign currency risk	Recognised financial assets and liabilities not denominated in Rupees	Sensitivity analysis	Forward foreign exchange contracts
Market risk – security prices risk	Investments in bonds and mutual funds	Sensitivity analysis	Portfolio diversification

The Group's risk management is carried out by treasury department under policies approved by the board of directors. Treasury department identifies, evaluates and hedges financial risks. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity. There is no change in objectives, policies and process for managing the risk and methods used to measure the risk as compared to previous year.

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. This will effectively result in recognising interest expense at a fixed interest rate for the hedged floating rate loans and inventory at the fixed foreign currency rate for the hedged purchases.

(I) Credit risk

Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with bank, bonds, foreign exchange transactions and other financial instruments

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

a) Trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Receivables are deemed to be past due or impaired with reference to the Group's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. The Group based on past experiences, current conditions and forecasts of future economic conditions does not expect any material loss on its receivables and hence no provision is deemed necessary on account of expected credit loss ('ECL').

The credit quality of the Group's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The Group uses simplified approach (i.e. lifetime expected credit loss model) for impairment of trade receivables/ contract assets. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Group actively seeks to recover the amounts in question and enforce compliance with credit terms.

Past experience, current conditions and forecasts of future economic conditions suggest a low/ minimum credit risk or allowances of debtors. Exposures of trade receivable broken into ageing bucket as per note 13. The Group's trade receivable do not carry a significant financing element. Hence, trade receivables are measured at transaction price. The Group makes a loss allowance using simplified approach for expected credit loss and on a case to case basis.

(II) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities (comprising the undrawn borrowing facilities below), by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

(a) Financing arrangements

The Group had access to the following undrawn borrowing facilities for working capital at the end of the reporting period:

	As at March 31, 2023	As at March 31, 2022
Floating rate		
Expiring within one year	2,440.88	878.94
Expiring beyond one year	311.20	499.42
Total	2,752.08	1,378.36

(b) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

All non-derivative financial liabilities, and

Derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not material.

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

As at March 31, 2023

Contractual maturities of financial liabilities					Total	Carrying value
	< 1 Year	1 - 3 years	3 - 5 years	> 5 years		
Non-derivatives						
Borrowings (includes interest accrued and current maturities of long-term debt)	1,783.64	930.06	668.90	688.75	4,071.35	3,338.97
Lease liabilities	11.45	25.55	8.97	51.25	97.23	45.54
Trade payables	2,574.22	-	-	-	2,574.22	2,574.22
Other financial liabilities	217.47	-	-	-	217.47	217.47
Total non-derivative liabilities	4,586.78	955.61	677.87	740.00	6,960.27	6,176.20
Derivatives						
Forward contracts	9.77	-	-	-	9.77	9.77
Total derivative liabilities	9.77	-	-	-	9.77	9.77

As at March 31, 2022

Contractual maturities of financial liabilities					Total	Carrying value
	< 1 Year	1 - 3 years	3 - 5 years	> 5 years		
Non-derivatives						
Borrowings (includes interest accrued and current maturities of long-term debt)	622.32	1,027.01	480.88	361.21	2,491.42	2,030.69
Lease liabilities	18.35	15.10	0.63	17.65	51.73	35.48
Trade payables	984.00	-	-	-	984.00	984.00
Other financial liabilities	303.15	-	-	-	303.15	303.16
Total non-derivative liabilities	1,927.82	1,042.11	481.51	378.86	3,830.30	3,353.33
Derivatives						
Forward contracts	20.52	-	-	-	20.52	20.52
Total derivative liabilities	20.52	-	-	-	20.52	20.52

(III) Market risk - foreign currency risk

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments, highly probable forecast transactions and foreign currency required at the settlement date of certain receivables/payables. The use of foreign currency forward contracts is governed by the Group's strategy approved by the board of directors, which provide principles on the use of such forward contracts consistent with the Group's risk management policy and procedures.

a) Foreign currency risk exposure

The Group's exposure to foreign currency risk (excluding inter-company eliminations) at the end of the reporting period expressed in equivalent in Rs. is as follows:

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2023			As at March 31, 2022		
	USD	EUR	Others	USD	EUR	Others
Financial assets						
Trade receivables	84.39	8.35	-	133.45	2.98	-
Cash and cash equivalents	3.62	-	-	-	-	-
Bank balances other than cash and cash equivalents	-	0.15	-	-	-	-
Other financial assets	1.05	10.73	-	0.70	-	-
Derivatives not designated as hedges						
Forward contracts (Sell foreign currency)	(196.78)	-	-	(104.13)	(34.31)	-
Derivatives designated as hedges*						
Forward contracts (Sell foreign currency)	(503.33)	(112.36)	-	(369.25)	(41.90)	-
Financial liabilities						
Borrowing	249.68	-	-	5.29	3.79	0.50
Trade payables	673.46	1.23	0.30	549.09	2.29	15.89
Other financial liabilities	17.11	4.10	107.00	183.41	0.46	1.62
Less: Foreign Currency	-	-	-	-	-	-
Derivatives not designated as hedges						
Forward contracts (Buy foreign currency)	(831.82)	(0.12)	(107.03)	(305.11)	(9.05)	(10.12)
Derivatives designated as hedges*						
Forward contracts (Buy foreign currency)	(64.54)	(0.56)	-	(247.36)	(370.95)	(8.55)

* Derivative transactions for highly probable forecast transactions and firm commitments

b) Foreign currency sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and impact on other components of equity arises from foreign forward exchange contracts designated as cash flow hedges.

	Net impact on profit before tax		Net impact on other reserve	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
USD sensitivity				
INR/USD - Increase by 1% (March 31, 2021 - 1%)*	(2.16)	(4.03)	(4.39)	(1.22)
INR/USD - Decrease by 1% (March 31, 2021 - 1%)*	2.16	4.03	4.39	1.22
EURO sensitivity				
INR/EURO - Increase by 1% (March 31, 2021 - 1%)*	0.14	(0.29)	(1.12)	3.29
INR/EURO - Decrease by 1% (March 31, 2021 - 1%)*	(0.14)	0.29	1.12	(3.29)
Other sensitivity				
INR/Other - Increase by 1% (March 31, 2021 - 1%)*	-	(0.08)	-	0.09
INR/Other - Decrease by 1% (March 31, 2021 - 1%)*	-	0.08	-	(0.09)

* Holding all other variables constant

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

(IV) Market risk - interest rate risk

The Group had borrowed funds at both fixed and floating interest rates. The Group's interest rate risk arises from long-term borrowings with variable rates, which exposes the Group to cash flow interest rate risk.

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

a) Interest rate risk exposure

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed rate borrowings	1,062.39	1,605.81
Floating rate borrowings	2,253.82	415.63
Total borrowings	3,316.21	2,021.44

As at the end of the reporting period, the Group had the following variable rate borrowings:

Particulars	As at March 31, 2023	As at March 31, 2022
Floating rate borrowings	2,253.82	415.63
Net exposure to cash flow interest rate risk	2,253.82	415.63

b) Sensitivity

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/ decrease in the fair value of the cash flow hedges related to borrowings.

	Impact on profit before tax		Net impact on other reserve	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Increase by 10 basis points (March 31, 2022 - 10 basis points)*	2.25	0.42	-	-
Decrease by 10 basis points (March 31, 2022 - 10 basis points)*	(2.25)	(0.42)	-	-

* Holding all other variables constant

(V) Investment risk

a) Exposure

The Group is mainly exposed to the price risk due to its investment in mutual funds and bonds. The price risk arises due to uncertainties about the future market values of these investments.

In order to manage its price risk arising from investments in mutual funds, the Group diversifies its portfolio in accordance with the limits set by the risk management policies.

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

b) Sensitivity

The table below summarises the impact of increases/decreases of 1% increase in price of bonds, government securities and mutual funds.

	Impact on profit before tax	
	March 31, 2023	March 31, 2022
Increase in rate 1% (March 31, 2022 - 1%)	9.76	14.93
Decrease in rate 1% (March 31, 2022 - 1%)	(9.76)	(14.93)

(VI) Impact of hedging activities

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward contracts.

a) Disclosure of effects of hedge accounting on financial position

As at March 31, 2023

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge ratio
	Assets	Liabilities	Assets	Liabilities		
Cash flow hedge						
Foreign exchange risk						
Forward contract	615.69	65.10	1.54	6.50	Apr 23 - Dec 23	1:1

As at March 31, 2022

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge ratio
	Assets	Liabilities	Assets	Liabilities		
Cash flow hedge						
Foreign exchange risk						
Forward contract	549.59	951.14	2.95	19.18	Apr 22 - Nov 22	1:1

As at March 31, 2023

Type of hedge	Change in the Value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash Flow Hedge				
Foreign Exchange Risk	(48.50)	-	59.90	Revenue

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

As at March 31, 2022

Type of hedge	Change in the Value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash Flow Hedge				
Foreign Exchange Risk	(31.00)	-	15.63	Revenue

The Group uses forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments, highly probable forecast transactions and foreign currency required at the settlement date of certain receivables/payables. The use of forward contracts is governed by the Group's strategy approved by the board of directors, which provide principles on the use of such forward contracts consistent with the Group's risk management policy.

The Group's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the group uses the hypothetical derivative method to assess effectiveness. Ineffectiveness is recognised on a cash flow hedge and net investment hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In hedges of foreign currency forecast sale and purchase transactions, hedges of interest rate risk and hedges of net investment, as applicable, this may arise if:

- The critical terms of the hedging instrument and the hedged item differ (i.e. nominal amounts, timing of the forecast transaction, interest resets changes from what was originally estimated), or
- Differences arise between the credit risk inherent within the hedged item and the hedging instrument. There were no ineffectiveness recognised in the statement of profit and loss during March 31, 2023 and March 31, 2022.

b) Movements in cash flow hedging reserve

Risk category	Foreign currency risk
Derivative instruments	Forward contracts
Cash flow hedging reserve	
As at April 01, 2021	(2.50)
Changes in fair value of forward contracts	(31.00)
(Gain)/Loss transferred to statement of profit and loss	15.63
Hedging Loss transferred to inventory	1.66
Income tax on amount recognised in hedging reserve	3.34
As at March 31, 2022	(12.87)
Changes in fair value of forward contracts	(48.50)
(Gain)/Loss transferred to statement of profit and loss	59.90
Income tax on amount recognised in hedging reserve	(2.91)
As at March 31, 2023	(4.38)

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

44 CAPITAL MANAGEMENT

(I) Risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the following gearing ratio:

	As at March 31, 2023	As at March 31, 2022
Net debt (total borrowings (including current maturities) and lease liabilities net of cash and cash equivalents, other bank balances and current investments)*	1,183.44	-
Total equity (including non-controlling interests)	4,844.14	4,527.55
Net debt to equity ratio	0.24	-

*The Group had a surplus position of Rs. 137.75 as on March 31, 2022 and hence the net debt as at March 31, 2022 is shown as Rs. Nil.

Loan covenants

The Group has complied with all the loan covenants applicable, mainly fixed assets coverage ratio, debt equity ratio, net debt to earnings before interest tax depreciation and amortisation ratio and total liability to tangible net worth ratio attached to the borrowings.

(II) Dividend

	As at March 31, 2023	As at March 31, 2022
Equity share		
Final dividend for the year ended March 31, 2022 of Rs. 5 (March 31, 2021 - Rs. 5) per fully paid shares	130.47	130.47
Dividend not recognised at the end of the reporting period		
Directors have recommended the payment of a final dividend of Rs. 5 per fully paid equity share (March 31, 2022 - Rs. 5). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	130.77	130.47

45 CONTINGENT LIABILITIES

The Group had contingent liabilities as at the year end in respect of:

	As at March 31, 2023	As at March 31, 2022
Claims against the Group not acknowledged as debts	29.22	29.12
Disputed direct taxes	28.35	22.58
<u>Disputed indirect taxes:</u>		
Central Sales Tax	0.53	0.53
Service Tax	18.64	18.64
Sales tax/ Value Added Tax	143.87	143.87
Duty of Excise	57.06	48.97
Duty of Customs	0.69	0.69
Goods and service tax	0.12	0.41

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Refer note 51(c) for Group's share of contingent liabilities of its joint ventures and associates.

It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of above pending resolution of the respective proceedings.

The Group does not expect any reimbursements in respect of the above contingent liabilities.

46 CAPITAL AND OTHER COMMITMENTS

i) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows

	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account (net of advances)		
Property, plant and equipment (net of capital advances)	69.79	483.38

ii) Other commitments

	As at March 31, 2023	As at March 31, 2022
Corporate guarantees given by the group for loans to joint ventures and others. Loan/ liability outstanding against these guarantees aggregate to Rs. Nil (March 31, 2022: Nil) (refer note 50)	8.67	8.67
Outstanding letters of credit	424.06	687.41
Export obligations for EPCG government grant	733.02	-

47 CORE INVESTMENT COMPANIES (CIC)

Management has assessed that there are three CIC in the Group ('Companies in the Group' is as defined in Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016, as amended).

48 SEGMENT INFORMATION

(i) Identification of Segments:

The Group's operations primarily relates to manufacturing of steel products and plastic products, which has been acquired during the year. The segment information is provided to and reviewed by Chief Operating Decision Maker (CODM). The Group's segments consist of:

1. Steel Products
2. Others (including plastic products)

Segment Information for the year ended March 31, 2023

Sr. No.	Particulars	Year Ended	
		31-Mar-23	31-Mar-22
1) Segment revenue			
a. Steel products		9,747.94	6,505.11
b. Others (including plastic products)		10.16	-
Total Revenue from operations		9,758.10	6,505.11

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Sr. No.	Particulars	Year Ended	
		31-Mar-23	31-Mar-22
2) Segment results			
Profit / (loss) before finance costs (net), non-operating expenses (net), and tax			
a. Steel products		341.84	306.65
b. Others (including plastic products)		(0.83)	-
Total		341.01	306.65
Add: Unallocated income, net of unallocated expense		160.57	461.52
Total Segment results		501.58	768.17
Less: Finance cost		243.16	101.89
Add/(Less): Share of profit/(loss) before Joint venture and Associates		75.21	(5.72)
Profit Before tax		333.63	660.56
3) Segment Assets			
a. Steel products		11,798.67	6,130.67
b. Others (including plastic products)		702.85	-
Total Segment Assets		12,501.52	6,130.67
Add: Unallocated		2,837.84	3,038.21
Total Assets		15,339.36	9,168.88
4) Segment Liabilities			
a. Steel products		10,403.96	6,409.03
b. Others (including plastic products)		739.44	-
Total Segment Liabilities		11,143.40	6,409.03
Add: Unallocated		4,195.96	2,759.85
Total Liabilities		15,339.36	9,168.88

(ii) Information about Secondary Geographical Segments:

External Revenue	Year ended March 31, 2023	Year ended March 31, 2022
Outside India	4,454.40	2,666.29
Within India	5,303.70	3,838.82
Total	9,758.10	6,505.11

Carrying Amount of Segment Assets *	Year ended March 31, 2023	Year ended March 31, 2022
Outside India	608.30	657.21
Within India	4,429.44	3,293.48
Total non-current assets	5,037.74	3,950.69

* Carrying Amount of Segment Assets are Non-Current assets excluding the Tax Assets, Deferred Tax Assets and Financial Assets

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

(iii) Revenue from major external customers (having revenue more than 10% during the year) is as follows:

For the year ended	Number of customers	Amount	% to revenue from operations
March 31, 2023	-	-	-
March 31, 2022	1	669.78	10.30%

Notes:

- (a) The segment revenue in the geographical segments considered for disclosure as follows:
- Revenue within India includes sales to customers located within India and earnings in India.
 - Revenue outside India includes sales to customers located outside India, earnings outside India.
- (b) Segment Revenue and assets include the respective amounts identified to country of domicile viz India and other countries viz out side India and amounts allocated on a reasonable basis.

49 OPERATING LEASE

As a lessor

The Group has entered into operating leases for land and premises. These lease arrangements are both cancellable and non-cancellable in nature and range for a period between three years to ten years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

Rental income with respect to all operating leases

	Year ended March 31, 2023	Year ended March 31, 2022
Rental income recognised in the statement of profit and loss during the year	2.58	1.68

50 SEGMENT INFORMATION

a) Entities having significant influence

Name	Type	Effective proportion of ownership interest (%)	
		As at March 31, 2023	As at March 31, 2022
Balkrishan Goenka, trustee of Welspun Group Master Trust	Shareholder (refer note 18(a) (iii))	44.76%	44.86%

b) List of Related parties

Relationships	Effective proportion of ownership interest (%)	
	As at March 31, 2023	As at March 31, 2022
Joint venture		
Welspun Wasco Coatings Private Limited	51.00%	51.00%
Associate company		
East Pipes Integrated Company for Industry (Associate company w.e.f. February 14, 2022)	35.01%	35.01%
Welspun Captive Power Generation Limited (Associate company w.e.f. March 16, 2022)	22.90%	22.90%
Clean Max Dhyuthi Private Limited (Associate company of Welspun Metalics Limited, wholly owned subsidiary of the Company) w.e.f. August 01, 2022	26.00%	-

Interest in subsidiaries are set out in note 51

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

c) Key management Personnel

Name	Nature of Relationship
Mr. Balkrishan Goenka	Chairman, Non-Executive Director
Mr. Rajesh Mandawewala	Non Independent, Non-Executive Director
Mr. Vipul Mathur	Managing Director and Chief Executive Officer
Mrs. Dipali Goenka	Non Independent, Non Executive Director
Mr. K.H. Viswanathan	Independent, Non-Executive Director (Ceased w.e.f. July 1, 2022)
Mr. Arun Todarwal	Independent, Non-Executive Director (w.e.f. July 1, 2022)
Mrs. Revathy Ashok	Independent, Non-Executive Director
Mr. Desh Raj Dogra	Independent, Non-Executive Director (Resigned w.e.f. March 14, 2023)
Mrs. Amita Misra	Independent, Non-Executive Director
Mr. Manish Chokhani	Independent, Non-Executive Director (w.e.f. February 2, 2023)
Mr. Anjani K. Agrawal	Independent, Non-Executive Director (w.e.f. April 1, 2023)
Mr. Percy Birdy	Chief Financial Officer
Mr. Pradeep Joshi	Company Secretary

d) List of Other entities over which key management personnel or relatives of such personnel exercise significant influence or control and entities which are members of same Group with whom transaction have taken place during the year

Welspun India Limited
Welspun Foundation for Health and Knowledge
Welspun Realty Private Limited
Welspun Global Brands Limited
Welspun Enterprises Limited
Welspun Anjar SEZ Limited
Welspun Multiventures LLP
Welspun Floorings Limited
MGN Agro Properties Private Limited
Welassure Private Limited
Welspun Global Services Limited
DBG Estates Private Limited
Welspun BAPL Pvt. Ltd. (Formerly known as Plast Auto Pvt. Ltd.)
Welspun Transformation Services Limited
Welspun Advanced Materials (India) Limited
Mounting Renewable Power Limited
Welspun Steel Resources Private Limited
Welspun Steel Limited (Non- Steel Business)

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

e) Disclosure in respect of significant transactions with related parties during the year

	Transactions	
	Year ended March 31, 2023	Year ended March 31, 2022
1) Sale of goods and services		
Welspun India Limited	82.29	33.14
Welspun Captive Power Generation Limited	4.86	7.44
DBG Estates Private Limited	-	5.01
Others	5.69	0.08
Total sale of goods and services	92.84	45.67
2) Other income		
East Pipes Integrated Company for Industry	-	7.13
Welspun Wasco Coatings Private Limited	3.67	3.71
Welspun India Limited	1.57	1.44
Others	1.75	1.18
Total other income	6.99	13.46
3) Purchase of property, plant and equipment and investment property		
Welspun India Limited	1.40	-
Welspun Captive Power Generation Limited	2.66	-
Welspun Global Brands Limited	1.06	-
Welassure Private Limited	1.02	-
Welspun Anjar SEZ Limited	-	21.65
Others	0.20	0.03
Total of purchase of property, plant and equipment and investment property	6.34	21.68
4) Purchase of goods and expenses incurred		
Welspun Captive Power Generation Limited	87.44	82.47
Welspun Realty Private Limited	5.74	5.79
Welspun Wasco Coatings Private Limited	14.09	24.33
Welspun India Limited	25.40	10.02
Welassure Private Limited	33.42	7.46
Welspun Anjar Sez Limited	0.29	0.35
Others	35.74	13.30
Total purchase of goods and expenses incurred	202.12	143.72
5) Sale of property, plant and equipment		
Welspun Floorings Limited	-	0.05
Welspun Multiventures LLP	0.23	-
Total sale of property, plant and equipment	0.23	0.05
6) Corporate social responsibility expenses		
Welspun Foundation for Health and Knowledge	6.78	6.08
Total corporate social responsibility expenses	6.78	6.08
7) Reimbursement of expenses (paid)/ recovered		
East Pipes Integrated Company for Industry	-	18.86
Welspun Wasco Coating Private Limited	1.42	1.16
Welspun Captive Power Generation Limited	0.05	0.10
Welspun India Limited	1.61	(1.44)

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Transactions	
	Year ended March 31, 2023	Year ended March 31, 2022
Welspun Floorings Limited	-	-
Welspun Steel Resources Private Limited	-	67.65
Welspun Enterprises Limited	0.57	0.01
Others	(0.04)	0.34
Total reimbursement of expenses (paid) / recovered	3.61	86.68
8) Loans and deposit received back		
Welspun Realty Private Limited	2.30	2.26
Welspun Wasco Coatings Private Limited	3.53	-
Others	0.04	-
Total Loans and deposit received back	5.87	2.26
9) Provision Write Back		
Welspun Wasco Coating Private Limited	3.53	-
Total provision write back	3.53	-
10) Release of corporate guarantee		
East Pipes Integrated Company for Industry	-	1,901.76
Total release of corporate guarantee	-	1,901.76
11) Non-current investments-Investments in equity instruments of other related party		
Clean Max Dhyuthi Private Limited	7.59	-
Mounting Renewable Power Limited	0.01	-
Welspun Transformation Services Limited	0.57	-
Total Non-current investments-Investments in equity instruments of other related party	8.17	-
12) Impairment of Non-current investments-Investments in equity instruments of other related party		
Mounting Renewable Power Limited	0.01	-
Total Impairment of Non-current investments-Investments in equity instruments of other related party	0.01	-
13) Debentures redeemed		
MGN Agro Properties Private Limited	-	51.00
Total debentures redeemed	-	51.00
14) Loans and deposit taken		
MGN Agro Properties Private Limited	-	90.00
Total loans and deposit taken	-	90.00
15) Debenture issued		
MGN Agro Properties Private Limited	-	51.00
Total debenture issued	-	51.00
16) Impairment on Investments in optionally convertible debentures of other entities		
Mounting Renewable Power Limited	0.10	-
Impairment on Investments in optionally convertible debentures of other entities	0.10	-

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Transactions	
	Year ended March 31, 2023	Year ended March 31, 2022
17) Investment in Optionally convertible debenture of other entities		
Mounting Renewable Power Limited	0.10	-
Total Investments in optionally convertible debentures of other entities	0.10	-
18) Loans, advances and deposits repaid		
MGN Agro Properties Private Limited	-	90.00
East Pipes Integrated Company for Industry	-	0.96
Total loans, advances and deposits repaid	-	90.96
19) Security deposits given		
Welspun India Limited	-	-
Welspun Enterprises Limited	-	0.01
Total security deposits given	-	0.01
20) Key management personnel compensation (refer notes 2 and 3 below)		
Mr. Vipul Mathur		
Short-term employee benefit	11.47	6.00
Mr. Percy Birdy		
Short-term employee benefit	2.31	1.85
Mr. Pradeep Joshi		
Short-term employee benefit	0.74	0.57
Total key management personnel compensation	14.52	8.42
21) Commission expense		
Mr. Balkrishan Goenka	1.16	3.07
Total commission expense	1.16	3.07
22) Directors' sitting fees		
Mr. K.H. Viswanathan	0.09	0.38
Mr. Rajkumar Jain	-	0.01
Mr. Atul Desai	0.01	0.03
Mrs. Revathy Ashok	0.14	0.18
Mr. Desh Raj Dogra	0.20	0.24
Mr. Arun Lalchand Tadarwar	0.31	-
Mr Manish Balkrishan Chokani	0.02	-
Mrs. Amita Misra	0.18	0.19
Total directors' sitting fees	0.95	1.03

Notes:

- (1) Amount is inclusive of applicable taxes
- (2) Remuneration excludes amortization of fair value of employee share based payments under Ind AS 102. Further, Mr. Vipul Mathur has exercised 450,000 stock options of the Company, vested during the year. The perquisite amount of Rs. 4.86 on exercise of these options is considered as a part of his remuneration.
- (3) With respect to post-employment benefits, as these liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not separately determinable and hence not disclosed.

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

f) Disclosure of significant closing balances with related parties

	As at March 31, 2023	As at March 31, 2022
1) Trade and other receivables		
East Pipes Integrated Company for Industry	-	0.73
Welspun Wasco Coatings Private Limited	-	-
Welspun India Limited	9.11	7.56
Welspun Captive Power Generation Limited	0.41	1.43
Welspun Anjar SEZ Limited	2.68	-
Welspun BAPL Pvt. Ltd. (Formerly known as Plast Auto Pvt. Ltd.)	50.00	-
Others	1.58	0.49
Total trade and other receivables	63.78	10.21
2) Trade payables		
Welspun Captive Power Generation Limited	22.54	35.37
Welspun India Limited	4.46	1.14
Welspun Steel Limited (Non- Steel Business)	-	9.58
Welspun Global Brands Limited	9.11	0.01
Welassure Private Limited	3.89	-
Others	2.18	1.44
Total trade payables	42.18	47.54
3) Advance to suppliers (other current assets)		
Welassure Private Limited	-	0.06
Others	-	-
Total advance to suppliers	-	0.06
4) Trade advance		
DBG Estates Private Limited	-	0.16
Total trade advance	-	0.16
5) Loans and deposits given (loans and other assets)		
Welspun Wasco Coatings Private Limited (fully impaired, amount shown is gross)	21.17	24.70
Welspun Realty Private Limited	7.51	9.09
Others	0.24	0.29
Total and deposits given (loans and other assets)	28.92	34.08
6) Provision for doubtful loans		
Welspun Wasco Coatings Private Limited	21.17	24.70
Total provision for doubtful loans	21.17	24.70
7) Provision for impairment in equity Investment		
Welspun Wasco Coatings Private Limited	25.47	-
Total provision for impairment in equity Investment	25.47	-
8) Employee dues payable (other current liabilities)		
Mr. Vipul Mathur	1.34	1.18
Mr. Percy Birdy	0.38	0.36
Mr. Pradeep Joshi	0.09	0.08
Total Employee dues payable	1.81	1.62

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
9) Commission payable		
Mr. Balkrishan Goenka	1.16	2.75
Total commission payable	1.16	2.75
10) Non-current investments		
Welspun Captive Power Generation Limited (Investments in equity shares)	100.00	77.25
East Pipes Integrated Company for Industry	452.85	349.23
Clean Max Dhyuthi Private Limited	7.59	-
Welspun Wasco Coatings Private Limited	25.47	-
Others	0.80	0.12
Total non-current investments	586.71	426.60
11) Deposit received and capital creditors (other financial liabilities)		
Welspun Enterprises Limited	0.08	0.07
Total other financial liabilities	0.08	0.07
12) Corporate Guarantee (to the extent of outstanding loan amount)		
Welspun Wasco Coatings Private Limited	-	-
Total Corporate Guarantee	-	-
13) Non current Borrowings		
Welspun Steel Limited (Non- Steel Business)	-	49.25
Total non current Borrowings	-	49.25

(g) Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

All outstanding balances are unsecured and are payable in cash.

51 INTERESTS IN OTHER ENTITIES

(a) Subsidiaries

The Group's subsidiaries as at March 31, 2023 are set out below. Unless otherwise stated, they have share capital consisting of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests		Principal activities
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
		%	%	%	%	
Welspun Pipes Inc. group	USA	100.00	100.00	-	-	- Manufacturing of steel pipes
Welspun Tradings Limited	India	100.00	100.00	-	-	- Trading in steel pipes
Welspun DI Pipes Limited	India	100.00	100.00	-	-	- Manufacturing of ductile iron pipes
Welspun Metallics Limited	India	100.00	100.00	-	-	- Manufacturing of pig iron

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests		Principal activities
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
Mahatva Plastic Products and Building Materials Private Limited (w.e.f. November 26, 2021)	India	100.00	100.00	-	-	- Business of Plastic products
Anjar TMT Steel Private Limited (refer note 56)	India	100.00	100.00	-	-	- Manufacturing of basic precious and non-ferrous metals
Big Shot Infra Facilities Private Limited (Acquired on April 18, 2022 & amalgamated with Sintex Prefab & Infra Limited on February 24, 2023)	India	NA	-	-	-	- Business of constructions/development of infrastructure facility/real estate etc.
Sintex Prefab & Infra Limited (w.e.f. February 24, 2023)	India	100.00	-	-	-	- Manufacturing of prefabricated structures, infra projects services and turnkey projects in India
Nauyaan Shipyard Private Limited (w.e.f. September 19, 2022)	India	100.00	-	-	-	- Business of ship building and marine fabrication
Propel Plastic Products Private Limited (Acquired on September 27, 2022 & amalgamated with Sintex-BAPL Limited on March 29, 2023)	India	NA	-	-	-	- Manufacturing of plastic and plastic products
Sintex BAPL Limited (w.e.f. March 29, 2023)	India	100.00	-	-	-	- Manufacturing and distribution of plastic products
Sintex Holdings B.V (w.e.f. March 29, 2023)	Netherlands	100.00	-	-	-	- Investment Holding Company
Sintex Logistics LLC (w.e.f. March 29, 2023)	USA	100.00	-	-	-	- Trading of Plastic Products
Welspun Specialty Solutions Limited (refer note 51(c) and 56)	India	50.03	50.03	49.97	49.97	- Manufacturing of Billet, Rolled Bar, Black Bar, Ingot, Bloom and Seamless Pipe & Tubes.
Welspun Mauritius Holdings Limited	Mauritius	89.98	89.98	10.02	10.02	- Investment Holding Company

(b) Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary presented in their IndAS financial statement after alignment to Group's accounting policies that have non-controlling interests. The amounts disclosed for each subsidiary are before inter-company eliminations.

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Summarised balance sheet	Welspun Mauritius Holdings Limited		Welspun Specialty Solutions Limited	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Current Assets	135.16	131.25	266.60	152.25
Current liabilities	99.44	82.12	227.37	84.72
Net current assets	35.72	49.13	39.23	67.53
Non-current Assets	452.85	349.23	359.19	379.83
Non-current Liabilities	256.08	230.70	220.02	282.40
Net non-current assets	196.77	118.53	139.17	97.43
Net assets	232.49	167.66	178.40	164.96
Accumulated NCI	23.37	16.80	88.72	82.43

Summarised statement of profit and loss	Welspun Mauritius Holdings Limited		Welspun Specialty Solutions Limited	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Revenue from operation	2.23	359.04	417.83	163.29
Profit/ (loss) for the year	50.02	244.26	(25.10)	(38.25)
Profit/ (loss) allocated to NCI (including deferred tax on share of profit)	5.01	24.47	(12.53)	(19.11)
Dividends paid to NCI		34.50	-	-

	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Profit allocated to NCI	5.01	24.47	(12.53)	(19.11)
Other comprehensive income	15.60	13.01	(0.49)	-
Other comprehensive income allocated to NCI	1.56	1.30	(0.24)	-

Summarised cash flows	Welspun Mauritius Holdings Limited		Welspun Specialty Solutions Limited	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Cash flows used in operating activities	0.56	(23.27)	50.11	(87.84)
Cash flows from investing activities	-	508.26	(5.04)	(3.97)
Cash flows from financing activities	(8.71)	(360.24)	(49.79)	96.52
Net increase/(decrease) in cash and cash equivalents	(8.15)	124.75	(4.72)	4.71

(c) Interest in joint ventures/Associates

Set out below are the joint ventures/Associates of the group as at March 31, 2023. The entities listed below have share capital consisting solely of equity shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Name of entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying amount	
					March 31, 2023	March 31, 2022
Welspun Wasco Coatings Private Limited (WWCPL) (refer note 1 below)	India	51.00%	Joint Venture	Equity	-	-
East Pipes Integrated Company for Industry (EPIC) (Associate company w.e.f. February 14, 2022) (refer note 2 and 3 below)	Kingdom of Saudi Arabia	35.01%	Associate	Equity	452.85	349.23
Welspun Captive Power Generation Limited (WCGPL) (Refer note 56)	India	22.90%	Associate	Equity	100.00	77.25
Clean Max Dhyuthi Private Limited (Associate company through Welspun Metallics Limited, wholly owned subsidiary of the Company) w.e.f. August 01, 2022	India	26.00%	Associate	Equity	7.59	-
Total equity accounted investments					560.44	426.48

Note 1:

The Company had granted loans to WWCPL with a carrying value of Rs. 21.17 carried at amortised cost, as at March 31, 2023.

Consequent to the negative net worth and continued losses of WWCPL, the Company's Management had assessed the recoverability of loans granted to WWCPL based on expected credit loss model ("ECL") and had recorded allowance for doubtful loans of Rs. 24.70 in the financial year ended March 31, 2021. During current year, WWCPL repaid Rs. 3.53. Significant assumptions used in the model are discount rate and terminal growth rate. During current year, allowance for doubtful loans of Rs. 3.53 have been reversed."

Note 2:

During the previous year FY 2021-22 the Company announced the successful listing of its Joint Venture company in Kingdom of Saudi Arabia ("KSA"), East Pipes Integrated Company for Industry (EPIC) on the Saudi Exchanges Main Market ("Tadawul") at the final offer price of SAR 80 per share. Post the IPO, the Company owns 35.01% (from earlier 50.01%) through its step-down subsidiary in Mauritius and will continue to be the largest shareholder in EPIC. Welspun Mauritius Holdings Limited (WMHL) received gross proceeds of SAR 252 million (Rs. 500) and has shown the gain of Rs. 359 under other income. Consequently, EPIC is classified as an associate for the Company. During the previous year WMHL has declared dividend amounting to Rs. 341.9, out of which share of Non-controlling interest is Rs. 34.19.

Note 3:

The following note which is referenced for Key Audit Matter (KAM) of one of the associate i.e. East Pipes Integrated Company (EPIC) has been reproduced as below:

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Allowance for expected credit losses

An impairment analysis is performed at each reporting date using a ECL module to calculate the expected credit losses for trade receivables. The ECL module is based on the exposure, probability of default and loss given default for groupings of various customer segments that have similar loss patterns (i.e., by customer type and coverage by letters of credit and other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security, however, APC contractors are guaranteed by the LC facilities. Gross amount of trade receivable as on March 31, 2023 is SAR 55,93,70,161 and expected credit loss is SAR 5,63,487.

Note 4:

The following note which is referenced for Key Audit Matter (KAM) of one of the subsidiary i.e. Welspun Speciality Solutions Limited has been reproduced as below:

Property, plant and equipment, Right-to-use of asset, Capital work-in-progress and Intangible assets aggregating to a carrying value of Rs. 208 represents a significant proportion of total assets on the balance sheet. Given the losses made by the Company in the previous years and the current year, the possibility of impairment of these assets is an area of focus for the management.

Determination of value in use requires use of estimation of discounted future cash flow forecasts and is subject to management judgement on certain key inputs including, for example, discount rates and long-term growth rates.

As per management assessment no impairment of Property, plant and equipment, Right-to-use of asset, Capital work-in-progress and Intangible assets is required.

(i) Summarised financial information for joint venture /associates

The tables below provide summarised financial information of all joint ventures/Associates in the Group. The information disclosed reflects the amounts presented in their IndAS financial statements after alignment to Group's accounting policies of the relevant joint ventures and not Welspun Corp Limited's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made at the time of acquisition and modifications for differences in accounting policies.

Summarised balance sheet	Welspun Wasco Coatings Private Limited		East Pipes Integrated Company for Industry		Welspun Captive Power Generation Limited		Cleanmax Dhyuthi Private Limited	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Current assets								
Cash and cash equivalents and other bank balances	4.35	11.23	117.00	149.32	4.55	0.17		
Other assets	3.15	3.95	1,478.22	1,094.63	236.95	0.03		
Total current assets	7.50	15.18	1,595.22	1,243.95	241.50	0.20		
Total non-current assets	8.00	7.96	568.19	566.82	235.20	78.46		
Current liabilities								
Financial liabilities (excluding trade payables)	15.57	7.01	548.71	565.86	1.80	1.85		
Other liabilities	1.21	0.75	196.41	133.64	9.22	0.07		

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Summarised balance sheet	Welspun Wasco Coatings Private Limited		East Pipes Integrated Company for Industry		Welspun Captive Power Generation Limited		Cleanmax Dhyuthi Private Limited	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Total current liabilities	16.78	7.76	745.12	699.50	11.02	1.92		
Non-current liabilities								
Financial liabilities (excluding trade payables)	39.52	53.61	16.33	25.94	44.41	47.56		
Other liabilities	2.24	2.45	53.40	44.47	-	-		
Total non-current liabilities	41.76	56.06	69.73	70.41	44.41	47.56		
Net assets/ (liabilities)	(43.04)	(40.68)	1,348.56	1,040.86	421.27	29.18		
Contingent liabilities	-	-	-	-	-	-		

Reconciliation to carrying amounts

	Welspun Wasco Coatings Private Limited		East Pipes Integrated Company for Industry		Welspun Captive Power Generation Limited		Cleanmax Dhyuthi Private Limited	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Opening net assets/ (liabilities)	(40.68)	(8.57)	1,040.86	1,009.27	409.42	-	-	-
Investment during the year	-	-	-	-	-	7.59	-	-
Profit/ (loss) for the year	(2.32)	(32.22)	214.18	(6.45)	11.86	(0.03)	-	-
Other comprehensive income	(0.03)	0.11	1.14	1.23	(0.01)	-	-	-
Dividends paid	-	-	-	-	-	-	-	-
Exchange differences (net)	-	-	92.38	36.81	-	-	-	-
Closing net assets	(43.03)	(40.68)	1,348.56	1,040.86	421.27	7.56		
Group's share in %	51.00%	51.00%	35.01%	35.01%	22.90%	26.00%		
Group's share	(21.95)	(20.75)	472.13	364.41	100.00	(0.03)		
Share of tax not applicable to the group as per applicable laws	-	-	(19.28)	(15.18)	-	-		
Share of loss not recognised owing to no legal or constructive obligation	21.95	20.75	-	-	-	0.03		
Carrying amount	-	-	452.85	349.23	100.00	7.59		
Share of contingent liabilities of the joint ventures	-	-	-	-	-	-		

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Excerpts of statement of profit and loss

	Welspun Wasco Coatings Private Limited		East Pipes Integrated Company for Industry		Welspun Captive Power Generation Limited		Cleanmax Dhyuthi Private Limited	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Revenue including other operating income	12.85	27.17	3,083.72	1,186.77	290.51	-	-	-
Other income	0.29	0.32	5.00	0.55	9.70	-	-	-
Depreciation and amortisation	0.44	34.99	54.50	47.93	48.83	-	-	-
Interest expense	5.29	4.54	50.65	33.54	3.58	0.01	-	-
Income tax expense	-	-	25.34	2.78	(3.69)	-	-	-
Profit/ (loss) for the year	(2.32)	(32.22)	214.18	(6.45)	11.86	(0.03)	-	-
Other comprehensive income	(0.03)	0.11	1.14	1.23	(0.01)	-	-	-
Total comprehensive income	(2.35)	(32.11)	215.31	(5.22)	11.85	(0.03)	-	-
Dividends received	-	-	-	-	-	-	-	-

	March 31, 2023	March 31, 2022
Share of gain/(loss) from joint ventures and associates (including exchange differences & income tax)	75.21	(5.72)
Share of other comprehensive income from joint ventures and associates	0.40	(0.48)
Total share of gain/ (loss) of joint ventures and associates (net)	75.61	(6.20)

(ii) Basis legal or constructive obligation, the Group's share of losses has not been recognised for Welspun Wasco Coatings Private Limited.

52 ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III IN RESPECT OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE.

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets (%)	Amount	As % of consolidated profit or (loss) (%)	Amount	As % of consolidated other comprehensive income (%)	Amount	As % of consolidated total comprehensive income (%)	Amount
Parent								
Welspun Corp Limited								
March 31, 2023	71.68	3,472.34	265.42	528.64	7.31	8.38	171.11	537.02
March 31, 2022	67.46	3,054.41	109.35	485.72	(22.21)	(9.00)	98.35	476.72
Subsidiaries (group's share)								
Indian								
Welspun Tradings Limited								
March 31, 2023	2.18	105.68	7.05	14.05	-	-	4.48	14.05
March 31, 2022	2.02	91.64	0.88	3.90	-	-	0.80	3.90
Welspun DI Pipes Limited								
March 31, 2023	3.81	184.80	(11.39)	(22.68)	0.01	0.01	(7.22)	(22.67)
March 31, 2022	4.47	202.46	(0.97)	(4.31)	(0.64)	(0.26)	(0.94)	(4.57)

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets (%)	Amount	As % of consolidated profit or (loss) (%)	Amount	As % of consolidated other comprehensive income (%)	Amount	As % of consolidated total comprehensive income (%)	Amount
Welspun Metallics Limited								
March 31, 2023	3.84	186.20	(136.14)	(271.15)	0.48	0.55	(86.22)	(270.60)
March 31, 2022	6.25	282.81	(2.40)	(10.67)	(1.12)	(0.45)	(2.29)	(11.12)
Anjar TMT Steel Private Limited								
March 31, 2023	1.04	50.61	(6.63)	(13.21)	0.04	0.05	(4.19)	(13.16)
March 31, 2022	0.97	43.76	(0.15)	(0.68)	-	-	(0.14)	(0.68)
Welspun Specialty Solutions Limited								
March 31, 2023	0.30	14.70	(3.87)	(7.70)	(0.21)	(0.25)	(2.53)	(7.95)
March 31, 2022	0.08	3.76	(3.47)	(15.40)	(0.64)	(0.26)	(3.23)	(15.66)
Mahatva Plastic Products And Building Materials Private Limited								
March 31, 2023	0.40	19.24	7.75	15.44	-	-	4.92	15.44
March 31, 2022	8.86	400.97	(0.01)	(0.03)	-	-	(0.01)	(0.03)
Sintex Prefab & Infra Limited (w.e.f. February 24, 2023)								
March 31, 2023	0.61	29.74	(0.19)	(0.38)	-	-	(0.12)	(0.38)
March 31, 2022	-	-	-	-	-	-	-	-
Nauyaan Shipyard Private Limited (w.e.f. September 19, 2022)								
March 31, 2023	1.69	81.92	(2.55)	(5.08)	-	-	(1.62)	(5.08)
March 31, 2022	-	-	-	-	-	-	-	-
Sintex BAPL Limited (w.e.f. March 29, 2023)								
March 31, 2023	8.20	397.21	0.58	1.16	-	-	0.37	1.16
March 31, 2022	-	-	-	-	-	-	-	-
Foreign								
Sintex Holdings B.V. (w.e.f. March 29, 2023)								
March 31, 2023	0.33	15.83	-	-	-	-	-	-
March 31, 2022	-	-	-	-	-	-	-	-
Sintex Logistics LLC (w.e.f. March 29, 2023)								
March 31, 2023	0.03	1.59	0.08	0.16	-	-	0.05	0.16
March 31, 2022	-	-	-	-	-	-	-	-
Welspun Pipes Inc.								
March 31, 2023	23.30	1,128.58	(26.37)	(52.53)	-	-	(16.74)	(52.53)
March 31, 2022	24.09	1,090.52	18.96	84.21	-	-	17.37	84.21
Welspun Mauritius Holdings Limited								
March 31, 2023	(0.11)	(5.50)	(7.92)	(15.78)	-	-	(5.03)	(15.78)
March 31, 2022	0.21	9.48	64.30	285.59	-	-	58.92	285.59
Non-controlling interests in all subsidiaries								
March 31, 2023	2.31	112.09	(3.78)	(7.52)	1.15	1.32	(1.98)	(6.20)
March 31, 2022	2.19	99.23	1.21	5.36	3.21	1.30	1.37	6.66

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Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

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Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets (%)	Amount	As % of consolidated profit or (loss) (%)	Amount	As % of consolidated other comprehensive income (%)	Amount	As % of consolidated total comprehensive income (%)	Amount
Joint venture (Investment as per equity method)								
Welspun Wasco Coatings Private Limited								
March 31, 2023	-	-	-	-	-	-	-	-
March 31, 2022	-	-	-	-	-	-	-	-
Associates (Investment as per equity method)								
Welspun Captive Power Generation Limited								
March 31, 2023	2.06	100.00	1.10	2.19	-	-	0.70	2.19
March 31, 2022	1.71	77.25	-	-	-	-	-	-
Clean Max Dhyuthi Private Limited (Associate, investments through Welspun Metallica Limited) w.e.f. July 28, 2022								
March 31, 2023	0.16	7.59	-	-	-	-	-	-
March 31, 2022	-	-	-	-	-	-	-	-
Foreign								
East Pipes Integrated Company for Industry (Investment through Welspun Mauritius Holdings Limited)								
March 31, 2023	8.41	407.48	32.99	65.71	3.12	3.58	22.08	69.28
March 31, 2022	6.94	314.24	(1.16)	(5.15)	(1.07)	(0.43)	(1.15)	(5.58)
Inter-company eliminations and consolidation adjustments								
March 31, 2023	(30.26)	(1,465.96)	(16.14)	(32.14)	88.10	101.04	21.95	68.90
March 31, 2022	(25.25)	(1,142.98)	(86.54)	(384.37)	122.45	49.63	(69.06)	(334.74)
Total								
March 31, 2023	100.00	4,844.14	100.00	199.17	100.00	114.68	100.00	313.85
March 31, 2022	100.00	4,527.55	100.00	444.17	99.98	40.53	100.30	484.70

53. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group and its joint ventures towards Provident Fund and Gratuity. The draft rules for the Code on Social Security, 2020 have been released by the Ministry of Labour and Employment on November 13, 2020. The Group and its joint ventures are in the process of assessing the additional impact on Provident Fund contributions and on Gratuity liability contributions and will complete their evaluation and give appropriate impact in the consolidated financial statements in the period in which the rules that are notified become effective.

54. At its meeting held on March 14, 2023, the Board of Directors of the Company have, inter alia, considered and decided to propose a Scheme under Sections 230-232 of the Companies Act, 2013 to National Company Law Tribunal ("NCLT") for its approval. The Scheme, inter alia, provides for transfer and vesting of the entire assets and liabilities of Welspun Metallica Limited, wholly owned subsidiary of the Company (the "Transferor Company"), in the Company with effect from the Appointed Date of April 1, 2022. As the entire share capital of the Transferor Company is held by the Company, upon the Scheme becoming effective, no shares of the

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Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

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Company shall be issued and allotted and the investment by the Company in the Transferor Company shall stand cancelled on the Effective Date (as defined in the Scheme) without any further act, instrument or deed.

55. At its meeting held on March 29, 2023, the Board of Directors of the Company took note of approval accorded by the Board of Mahatva Plastic Products Private Limited and Sintex-BAPL Limited and have, inter alia, considered and approved the Scheme of Amalgamation of Mahatva Plastic Products Private Limited ("the Transferor Company") with Sintex-BAPL Limited ("the Transferee Company") and their respective shareholders, by way of merger by absorption pursuant to a scheme of amalgamation under the provision of Sections 230 - 232 of the Companies Act, 2013 and other applicable regulatory requirements.

56 a. During the previous year, the Hon'ble National Company Law Tribunal, Ahmedabad Bench by an order dated March 16, 2022, has sanctioned the Scheme of Arrangement (the "Scheme") filed by WCL and Welspun Steel Limited for transfer and vesting of Demerged Undertaking of the Demerged Company i.e. Welspun Steel Limited (WSL) into the Resulting Company i.e. Welspun Corp Limited with effect from April 1, 2021, being the appointed date as per the Scheme. The certified true copy of the said Order has been received and filed with the Ministry of Company Affairs on March 16, 2022. The effect of amalgamation as per "pooling of interest method", at carrying value adjusted for alignment for accounting policies of the Company has been considered in the books retrospectively and the previous period/year numbers have been accordingly restated.

In terms of the Scheme, the Company has issued 81 Cumulative Redeemable Preference shares (CRPS) of face value of Rs 10/- each of the Company for every 100 Equity Shares of face value of INR 10/- each held in Welspun Steel Limited by shareholders as on the record date stated therein, which were pending for allotment as at March 31, 2022 which will be redeemed at the expiry of 18 months from date of issue i.e. March 16, 2022. Further, consequent to the above arrangement, Welspun Speciality Solution Limited and Anjar TMT Steel Private Limited have become subsidiaries of the Company.

i. The assets and liabilities recognised as a result of this amalgamation, are as follows:

Particulars	As at April 01, 2020
Total Assets (A)	673.60
Total Liabilities (B)	175.96
Net assets taken over (A-B) = C	497.64
Consideration	
6% Cumulative Redeemable Preference share (refer note 2 below)	351.51
Payment in cash and cash equivalent (refer note 3 below)	11.22
Total (D)	362.73
Capital Reserve (C-D)	134.91

Note 1- As defined in the Scheme, "Demerged Undertaking" means undertaking, business, activities and operations pertaining to steel, specialty steel and thermo mechanical treatment bars manufacturing business carried on by WSL directly or indirectly through its subsidiaries (which includes Welspun Speciality Solutions Limited, Anjar TMT Steel Private Limited). The above figures are as per Management signed unaudited accounts.

Note 2- As at March 31, 2022, the amount to the extent CRPS issued (pending allotment) i.e. Rs. 351.51 is disclosed under "Borrowings". Subsequent to the year end March 31, 2022, CRPS of Rs. 351.51 have been allotted.

Note 3 - It has been disclosed under the head "other financial liabilities" in March 31, 2022. Subsequent to the year end March 31, 2022, the liability of Rs.11.22 has been paid in cash.

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Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

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- ii. Before merger, the Company and demerged undertaking held 19.70% (58,33,500 shares) and 3% (8,72,193 shares) in Welspun Captive Power Generation Limited (WCPGL), respectively. Pursuant to merger, the shareholding of the Company in WCPGL became 22.7% (67,05,693 shares).

Due to this change, Company obtained significant influence over WCPGL in March 2022 and is treated as associate of WCL as at March 31, 2022.

Accordingly, investments in WCPGL has been disclosed under "Investments in equity instruments of associates and joint ventures" (refer note 6) as at March 31, 2022."

- iii. The Board of Directors at their meeting dated May 27, 2022 have recommended to pay dividend of Rs 8.67 at the stipulated rate of 6% on the CRPS for the financial year ended March 31, 2022, the payment of which made during the current year.
- iv. With respect to the accounting treatment of such CRPS, presentation and measurement has been made in accordance with Ind AS 32 'Financial Instruments: Presentation' and Ind AS 109 'Financial Instruments' which requires the presentation of these CRPS as a financial liability in its entirety, given that as per the terms of the instrument, they are redeemable, at face value, at the option of the holder. The relevant disclosures required under Ind AS 107 'Financial Instruments: Disclosures' and under Ind AS 1 'Presentation of financial statements' for these CRPS have been made in the consolidated financial statements. Accordingly, in view of the reasons set out in the aforesaid note, CRPS have not been presented as preference share capital in the consolidated financial statements, in accordance with the Companies Act, 2013.

- 56 b.** Bigshot Infra Facilities Private Limited ("Bigshot"), a wholly owned subsidiary of the Company from April 18, 2022, has acquired control over Sintex Prefab and Infra Limited ("SPIL") on February 24, 2023. SPIL was admitted under Corporate Insolvency Resolution process (CIRP) in terms of Insolvency and Bankruptcy code, 2016 ("IBC") of India. The National Company Law Tribunal (NCLT) vide its order dated December 21, 2022, approved the resolution plan for acquiring controlling stake in SPIL and merge Bigshot with SPIL by way of scheme of arrangement ("Scheme") approved by NCLT. Consequently, SPIL became wholly owned subsidiary of the Company.

- 56 c.** Propel Plastic Products Private Limited ("Propel"), a wholly owned subsidiary of the Company from September 27, 2022, has acquired control over Sintex BAPL Limited ("SBAPL") on March 29, 2023. SBAPL was admitted under Corporate Insolvency Resolution process (CIRP) in terms of Insolvency and Bankruptcy code, 2016 ("IBC") of India. The National Company Law Tribunal (NCLT) vide its order dated March 17, 2023, approved the resolution plan for acquiring controlling stake in SBAPL and merge Propel with SBAPL by way of scheme of arrangement ("Scheme") approved by NCLT. Consequently, SBAPL became wholly owned subsidiary of the Company.

56 d. Summary of acquisition

As per resolution plan Bigshot Infra Facilities Private limited ("Bigshot") (wholly owned subsidiary of Welspun Corp. Limited) being implementing entity agreed to pay consideration of Rs. 50 (Rs. 30 upfront and Rs. 20 deferred) to acquire entire shareholding of the Sintex Prefab and Infra Limited ("SPIL") and merge Bigshot with SPIL by way of scheme of arrangement ("Scheme") approved by NCLT under Insolvency and Bankruptcy code ("IBC")

On 24 February 2023 the resolution plan has been implemented.

The acquisition does not meet the criteria of "Business" as per IND AS 103 Business Combination, hence it has been accounted as Asset Acquisition.

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Assets and Liabilities acquired against fair value of consideration

Particulars	Amount
Investment Properties	34.94
Current tax assets (net)	5.57
Other current assets	4.99
Total	45.50
Liabilities - Deferred Consideration	15.50

56 e. Implementation of Corporate Insolvency Resolution Plan and scheme of arrangement between Propel Plastic Products Private Limited and Sintex BAPL Limited:

Propel Plastic Products Private Limited ("Propel") (wholly owned subsidiary of Welspun Corp. Limited) has acquired control over Sintex BAPL Limited ("SBAPL") on March 29, 2023. SBAPL was admitted under Corporate Insolvency Resolution process (CIRP) in terms of Insolvency and Bankruptcy code, 2016 ("IBC") of India. The National Company Law Tribunal (NCLT) vide its order dated March 17, 2023, approved the resolution plan for acquiring controlling stake in SBAPL and merge Propel with SBAPL by way of scheme of arrangement ("Scheme") approved by NCLT.

This acquisition has been accounted as Business Combination as per Ind AS 103. Further, purchase consideration has been allocated on a provisional basis in accordance with Ind-AS 103 'Business Combination.

Details of the purchase consideration, net assets acquired and resultant capital reserve are as follows:

No. Particulars	Amount
A Consideration transferred	
Cash	406.43
Total Consideration (A)	406.43
B Fair value of identifiable assets and liabilities recognised as a result of the Reverse acquisition	
Non-current Assets	
Property, plant, and equipment, ROU Assets, Intangible Assets	365.58
Other financial assets	2.46
Other non-current Assets	0.04
Current Assets	
Inventories	72.24
Trade Receivables	8.10
Cash and cash equivalent	143.86
Other financial assets	23.93
Current tax assets	11.16
Other current assets	24.12
Total assets (a)	651.49
Non-current Liabilities	
Provisions	18.88
Current liabilities	
Borrowings	0.86
Trade payables	122.65
Other financial liabilities	11.00
Provisions	2.22
Other liabilities	24.45
Total liabilities (b)	180.06
Fair value of identifiable net assets (a-b) (B)	471.43
C Capital Reserve (A-B)	(65.00)

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Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Capital reserve represents the gain on bargain purchase which is directly recognized in other equity as capital reserve. The fair value on the date of acquisition of SBAPL's identifiable assets and liabilities are based on independent valuations obtained by the Company.

From the date of acquisition of control, SBAPL has contributed revenue from operation of Rs. 10.16 and net profit after tax of Rs. 1.33.

56 f. On November 26, 2021, the Holding Company acquired 100% of the issued share capital of Mahatva Plastic Products and Building Materials Private Limited (Mahatva), a proposed manufacturer of plastic products. This acquisition will enable the group to enter into the plastic products market. Holding Company paid consideration of Rs. 0.01 to the shareholders of Mahatva. Mahatva has not started its commercial operations and does not have business as at the date of acquisition of shares by Holding Company. Also, accordingly, this acquisition of shares by the Holding Company does not fall under business combination and hence accounted as asset acquisition.

57. During the year, the Company has sold land and civil structures (collectively known as "assets sold") situated at the Dahej unit of the Company in the state of Gujarat and included resulting profit of Rs 103.92 under "Other Income".

58. Assessment of Impairment of Goodwill resulting from investment in subsidiary.

Welspun Specialty Solutions Limited ("WSSL" or "subsidiary") is engaged in the business of steel and steel products.

The Company has Goodwill resulting from investment in equity shares of Rs. 343.12 as at March 31, 2023. Considering the financial position and losses of the subsidiary, the Company has assessed the impairment of Goodwill based on the market approach model (the "model"). Based on the procedures performed, management has assessed the carrying value of Goodwill, resulting into no impairment for the year."

59. SUBSEQUENT EVENTS

The Board of Directors at their meeting dated May 30, 2023 have recommended to pay dividend at the stipulated 6% Cumulative Redeemable Preference shares of the face value of Rs 10/- each fully paid up and to pay dividend at the rate of 100% per equity share (i.e. INR 5 per equity share) having nominal value of INR 5 for the financial year ended March 31, 2023. The payment is subject to approval of the shareholders in the upcoming Annual General Meeting.

60. Equity settled share based payments (ESOP) (refer note 18(b) (v) and 32)

Senior level management employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). In respect of options granted during the current year under the Welspun Employee Stock Options Scheme (WELSOP), the cost of equity-settled transactions is determined by the fair value at the date when the grant is made using Black Scholes Merton formula which is in accordance with Indian Accounting Standard 102 (Ind AS 102).

The cost of equity settled transaction is recognised, together with a corresponding increase in Equity settled share based payments reserves in other equity, over the period in which the service conditions are fulfilled. This expense is included under the head "Employee benefits expense" as employee share-based expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

Expense arising from share based payment in the current year is Rs. 5.58 (March 31, 2022: Rs. 0.61).

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Nature and characteristics of ESOP plans existed during year as tabulated below:

	Year ended March 31, 2023		Year ended March 31, 2022
	2nd Grant	1st Grant	1st Grant
Grant Date	August 03, 2022	August 16, 2018	August 16, 2018
Vesting requirement	3 years vesting (30%, 35%, 35%)	3 years vesting (30%, 35%, 35%)	3 years vesting (30%, 35%, 35%)
Maximum term of options	3 years from vesting date	3 years from vesting date	3 years from vesting date
Method of settlement	Equity settled	Equity settled	Equity settled
Exercise Price	Rs. 100.00	Rs. 100.00	Rs. 100.00
Share Price on Grant Date	Rs. 224.05	Rs. 126.10	Rs. 126.10
Accounting method	Fair value method	Fair value method	Fair value method

Options movement during year as tabulated below:

	Year ended March 31, 2023		Year ended March 31, 2022
	2nd Grant	1st Grant	1st Grant
Opening balance	-	1,935,000	2,085,000
Granted during the year	1,100,000	-	-
Exercised during the year	-	580,000	-
Forfeited during the year	-	10,000	150,000
Closing balance	1,100,000	1,345,000	1,935,000
Vested and Exercisable at the end of the year	-	1,345,000	1,935,000

No options expired during the periods covered in the above table. Weighted-average exercise prices of options for 1st Grant and 2nd Grant is Rupees 100 in case of options (March 31, 2022 - 1st Grant: Rupees 100)

Stock options outstanding at the end of period as tabulated below

	Year ended March 31, 2023		Year ended March 31, 2022
	2nd Grant	1st Grant	1st Grant
Exercise Price			
WELSOP Plan	Rs 100.00	Rs 100.00	Rs 100.00
Weighted average remaining contractual life (Years)			
WELSOP Plan	4.4	0.89	2.43
Expiry date	August 02, 2028	August 15, 2024	August 15, 2024

Black Scholes method is used for fair valuation of ESOP. The measure of volatility used in ESOP pricing model is the annualized standard deviation of the continuously compounded rates of return.

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Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

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Fair value and underlying assumptions for Stock options Granted as tabulated below

	Year ended March 31, 2023		Year ended March 31, 2022
	2nd Grant	1st Grant	1st Grant
Grant date	August 03, 2022	August 16, 2018	August 16, 2018
Option price model	Black Scholes Method	Black Scholes Method	Black Scholes Method
Exercise price	Rs. 100	Rs. 100	Rs. 100
Share price on grant date	Rs. 224.05	Rs. 126.10	Rs. 126.10
Expected volatility	52%	50%	50%
Expected number of years to exercise shares	Immediately after vesting	Immediately after vesting	Immediately after vesting
Risk-free rate of return	6.34% to 6.90%	7.49% to 7.85%	7.49% to 7.85%
Dividend Yield	2.16%	0.55%	0.55%
Expected Volatility period considered for valuation via black scholes model	1 year	1 year	6 years
Fair value of ESOP at grant date (vesting year 1)	Rs. 126.97	Rs. 41.53	Rs. 41.53
Fair value of ESOP at grant date (vesting year 2)	Rs. 132.22	Rs. 52.34	Rs. 52.34
Fair value of ESOP at grant date (vesting year 3)	Rs. 136.98	Rs. 60.66	Rs. 60.66
Weighted average fair value of ESOP at grant date	Rs. 132.31	Rs. 52.01	Rs. 52.01
Attrition rate per annum	NIL	NIL	NIL
Expected shares to vest ultimately	1,100,000	1,345,000	1,935,000

Employee Stock Option Plan of Welspun Specialty Solutions Limited (WSSL)

During the year ended March 31, 2019, WSSL had instituted an RMG Alloy Steel Limited Employee Stock Option (Senior Management Personnel) Scheme, 2018 as approved by the shareholders dated May 15, 2018 for grant of stock option to senior managerial personnel of WSSL.

Subject to terms and condition of the scheme, options are classified into three categories.

Particulars	Option A	Option B	Option C
No. of Options	623,700	623,700	534,600
Method of accounting	Fair Value	Fair Value	Fair Value
Vesting plan	1 Year	2 Years	3 Years
Grant date	01 st June 2018	01 st June 2018	01 st June 2018
Vesting date	01 st June 2019	01 st June 2020	01 st June 2021
Exercise/Expiry date	01 st June 2022	01 st June 2023	01 st June 2024
Grant/Exercise price	Nil	Nil	Nil
Method of settlement	Equity - settled	Equity - settled	Equity - settled

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(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Movement of options granted

Particulars	(in units)		
	As at 31-Mar-23	As at 31-Mar-22	As at 31-Mar-21
Opening balance	-	667,850	813,800
Granted during the year	-	-	-
Exercised during the year	-	667,850	145,950
Forfeited/Lapsed during the year	-	-	-
Closing balance	-	-	667,850
Vested	-	-	375,600

During the year ended March 31, 2023, WSSL has recognised share option expenses in Statement of Profit & Loss of Rs. Nil (Previous year Rs. 0.05). During the year ended March 31, 2022, Two employee availed the Employee Stock Option (Senior Management Personnel) Plan 2018 and were issued 6,67,850 Equity Shares at Rs. 25.5 each (including premium of Rs. 19.5 each), amounting to Rs. 1.7 and were subscribed and fully paid up.

The model inputs for fair value of option granted as on the grant date:

Particulars	Option A	Option B	Option C
Exercise price*	0.001	0.001	0.001
Dividend yield	0%	0%	0%
Risk free interest rate - Annual	8%	8%	8%
Expected volatility - Annual	57%	57%	57%
Fair value per option	25.50	25.50	25.50
Model used	Black Scholes	Black Scholes	Black Scholes

WSSL has granted Stock options at nil cost to the employees of WSSL and thereby Exercise Price is Nil. For computation purpose under Black Scholes Valuation, WSSL have assumed the Exercise Price as 0.001.

61. Earnings/ (loss) per share

	Year ended March 31, 2023	Year ended March 31, 2022
Nominal value of an equity share	5.00	5.00
Profit after tax attributable to the equity holders of the Company	206.69	438.81
Basic earnings/ (loss) per share:		
Weighted average number of equity shares used as denominator for calculating basic EPS	261,302,696	260,949,395
Basic earnings per share (Rs.)	7.91	16.82
Diluted earnings/ (loss) per share:		
Weighted average number of equity shares used as denominator for calculating diluted EPS	262,030,089	261,608,832
Diluted earnings per share (Rs.)	7.89	16.77
Reconciliation of weighted average number of shares outstanding		
Weighted average number of equity shares used as denominator for calculating basic EPS	261,302,696	260,949,395
Total weighted average potential equity shares	727,393	659,437
Weighted average number of equity shares used as denominator for calculating diluted EPS	262,030,089	261,608,832

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

- 62.** The Company in the current year that ended March 2023, has changed its rounding off denomination to crore from million in order to make it more useful to users of financial statements. This change is also aligned with the results published pursuant to Regulation 33 and Regulation 52 of SEBI (LODR) Regulations, 2015, as amended. Accordingly, the figures of the comparative year has also been changed to give this effect. Further, the said change is in line with Schedule III of the Companies Act, 2013.
- 63.** During the year, one of the Subsidiary of the Company (WSSL), reassessed the nature of its 12% Non-Cumulative Redeemable Preference Shares ("NCRPS"). These NCRPS were classified as liability in its entirety. These are now being considered as compound financial instrument resulting in change in liability portion of the instruments. Consequent to this change, the equity portion of Rs.37.75 has been credited to opening balance of other equity as of April 1, 2022 along with reduction in the liability portion by the same amount. Further, the Company has also taken up a charge of Rs.1.66 related to previous year in the current year's finance cost. Consequently, the Group's liability towards these NCRPS has now been stated at a closing balance of Rs. 16.66 which includes the interest of previous and current year.
- 64.** During the year, the Company had paid Rs. 589.45, and its wholly owned subsidiary - Nauyaan Shipyard Private Limited ("Nauyaan"), paid, Rs. 69.97 on September 21, 2022, aggregating to Rs. 659.42 (plus applicable taxes) towards the entire purchase consideration, for the private sale of specified assets of ABG Shipyard Limited (in liquidation) under the provisions of the Insolvency & Bankruptcy Code, 2016 ("IBC"). Post payment was made to ABG's Liquidator and receipt of sale certificates by the Company, the Liquidator received a Provisional Attachment Order from ED, Ahmedabad. The Company, the Liquidator of ABG Shipyard Limited ("Liquidator") and the Lenders (SBI & IDBI) have all filed separate writ petitions before Hon'ble Gujarat High Court ("Court") against ED's Provisional Attachment Order wherein during the quarter ended December 31, 2022, the Court has granted interim relief and stayed the Provisional order on the specified assets. Further, the Company has received the possession of moveable properties (partially built obsolete ships, metal, and scrap) from the Liquidator. Nauyaan has also received the possession of the immovable property at Dahej, Gujarat from the Liquidator. As regards the leasehold lands at Dahej Gujarat, the Liquidator (along with Nauyaan) is in the process of taking necessary steps with the Gujarat Industrial Development Corporation and Gujarat Maritime Board for the completion of substitution/ transfer formalities. Further, Allocation of cost to the individual identifiable assets has been done on the basis of their relative fair values at the date of purchase.

65. ADDITIONAL REGULATORY REQUIREMENTS UNDER SCHEDULE III

(i) Details of Benami Property held

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Group has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Group with banks and financial institutions are in agreement with the books of accounts except as following:

(a) Welspun Corp Limited

Name of the bank and financial institution	Bank of Baroda, State Bank of India, ICICI Bank, IDBI Bank, IDFC Bank, Bank of India, Punjab National Bank, HDFC Bank, Axis Bank and Yes Bank	
Aggregate working capital limits sanctioned	3,809.00	
Nature of Current Asset offered as Security	Trade Receivable	Inventory
Quarter ended	September 2022	September 2022

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Name of the bank and financial institution	Bank of Baroda, State Bank of India, ICICI Bank, IDBI Bank, IDFC Bank, Bank of India, Punjab National Bank, HDFC Bank, Axis Bank and Yes Bank	
Amount disclosed as per quarterly return/ statement	288.21	1,681.78
Amount as per books of account	274.11	1,631.65
Difference	14.10	50.13
Reasons for difference	Difference is on account of finalisation entries passed after the submission to the bank.	Difference is mainly on account of Rs. 41 reclassified as property, plant and equipment.

Subsequent to the year-end, the differences have been communicated and acknowledged by the banks.

(iii) Wilful defaulter

None of the entities in the Group have been declared wilful defaulter by any bank or financial institution or government or any government authority or other lender.

(iv) Relationship with struck off companies

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956 except following:

(a) Welspun Corp Limited

Name of struck off company	Nature of transactions with struckoff Company	Nature of transactions with struckoff Company	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
Sew Eurodrive India Private Limited	Purchase of goods/ services	0.01	-	Not a related party
RBC Bearings Private Limited	Purchase of goods/ services	*	-	Not a related party

* Amount is below rounding off norms.

(v) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The Group is in compliance with an accounting impact on approved scheme of arrangements on current or previous financial year (refer note 56).

(vii) Utilisation of borrowed funds and share premium

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) other than note 1 below, with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Ultimate Beneficiaries or

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

- b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

The Group has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

- b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

Note 1:

During the current year:

- (i) Welspun Corp Limited has invested in Optionally Convertible Debentures (“OCD”) aggregating to Rs. 30.07 of Big Shot Infra Facilities Private Limited (“Big Shot”), a wholly-owned subsidiary company. Big Shot has paid the lenders of Sintex Prefab and Infra Limited (“SPIL”), for acquiring the debt of SPIL as part of the NCLT-approved resolution plan, after which Bigshot merged with SPIL and SPIL became a wholly owned subsidiary of WCL under the approved NCLT scheme.
- (ii) Welspun Corp Limited has invested in OCD of Rs. 370.70 of Propel Plastics Products Private Limited (“Propel”), a wholly-owned subsidiary company. Propel has paid the lenders of Sintex BAPL Limited (“SBAPL”), for acquiring the debt of SBAPL as part of the NCLT-approved resolution plan, after which Propel merged with SBAPL and SBAPL became a wholly owned subsidiary of WCL under the approved NCLT scheme.
- (iii) Welspun Corp Limited has invested in OCD aggregating to Rs. 54.83 of Mahatva Plastic Products and Building Materials Private Limited (Mahatva) and Mahatva has further invested the Rs. 26.02, along with unutilised funds as on April 1, 2022 of Rs. 14.06, aggregating Rs.40.08 in purchasing the NCDs of Sintex BAPL Limited during the year ended March 31, 2023.

The above payments made by the Group are for the purpose of acquisitions of unrelated parties through its wholly-owned subsidiaries. There are no non-compliances with the applicable laws and regulations.

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of PP&E, intangible asset and investment property

The Group has not revalued its property, plant and equipment (including Right-of-Use assets) or intangible assets or both during the current or previous year.

Notes

Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2023

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

(xi) Loans or advances to specified person

The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are (a) repayable on demand; or (b) without specifying any terms or period of repayment.

(xii) Registration of Charges or satisfaction with Registrar of Companies (ROC)

The Group does not have any charge or satisfaction not registered with the ROC beyond the statutory period.

(xiii) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were taken.

66. The figures for the previous year have been regrouped wherever necessary.

As per our attached report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N / N500016

Neeraj Sharma

Partner
Membership No.108391

Place: Zurich, Switzerland
Date: May 30, 2023

For and on behalf of the Board

B.K. Goenka
Chairman
DIN No.00270175

Vipul Mathur
Managing Director
and Chief Executive Officer
DIN - 07990476

Percy Birdy
Chief Financial Officer

Pradeep Joshi
Company Secretary
FCS-4959

Place: Mumbai
Date: May 30, 2023



MIHEN HALANI & ASSOCIATES

Practicing Company Secretaries

A-501/L, Jaswanti Allied Business Centre, Next to Hotel Khwaishh Presidency,
Kachpada, Ramchandra Lane Extn. Road, Malad (West), Mumbai – 400 064

☎: 022 – 6236 0279 ✉: mihenhalani@mha-cs.com

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and clause (10)(i) of Para C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
WELSPUN CORP LIMITED
CIN: L27100GJ1995PLC025609
Welspun City, Village Versamedi,
Taluka - Anjar, Dist. Kutch, Gujarat - 370 110

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of WELSPUN CORP LIMITED bearing CIN - L27100GJ1995PLC025609 and having registered office at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370 110, India (hereinafter referred to as “the Company”), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal of the Ministry of Corporate Affairs at “www.mca.gov.in”) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.



Sr. No.	Name of Director	DIN	Designation	Date of Appointment In Company
1	Mr. Balkrishan Goenka	00270175	Non-Executive - Non Independent Director	26.04.1995
2	Mrs. Dipali Goenka	00007199	Non-Executive - Non Independent Director	29.10.2020
3	Mr. Rajesh Rameshkumar Mandawewala	00007179	Non-Executive - Non Independent Director	26.04.1995
4	Mr. Vipul Mathur	07990476	Managing Director	01.12.2017
5	Mrs. Revathy Ashok	00057539	Non-Executive - Independent Director	07.08.2014
6	Mrs. Amita Misra	07942122	Non-Executive - Independent Director	07.08.2019
7	Mr. Arun Lalchand Todarwal	00020916	Non-Executive - Independent Director	01.07.2022
8	Mr. Manish Chokhani	00204011	Non-Executive - Independent Director	02.02.2023

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For MIHEN HALANI & ASSOCIATES
Practicing Company Secretaries

Place: Mumbai

Date: 30.05.2023

UDIN: **F009926E000424736**

Mihen Halani
(Proprietor)
CP No: 12015
FCS No: 9926

Welspun[®] CORP

Welspun Corp Limited

(CIN: L27100GJ1995PLC025609)

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Mumbai, Maharashtra, Pincode - 400 013

Tel.: +91 22 66136410 | Fax: +91 22 24908020

Registered Office: Welspun City, Village Versamedi, Taluka Anjar, Dist, Kutch, Gujarat, Pincode - 370 110

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Email: CompanySecretary_WCL@welspun.com

Website: www.welspuncorp.com

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