

# Price Waterhouse Chartered Accountants LLP

## Independent auditors' report

### To the Members of Mahatva Plastic Products and Building Materials Private Limited

#### Report on the audit of the financial statements

#### Opinion

1. We have audited the accompanying financial statements of Mahatva Plastic Products and Building Materials Private Limited (the "Company"), which comprise the balance sheet as at March 31, 2022, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and statement of cash flows for the period from August 13, 2021 (date of incorporation) to March 31, 2022, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2022, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the period from August 13, 2021 to March 31, 2022.

#### Basis for opinion

3. 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 "Auditors' responsibilities for the audit of the 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 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.

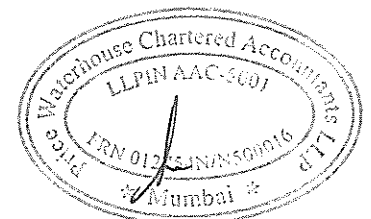
#### Other information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report including Annexures thereto, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

# Price Waterhouse Chartered Accountants LLP

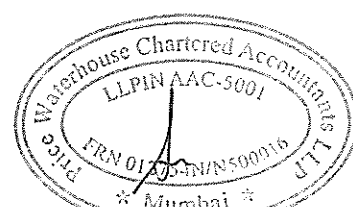
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## Responsibilities of management and those charged with governance for the financial statements

5. 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the 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.

## Auditors' responsibilities for the audit of the financial statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 financial statements.
8. 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 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.



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If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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.

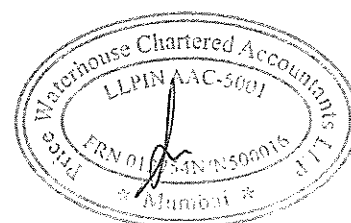
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, 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.

## Report on other legal and regulatory requirements

10. 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.

11. 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 balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 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 does not have any pending litigations which would impact its financial positions as at March 31, 2022.
  - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2022.



# Price Waterhouse Chartered Accountants LLP

Independent auditors' report

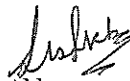
To the Members of Mahatva Plastic Products and Building Materials Private Limited

Report on the audit of the financial statements

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- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the period from August 13, 2021 to March 31, 2022.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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 (Refer Note 25 (vii) to the financial statements);  
  
(b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 25(vii) to the 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 Company has not declared/paid any dividend during the period from August 13, 2021 to March 31, 2022.
12. The Company has not paid/ provided for managerial remuneration during the period from August 13, 2021 to March 31, 2022. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Ali Akbar  
Partner

Membership Number: 117839  
UDIN: 22117839AJHZWA9991

Place: Mumbai  
Date: May 20, 2022

# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent auditors' report

Referred to in paragraph 11(f) of the Independent auditors' report of even date to the members of Mahatva Plastic Products and Building Materials Private Limited on the financial statements for the period from August 13, 2021 to March 31, 2022

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## 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 Mahatva Plastic Products and Building Materials Private Limited (the "Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the for the period from August 13, 2021 to March 31, 2022.

### Management's responsibility for internal financial controls

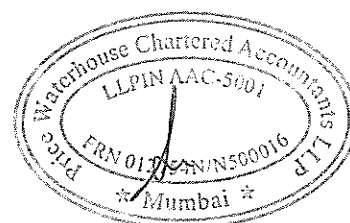
2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "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.

### Auditors' 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 auditors' 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.



# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent auditors' report

Referred to in paragraph 11(f) of the Independent auditors' report of even date to the members of Mahatva Plastic Products and Building Materials Private Limited on the financial statements for the period from August 13, 2021 to March 31, 2022

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## 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, 2022, 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 issued by ICAI.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Ali Akbar  
Partner

Membership Number: 117839  
UDIN: 22117839AJHZA9991

Place: Mumbai  
Date: May 20, 2022

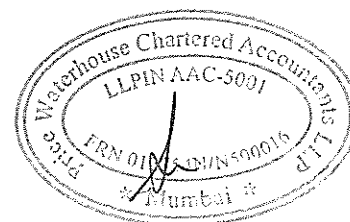
# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

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- i. (a) The Company does not own property, plant and equipment, right of use assets, intangible assets, investment properties and immovable properties as at March 31, 2022, therefore, the provisions of Clause 3(i)(a)(A), 3(i)(a)(B), 3(i)(b), 3(i)(c) and 3(i)(d) of the said Order are not applicable to the Company.  
  
(b) Based on 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 financial statements does not arise.
- ii. (a) The Company does not hold any inventory as at March 31, 2022. Therefore, the provisions of clause 3(ii)(a) of the Order are not applicable to the Company.  
  
(b) During the period from August 13, 2021 to March 31, 2022, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. (a) The Company has made investments in one company. Further, the Company has not granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore to this extent, the reporting under clause 3(iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order, are not applicable to the Company.  
  
(b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the investments made by it. Further, the Company has not granted any loans or provided any guarantees or securities to the parties covered under Section 185 and 186 of the Act. Therefore, to this extent, the provisions of Clause 3(iv) of the said Order, are not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- 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 income tax, though there has been a slight delay in a case, and is regular in depositing undisputed statutory dues, including goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.  
  
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.



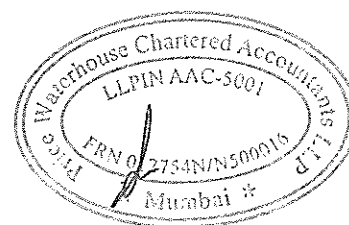
# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

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- 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 period from August 13, 2021 to March 31, 2022 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 period from August 13, 2021 to March 31, 2022.
- (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 (i.e. optionally convertible debentures issued on right basis) have been applied for the purposes for which they were obtained, except for Rs. 140.62 million which is pending for utilisation and is included under cash and cash equivalents. Also refer Note 5(b) to the 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 financial statements of the Company, the Company has not raised funds on short term basis.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures, or associate companies during the period from August 13, 2021 to March 31, 2022. Accordingly, the reporting under clauses 3(ix)(e) and 3(ix)(f) of the Order are not applicable to the Company.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the period from August 13, 2021 to March 31, 2022. 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 period from August 13, 2021 to March 31, 2022. 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 period from August 13, 2021 to March 31, 2022, nor have we been informed of any such case by the Management.
- (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.
- (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, and as represented to us by the management, no whistle-blower complaints have been received during the period from August 13, 2021 to March 31, 2022 by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.





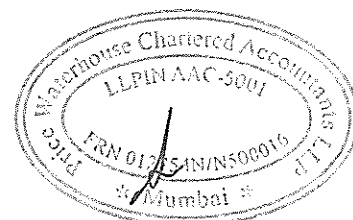
# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

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- 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 Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.
- xiv. The Company is not mandated to have an internal audit system during the period from August 13, 2021 to March 31, 2022.
- 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 period from August 13, 2021 to March 31, 2022. 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 has three CICs as part of the Group as detailed in Note 28 to the financial statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- xvii. The Company has incurred cash losses of Rs. 0.32 million in the current financial period August 13, 2021 to March 31, 2022. Further the company is incorporated in the current financial period August 13, 2021 to March 31, 2022, accordingly the question of us commenting on the cash losses incurred in preceding financial year does not arise.
- xviii. There has been resignation of the statutory auditors during the period from August 13, 2021 to March 31, 2022 and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 24 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the 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



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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. Also refer Note 27 to the financial statements.

- xx. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- 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



Ali Akbar  
Partner  
Membership Number: 117839  
UDIN: 22117839AJHZWA9991

Place: Mumbai  
Date: May 20, 2022

**Mahatva Plastic Products and Building Materials Private Limited**  
**Financial statements for the period from August 13, 2021 (Date of incorporation) to March 31, 2022**

Financial statements

- Balance sheet as at March 31, 2022
- Statement of profit and loss for the period from August 13, 2021 to March 31, 2022
- Statement of changes in equity for the period from August 13, 2021 to March 31, 2022
- Statement of cash flows for the period from August 13, 2021 to March 31, 2022
- Notes comprising significant accounting policies and other explanatory information

Mahatva Plastic Products and Building Materials Private Limited

Balance sheet

(All amounts in Rupees million, unless otherwise stated)

|   | Notes | As at<br>March 31, 2022 |
|---|-------|-------------------------|
| <b>ASSETS</b>   |       |                         |
| <b>Non-current assets</b>                             |       |                         |
| Financial assets                                      |       |                         |
| Investments   | 3     | 3,869.37                |
| <b>Total non-current assets</b>                       |       | <u>3,869.37</u>         |
| <b>Current assets</b>                                 |       |                         |
| Financial assets                                      |       |                         |
| Cash and cash equivalents                             | 4     | 140.62                  |
| <b>Total current assets</b>                           |       | <u>140.62</u>           |
| <b>Total assets</b>                                   |       | <u><u>4,009.99</u></u>  |
| <b>EQUITY AND LIABILITIES</b>                         |       |                         |
| <b>Equity</b>   |       |                         |
| Equity share capital                                  | 5(a)  | 0.01                    |
| Instruments entirely equity in nature                 | 5(b)  | 4,010.00                |
| <b>Other equity</b>                                   |       |                         |
| Reserves and surplus                                  | 6     | (0.33)                  |
| <b>Total equity</b>                                   |       | <u>4,009.68</u>         |
| <b>LIABILITIES</b>                                    |       |                         |
| <b>Current liabilities</b>                            |       |                         |
| Financial liabilities                                 |       |                         |
| Trade payables  |       |                         |
| total outstanding dues of micro and small enterprises | 7     | -                       |
| total outstanding dues other than above               | 7     | 0.27                    |
| Other financial liabilities                           | 8     | 0.01                    |
| Other current liabilities                             | 9     | 0.03                    |
| <b>Total current liabilities</b>                      |       | <u>0.31</u>             |
| <b>Total liabilities</b>                              |       | <u>0.31</u>             |
| <b>Total equity and liabilities</b>                   |       | <u><u>4,009.99</u></u>  |

The above balance sheet should be read in conjunction with the accompanying notes.


This is the balance sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No: 012754N / N500016

For and on behalf of the Board



Ali Akbar  
Partner  
Membership No.117839



Percy Birdy  
Director  
DIN No. 07634795



Altaf A Jiwani  
Director  
DIN: 05166241

Place: Mumbai  
Date: May 20, 2022

Place: Mumbai  
Date: May 20, 2022



Mahatva Plastic Products and Building Materials Private Limited  
Statement of profit and loss  
(All amounts in Rupees million, unless otherwise stated)

|  | Notes | For the Period from<br>August 13, 2021 to<br>March 31, 2022 |
|--|-------|---|
| <b>Expenses</b>  |       |   |
| Other expenses   | 10    | 0.32  |
| Finance costs  | 11    | 0.01  |
| <b>Total expenses</b>                                  |       | <u>0.33</u>   |
| <b>Loss before tax</b>                                 |       | <u>(0.33)</u>   |
| <b>Income tax expense</b>                              |       |   |
| - Current tax  | 12    | -   |
| - Deferred tax   | 12    | -   |
| <b>Total income tax expense</b>                        |       | <u>-</u>  |
| <b>Loss for the period (A)</b>                         |       | <u><u>(0.33)</u></u>  |
| <b>Other comprehensive income (B)</b>                  |       |   |
| Items that will not be reclassified to profit or loss  |       | -   |
| <b>Total comprehensive income for the period (A+B)</b> |       | <u><u>(0.33)</u></u>  |
| <b>Loss per equity share</b>                           |       |   |
| - Basic and diluted loss per share (Rs.)               | 21    | (330.00)  |

The above statement of profit and loss should be read in conjunction with the accompanying notes.

This is the statement of profit and loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No: 012754N / N500016

For and on behalf of the Board

Ali Akbar  
Partner  
Membership No.117839

Percy Birdy  
Director  
DIN No. 07634795

Altaf A Jiwani  
Director  
DIN: 05166241

Place: Mumbai  
Date: May 20, 2022

Place: Mumbai  
Date: May 20, 2022

Mahatva Plastic Products and Building Materials Private Limited  
Statement of cash flows  
(All amounts in Rupees million, unless otherwise stated)

For the Period from  
August 13, 2021 to  
March 31, 2022


| <b>A) Cash flows used in operating activities</b>                          |                   |
|--|-------------------|
| Loss before tax  | (0.33)            |
| <b>Adjustments for</b>   |                   |
| Interest on optionally convertible debentures                              | 0.01              |
| <b>Operating profit before changes in operating assets and liabilities</b> | <b>(0.32)</b>     |
| <b>Changes in operating assets and liabilities</b>                         |                   |
| Movement in Trade payables   | 0.27              |
| Movement in Other current liabilities                                      | 0.03              |
| <b>Cash used in operations</b>   | <b>(0.02)</b>     |
| Income taxes paid (tax deducted at source)                                 | -                 |
| <b>Net cash flows used in operating activities (A)</b>                     | <b>(0.02)</b>     |
| <b>B) Cash flows used in investing activities</b>                          |                   |
| Purchase of long term investments  | (3,869.37)        |
| <b>Net cash flows used in investing activities (B)</b>                     | <b>(3,869.37)</b> |
| <b>C) Cash flows from financing activities</b>                             |                   |
| Issue of Equity share capital  | 0.01              |
| Issue of 0.01% Optionally Convertible Debentures (OCDs)                    | 4,010.00          |
| <b>Net cash flows from financing activities (C)</b>                        | <b>4,010.01</b>   |
| <b>Net increase in cash and cash equivalents (A+B+C)</b>                   | <b>140.62</b>     |
| Cash and cash equivalents at the beginning of the period                   | -                 |
| <b>Cash and cash equivalents at the end of the period (refer note 4)</b>   | <b>140.62</b>     |


The above statement of cash flows should be read in conjunction with the accompanying notes.

This is the statement of cash flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No: 012754N / N500016

For and on behalf of the Board


  
Ali Akbar  
Partner  
Membership No.117839

  
Percy Birdy  
Director  
DIN No. 07634795

  
Altaf A Jiwani  
Director  
DIN: 05166241

Place: Mumbai  
Date: May 20, 2022

Place: Mumbai  
Date: May 20, 2022



Mahatva Plastic Products and Building Materials Private Limited  
Statement of changes in equity  
(All amounts in Rupees million, unless otherwise stated)

A. Equity share capital

| Particulars                                       | Notes | Amount |
|---|-------|--------|
| Balance as at August 13, 2021                     |       | -      |
| Changes in equity share capital during the period | 5(a)  | 0.01   |
| Balance as at March 31, 2022                      |       | 0.01   |

B. Instruments Entirely Equity in Nature

0.01% Optionally Convertible Debentures (OCDs)

| Particulars                                    | Notes | Amount   |
|--|-------|----------|
| Balance as at August 13, 2021                  |       | -        |
| 0.01% Optionally Convertible Debentures issued | 5(b)  | 4,010.00 |
| Balance as at March 31, 2022                   |       | 4,010.00 |

C. Other equity (Refer note 6)


|   | Reserves and surplus | Total other equity |
|---|----------------------|--------------------|
|   | Retained Earnings    |                    |
| Balance as at August 13, 2021             | -                    | -                  |
| Loss for the period                       | (0.33)               | (0.33)             |
| Other comprehensive income                | -                    | -                  |
| Total comprehensive income for the period | (0.33)               | (0.33)             |
| Balance as at March 31, 2022              | (0.33)               | (0.33)             |

The above statement of changes in equity should be read in conjunction with the accompanying notes.


This is the statement of changes in equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No: 012754N / N500016

For and on behalf of the Board

  
Ali Akbar  
Partner  
Membership No.117839

  
Percy Birdy  
Director  
DIN No. 07634795

  
Ataf A Jiwani  
Director  
DIN: 05166241

Place: Mumbai  
Date: May 20, 2022

Place: Mumbai  
Date: May 20, 2022



**Mahatva Plastic Products and Building Materials Private Limited**  
**Notes annexed to and forming part of the balance sheet as at March 31, 2022**  
**and the statement of profit and loss for the period from August 13, 2021 (Date of incorporation) to March 31, 2022**

**Background**

Mahatva Plastic Products and Building Materials Private Limited (the "Company") is a Company limited by shares incorporated on August 13, 2021 and domiciled in India under the Companies Act, 2013. The Company is engaged in business of Polymer product.

The registered office of the Company and its principal place of business is at Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, Kutch, Gujarat – 370110.

These financial statements are authorised for issue by the Board of Directors on May 20, 2022

The Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest two decimals of million unless otherwise stated.

**Note 1: Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements.

**(a) Basis of preparation**

**(i) Compliance with Ind AS**

The 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] and other relevant provisions of the Act.

**(ii) Historical cost convention**

The financial statements have been prepared on an accrual and on a historical cost basis, except for the following items:  
- Certain financial assets measured at fair value.

**(iii) 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.

**(iv) Use of Going Concern assumption**

These financial statements have been prepared on a going concern basis as Welspun Corp Limited, the holding company is committed to provide financial support to the company.

**(v) New amendments issued but not effective**

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022. 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.

**(b) Segment reporting**

The chief operating decision makers are the Board of Directors of the Company. The directors of the Company assesses the financial performance and position of the Company, and makes strategic decisions. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (Refer note 16).

**(c) Foreign currency translation**

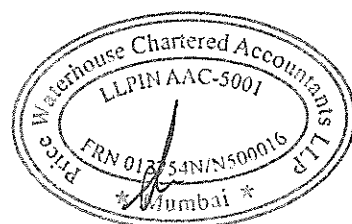
**(i) Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The financial statements are presented in Indian rupee, which is the functional and presentation currency of the Company.

**(ii) 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 on 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 income/ other expenses as applicable.

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.





**(d) Income tax**

The income tax expense or credit for the period is the tax payable on the current period'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.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India. 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.

Deferred income tax is provided in full and their carrying amounts in the financial statements, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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.

**(e) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, 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, and bank overdrafts. Bank overdrafts (if any) are shown within borrowings in current liabilities in the balance sheet.

**(f) Investments and other 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 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 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) Recognition**

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the company commits to purchase or sale the financial asset.

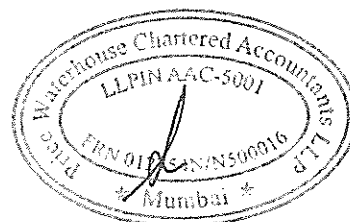
**(iii) Measurement**

At initial recognition, the Company measures a financial asset 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.

**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 revenue 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/ other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.



**Mahatva Plastic Products and Building Materials Private Limited**  
**Notes annexed to and forming part of the balance sheet as at March 31, 2022**  
**and the statement of profit and loss for the period from August 13, 2021 (Date of incorporation) to March 31, 2022**

· **Fair value through profit or loss:** 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 is recognised in profit or loss and presented net in the statement of profit and loss within other income or other expense (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income.

**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, 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 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.

**(iv) 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.

**(v) 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.

**(vi) Income recognition**

**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 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.

Interest on income tax and indirect tax are recognised in the year in which it is received.

Dividends income is received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

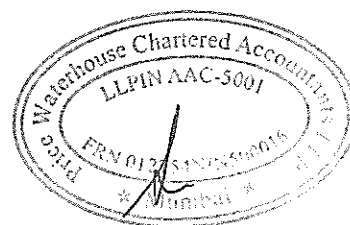
**(g) Financial liabilities**

**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) De-recognition**

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.



**(h) 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.

**(i) 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.

**(j) Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete prepare the asset for its intended use or sale. Qualifying assets are assets that are 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.

**(k) Provisions, contingent liabilities and contingent assets**

**i) 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.

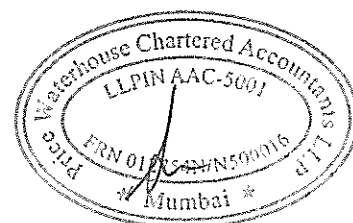
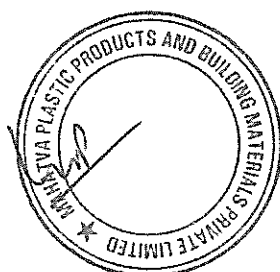
The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

**ii) 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.

**iii) Contingent Assets**

Contingent Assets are disclosed, where an inflow of economic benefits is probable.



**Mahatva Plastic Products and Building Materials Private Limited**  
**Notes annexed to and forming part of the balance sheet as at March 31, 2022**  
**and the statement of profit and loss for the period from August 13, 2021 (Date of incorporation) to March 31, 2022**

**(l) 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.

**(m) Earnings/(Loss) per share**

**(i) Basic Earnings/(Loss) per share**

Basic Earnings/(Loss) per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

**(ii) Diluted Earnings/(Loss) per share**

Diluted Earnings/(Loss) per share adjusts the figures used in the determination of basic Earnings/(Loss) 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.

**(n) Instruments Entirely Equity in Nature**

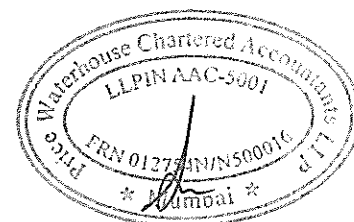
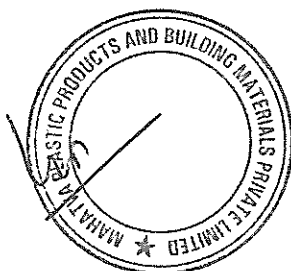
Instruments entirely equity in nature issued by the Company comprises of convertible debentures. These instruments have such terms and conditions that qualify them for being entirely equity in nature based on the criteria given in Para 16 of Ind AS 32 "Financial Instruments Presentation". Company assesses the terms and conditions specific to each instrument for deciding whether they are entirely equity in nature. This is recognised and included in shareholder's equity, net of income tax effects, and not subsequently re-measured.

**(o) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest million (upto two decimals) as per the requirement of Schedule III (Division II), unless otherwise stated.

**Note 2: Critical estimates and judgments**

There are no critical estimates and judgements.



Mahatva Plastic Products and Building Materials Private Limited  
Notes annexed to and forming part of the balance sheet as at March 31, 2022  
and the statement of profit and loss for the period from August 13, 2021 (Date of incorporation) to March 31, 2022  
(All amounts in Rupees million, unless otherwise stated)

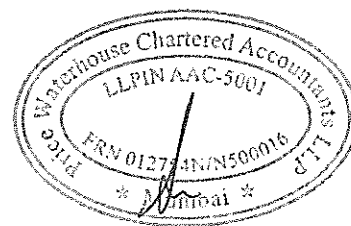
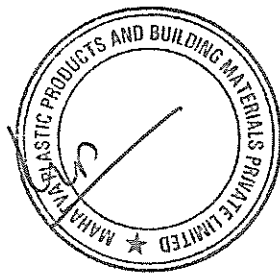
Note 3: Investments

|   | As at<br>March 31, 2022 |
|---|-------------------------|
| <b>Unquoted</b>   |                         |
| Investments carried at fair value through profit and loss (fully paid up) |                         |
| Investments in Non convertible debentures                                 |                         |
| Sintex BAPL Limited   | 3,869.37                |
| 91,495 Debentures of Rs.100,000 each                                      |                         |
| <b>Total non-current investments</b>                                      | <b>3,869.37</b>         |
| Aggregate amount of unquoted investments                                  | 3,869.37                |

Pursuant to the approval of transaction by board of directors held during the period, the Company on March 31, 2022, has acquired 91,495 non convertible debentures of Sintex BAPL Limited for purchase consideration of Rs.3,869.37 million. This transaction is with unrelated party and the transaction is at fair value.

Note 4 : Cash and cash equivalents

|  | As at<br>March 31, 2022 |
|--|-------------------------|
| Balances with banks                    |                         |
| In current accounts                    | 140.62                  |
| <b>Total cash and cash equivalents</b> | <b>140.62</b>           |



Mahatva Plastic Products and Building Materials Private Limited  
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(All amounts in Rupees million, unless otherwise stated)

Note 5: Equity share capital and instruments entirely equity in nature

5(a) Equity Share capital

(i) Authorised equity share capital

|                            | Number of Shares | Par value | Amount |
|----------------------------|------------------|-----------|--------|
| As at August 13, 2021      | -                | -         | -      |
| Increase during the period | 10,000           | 10        | 0.10   |
| As at March 31, 2022       | 10,000           | 10        | 0.10   |

(ii) Movement in equity shares capital  
Issued, subscribed and paid up capital

|                            | Number of Shares | Par value | Amount |
|----------------------------|------------------|-----------|--------|
| As at August 13, 2021      | -                | -         | -      |
| Increase during the period | 1,000            | 10        | 0.01   |
| As at March 31, 2022       | 1,000            | 10        | 0.01   |

(iii) Terms and rights attached to shares Equity shares

The Company has only one class of equity shares having a par value of INR 10 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.

(iv) Shares of the Company held by holding company

|  | As at March 31, 2022 |           |
|--|----------------------|-----------|
|  | No. of shares        | % holding |
| Welspun Corp Limited, including nominees | 1,000                | 100.00%   |

(v) Details of shareholders holding more than 5% shares in the Company

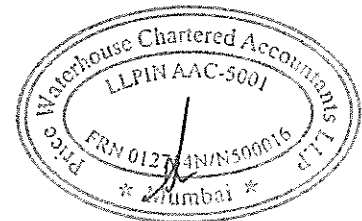
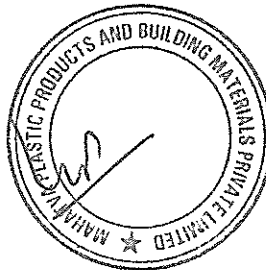
|  | As at March 31, 2022 |           |
|--|----------------------|-----------|
|  | No. of shares        | % holding |
| Welspun Corp Limited (the 'holding company'), including nominees | 1,000                | 100.00%   |

(vi) Details of Equity shares

| Particulars   | Number of shares | Par value | Amount | Date of allotment |
|---------------|------------------|-----------|--------|-------------------|
| Equity Shares | 1,000            | 10        | 0.01   | November 26, 2021 |
| Total         | 1,000            |           | 0.01   |                   |

(vii) Details of Promoter Shareholding

| Name of the promoter | Year ended March 31, 2022 |                             |                                      |
|----------------------|---------------------------|-----------------------------|--------------------------------------|
|                      | Number of shares          | % of total number of shares | Percentage of change during the year |
| Welspun Corp Limited | 1,000                     | 100.00%                     | 100.00%                              |
| Total                | 1,000                     | 100.00%                     |                                      |



**Mahatva Plastic Products and Building Materials Private Limited**  
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*(All amounts in Rupees million, unless otherwise stated)*

**5(b) Instruments entirely equity in nature:**  
**0.01% Optionally Convertible Debentures (OCDs)**

**i) Movement in 0.01% Optionally Convertible Debentures (OCDs)**

|                                | Number of Debentures | Par value  | Amount          |
|--------------------------------|----------------------|------------|-----------------|
| Issued, subscribed and paid up |                      |            |                 |
| As at August 13, 2021          | -                    | -          | -               |
| Increase during the period     | 4,01,00,000          | 100        | 4,010.00        |
| <b>As at March 31, 2022</b>    | <b>4,01,00,000</b>   | <b>100</b> | <b>4,010.00</b> |

**ii) Terms of issue**

Each OCD having face value of Rs 100 each shall be convertible at the option of 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 the issuer, any-time from the date of 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 day's notice thereto. If the holder does not opt for converting, the issuer shall redeem within 7 days of the expiry of the notice period.

**(iii) Debenture of the Company held by holding company**

|                      | As at March 31, 2022 |           |
|----------------------|----------------------|-----------|
|                      | No. of debentures    | % holding |
| Welspun Corp Limited | 4,01,00,000          | 100.00%   |

**(iv) Details of debenture holders holding more than 5% debentures in the Company**

|  | As at March 31, 2022 |           |
|--|----------------------|-----------|
|  | No. of debentures    | % holding |
| Welspun Corp Limited (the 'holding company') | 4,01,00,000          | 100.00%   |

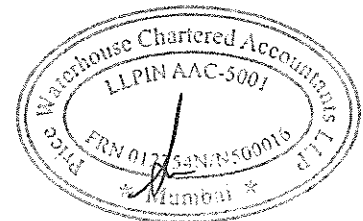
**(v) Details of optionally convertible debentures**

| Particulars                                    | Number of Debentures | Par Value | Amount          | Date of allotment |
|--|----------------------|-----------|-----------------|-------------------|
| 0.01% Optionally Convertible Debentures (OCDs) | 3,26,00,000          | 100       | 3,260.00        | March 30, 2022    |
| 0.01% Optionally Convertible Debentures (OCDs) | 75,00,000            | 100       | 750.00          | March 31, 2022    |
| <b>Total</b>                                   | <b>4,01,00,000</b>   |           | <b>4,010.00</b> |                   |

Note: The optionally convertible debentures (issued on right basis) have been applied for the purposes for which they were obtained, except for Rs. 140.62 million which is pending for utilisation and is included under cash and cash equivalents (refer note 4).

**(vi) Details of Promoter holding**

| Name of the promoter | Year ended March 31, 2022 |                           |                                      |
|----------------------|---------------------------|---------------------------|--------------------------------------|
|                      | Number of OCDs            | % of total number of OCDs | Percentage of change during the year |
| Welspun Corp Limited | 4,01,00,000               | 100.00%                   | 100.00%                              |
| <b>Total</b>         | <b>4,01,00,000</b>        | <b>100.00%</b>            |                                      |



Mahatva Plastic Products and Building Materials Private Limited  
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(All amounts in Rupees million, unless otherwise stated)

Note 6 : Other Equity

Reserves and surplus

|                                      | <u>As at</u><br><u>March 31, 2022</u> |
|--------------------------------------|---------------------------------------|
| Retained earnings (refer note below) | (0.33)                                |
| <b>Total reserves and surplus</b>    | <b><u>(0.33)</u></b>                  |

Note - Retained earnings:

|                        | <u>As at</u><br><u>March 31, 2022</u> |
|------------------------|---------------------------------------|
| Opening balance        | -                                     |
| Loss for the period    | (0.33)                                |
| <b>Closing balance</b> | <b><u>(0.33)</u></b>                  |

Nature and Purpose of Other Equity

Retained Earnings

Retained earnings comprises of prior years as well as current year's undistributed earnings after taxes.

Note 7: Trade payables

|  | <u>As at</u><br><u>March 31, 2022</u> |
|--|---------------------------------------|
| Trade payables dues of micro and small enterprises (refer note 23) | -                                     |
| Trade payables others  | 0.27                                  |
| <b>Total trade payables</b>  | <b><u>0.27</u></b>                    |

Trade payable ageing as at March 31, 2022

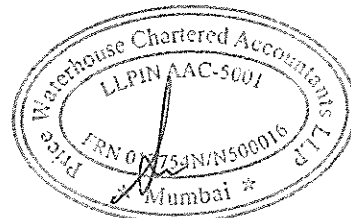
| Particulars                                 | Unbilled    | Not due  | Outstanding for following periods from due date |           |           |                   | Total       |
|---|-------------|----------|---|-----------|-----------|-------------------|-------------|
|   |             |          | Less than 1 year                                | 1-2 years | 2-3 years | More than 3 years |             |
| <b>Undisputed Trade Payables</b>            |             |          |   |           |           |                   |             |
| (i) Micro enterprises and small enterprises | -           | -        | -   | -         | -         | -                 | -           |
| (ii) Others                                 | 0.27        | -        | -   | -         | -         | -                 | 0.27        |
| <b>Total</b>                                | <b>0.27</b> | <b>-</b> | <b>-</b>  | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>0.27</b> |

Note 8: Other financial liabilities

|  |                    |
|--|--------------------|
| Interest accrued but not due             | 0.01               |
| <b>Total other financial Liabilities</b> | <b><u>0.01</u></b> |

Note 9: Other current liabilities

|  |                    |
|--|--------------------|
| Statutory dues payable                 | 0.03               |
| <b>Total other current liabilities</b> | <b><u>0.03</u></b> |





**Mahatva Plastic Products and Building Materials Private Limited**  
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*(All amounts in Rupees million, unless otherwise stated)*

**Note 10: Other expenses**

|  | <b>For the Period from<br/>August 13, 2021 to<br/>March 31, 2022</b> |
|--|--|
| Payment to auditors (refer note below)                               | 0.30   |
| Legal and professional fees  | 0.01   |
| Miscellaneous expenses   | 0.01   |
| <b>Total other expenses</b>  | <b>0.32</b>  |
| <b>Note:</b>   |  |
| <b>Details of payment to auditors excluding taxes, as applicable</b> |  |
| As auditor:  |  |
| Audit fee  | 0.30   |
| <b>Total</b>   | <b>0.30</b>  |

**Note 11: Finance costs**

|   | <b>For the Period from<br/>August 13, 2021 to<br/>March 31, 2022</b> |
|---|--|
| Interest on optionally convertible debentures | 0.01   |
| <b>Total finance costs</b>                    | <b>0.01</b>  |

**Note 12: Income tax and Deferred tax**

**12(a) Deferred tax**

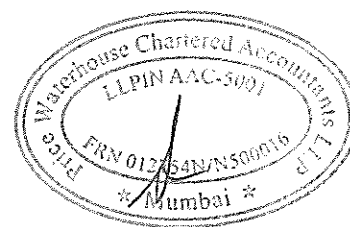
There are no components on which Deferred Tax Liability would arise. Deferred Tax Asset has not been recognised in absence of convincing evidence that sufficient taxable profit will be available against which the unused tax losses can be utilised by the Company. Total unrecognised deferred tax assets on tax losses aggregates Rs. 0.06 million.

**12(b) Income tax expense**

|                                 | <b>For the Period from<br/>August 13, 2021 to<br/>March 31, 2022</b> |
|---------------------------------|--|
| <b>(i) Income tax expense</b>   |  |
| Current tax                     | -  |
| Deferred tax                    | -  |
| <b>Total income tax expense</b> | <b>-</b>   |

**(ii) Reconciliation of income tax expense and the accounting profit multiplied by India's tax rate**

|  | <b>For the Period from<br/>August 13, 2021 to<br/>March 31, 2022</b> |
|--|--|
| Loss before tax  | (0.33)   |
| Tax rate   | 17.16%   |
| Tax at normal rate   | (0.06)   |
| Unrecognised Deferred Tax Asset (net)                        | 0.06   |
| <b>Total Tax Expense as per Statement of Profit and Loss</b> | <b>-</b>   |



Mahatva Plastic Products and Building Materials Private Limited  
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(All amounts in Rupees million, unless otherwise stated)

Note 13: Fair value measurements

Financial instruments by category

|                                    | As at March 31, 2022 |                |
|------------------------------------|----------------------|----------------|
|                                    | FVPL                 | Amortised Cost |
| <b>Financial assets</b>            |                      |                |
| Investments                        | 3,869.37             | -              |
| Cash and cash equivalents          | -                    | 140.62         |
| <b>Total financial assets</b>      | <b>3,869.37</b>      | <b>140.62</b>  |
| <b>Financial liabilities</b>       |                      |                |
| Interest accrued but not due       | -                    | 0.01           |
| Trade payables                     | -                    | 0.27           |
| <b>Total financial liabilities</b> | <b>-</b>             | <b>0.28</b>    |

(i) Fair value hierarchy

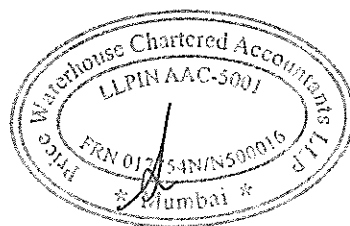
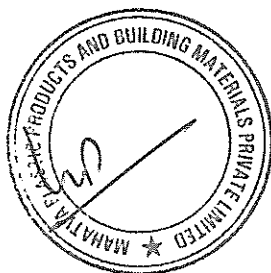
This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2022

|                                      | Level 1  | Level 2  | Level 3         | Total           |
|--------------------------------------|----------|----------|-----------------|-----------------|
| <b>Financial assets</b>              |          |          |                 |                 |
| <b>Financial investments at FVPL</b> |          |          |                 |                 |
| Investments                          | -        | -        | 3,869.37        | 3,869.37        |
| <b>Total financial assets</b>        | <b>-</b> | <b>-</b> | <b>3,869.37</b> | <b>3,869.37</b> |

Financial assets and liabilities which are measured at amortised cost for which fair value are disclosed at March 31, 2022

|                                    | Level 1  | Level 2  | Level 3  | Total    |
|------------------------------------|----------|----------|----------|----------|
| <b>Financial Assets</b>            | -        | -        | -        | -        |
| <b>Total financial assets</b>      | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> |
| <b>Financial liabilities</b>       | -        | -        | -        | -        |
| <b>Total financial liabilities</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> |



**Mahatva Plastic Products and Building Materials Private Limited**

Notes annexed to and forming part of the balance sheet as at March 31, 2022

and the statement of profit and loss for the period from August 13, 2021 (Date of incorporation) to March 31, 2022

(All amounts in Rupees million, unless otherwise stated)

**Note 13: Fair value measurements (Cont....)**

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 Company does not have any item under this category.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. The Company does not have any item under this category.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The company has classified unlisted debt investments in this category.

**(ii) Valuation techniques used to determine fair value:**

The transaction is with unrelated party and entered into at the end of the year. Hence, the fair value as at March 31, 2022 is considered to be at carrying value.

**(iii) Fair value measurements using significant unobservable inputs (level 3)**

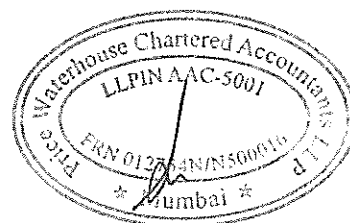
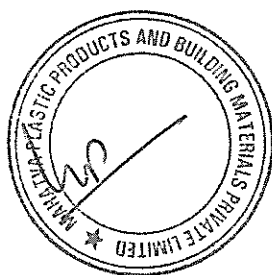
The following table presents the changes in level 3 items for the years ended March 31, 2022:

|  | Unlisted NCD's  | Total           |
|--|-----------------|-----------------|
| <b>As at March 31, 2021</b>  | -               | -               |
| Acquisitions   | 3,869.37        | 3,869.37        |
| Loss recognised in profit or loss  | -               | -               |
| Disposals  | -               | -               |
| <b>As at March 31, 2022</b>  | <b>3,869.37</b> | <b>3,869.37</b> |
| Unrealised gain/ (loss) recognised in profit or loss related to assets held at the end of the reporting period | -               | -               |
| March 31, 2022   | 3,869.37        | 3,869.37        |
| March 31, 2021   | -               | -               |

**(iv) Valuation inputs and relationships to fair value**

The transaction is with unrelated party and entered into at the end of the year. Hence, the fair value as at March 31, 2022 is considered to be at carrying value.

(v) The carrying amounts of cash and cash equivalents, trade payables and other financial liabilities are considered to be the same as their fair values due to their short term nature.



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*(All amounts in Rupees million, unless otherwise stated)*

**Note 14 : Financial risk management**

The Company's principal financial liabilities represents interest accrued but not due. The main purpose of these financial liabilities is to pay for the business acquisition. The Company's principal financial assets consists of represents investments and cash and cash equivalents.

The Company's activities exposes it to credit risk, liquidity risk, market risk-interest risk and market risk-security prices. The directors of the Company (considering size of business) oversees the management of these risks which are governed by appropriate policies and procedures and financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

**(I) Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from deposits with banks and investments carried at fair value through profit and loss.

**a) Trade receivables**

The Company has no trade receivables as at March 31, 2022, hence there is no credit risk for the period August 13, 2021 to March 31, 2022.

**b) Other financial assets**

The Company maintains exposure majority in investments & cash and cash equivalents.

The Company's investments in debt instruments are considered to be low risk investments. The credit rating of this investment is monitored for credit deterioration. The credit rating of banks in which the Company holds deposits is evaluated by management on ongoing basis and considered to be good.

**(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 bank balances by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

**(a) Financing arrangements**

The company does not have any undrawn borrowing facilities for working capital as at March 31, 2022.

**(b) Maturities of financial liabilities:**

The tables below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The Company does not have any derivative liabilities.

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 significant.

**As at March 31, 2022**

| Contractual maturities of financial liabilities | < 1 Year    | 1 - 3 years | 3 - 5 years | > 5 years | Total    | Carrying value |
|---|-------------|-------------|-------------|-----------|----------|----------------|
| <b>Non-derivatives</b>                          |             |             |             |           |          |                |
| Other financial liabilities                     | 0.01        | -           | -           | -         | -        | 0.01           |
| Trade Payables                                  | 0.27        | -           | -           | -         | -        | 0.27           |
| <b>Total non-derivative liabilities</b>         | <b>0.28</b> | <b>-</b>    | <b>-</b>    | <b>-</b>  | <b>-</b> | <b>0.28</b>    |

**(III) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Foreign currency risk, interest rate risk and security prices.

**(a) Foreign currency risk**

Foreign currency risk is the risk that the future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Company does not have any foreign currency liabilities as at March 31, 2022. Hence there is no foreign currency risk for the period August 13, 2021 to March 31, 2022

**(b) Interest rate risk**

The Company does not have any variable interest rate borrowings hence is not exposed to interest rate risk.

**(c) Security prices**

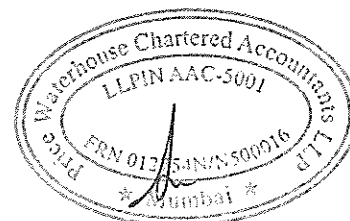
**i) Exposure**

The Company's exposure to securities price risk arises from movement price of securities classified as fair value through profit and loss.

**ii) Sensitivity**

The table below summarises the gain/(loss) impact on account of increase/decrease in the securities prices on the Company's equity and profit for the period.

|                     | Impact on profit before tax |
|---------------------|-----------------------------|
|                     | As at March 31, 2022        |
| Increase in rate 1% | (38.69)                     |
| Decrease in rate 1% | 38.69                       |



**Mahatva Plastic Products and Building Materials Private Limited**

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(All amounts in Rupees million, unless otherwise stated)

**Note 15 : Capital management**

**(a) Risk management**

For the purpose of the Company's capital management, capital includes issued equity capital, optionally convertible debentures and all other equity reserves.

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce cost of capital.

**(b) Dividends**

The Company has not declared dividends in the current reporting period.

**Note 16: Segment information**

**(i) Description of segments and principal activities**

The Company's chief operating decision makers are its Board of Directors Company who examines the Company's performance only from the product perspective and has accordingly, identified only one reportable segment which is manufacturing of polymer product in accordance with Ind AS 108.

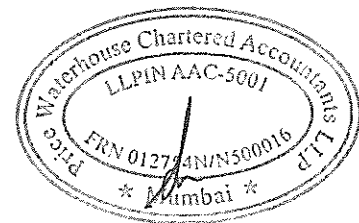
**(ii) The chief operating decision makers primarily uses a measure of Profit/(loss) before tax as included in the internal management report to assess the performance of the operating segment which is measured consistently with profit or loss in the financial statements.**

**(iii) Revenue from major external customers:**

Since the Company has been incorporated in the current year and not commenced any commercial operations, hence no revenue has been generated by the Company during the period April 23, 2021 to March 31, 2022.

**(iv) The company is domiciled in India. Since the company has not begun any commercial operations there is no reportable revenue inside India and Outside India till March 31, 2022.**

**(v) The total of Non-current assets are located only in India as at March 31, 2022.**



**Mahatva Plastic Products and Building Materials Private Limited**  
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(All amounts in Rupees million, unless otherwise stated)

**Note 17: Related party transactions**

**(a) Entity having significant influence**

| Name   | Type                  | Ownership interest |
|--|-----------------------|--------------------|
|  |                       | March 31, 2022     |
| Welspun Group Master Trust (entity has significant influence on Welspun Corp Limited, holding company) | Significant influence | 44.86%             |

**(b) Holding Company**

| Name  | Type            | Ownership interest |
|---|-----------------|--------------------|
|   |                 | March 31, 2022     |
| Welspun Corp Limited (w.e.f. November 26, 2021) | Holding Company | 100%               |

**(c) Key management personnel**

| Name                               | Nature of relationship   |
|------------------------------------|--|
| Mr. Mohan Kasiviswanathan Manikkan | Non Executive, Director w.e.f. August 13,2021 till May 04,2022               |
| Mr. Devendra Patil                 | Non Executive, Director w.e.f. August 13,2021 till April 28,2022             |
| Mr. Altaf A Jiwani                 | Additional Director (Non-Executive and Non-Independent) w.e.f. April 28,2022 |
| Mr. Percy Birdy                    | Additional Director (Non-Executive and Non-Independent) w.e.f. April 28,2022 |
| Mr. Rajesh K. Mandawewala          | Additional Director (Non-Executive and Non-Independent) w.e.f. May 04,2022   |

**(d) Transactions with related parties**

|   | For the Period from August 13, 2021 to March 31, 2022 |
|---|---|
| <b>1) Issue of 0.01% Optionally Convertible Debentures (OCDs)</b>       |   |
| Welspun Corp Limited  | 4,010.00  |
| <b>Total issuance of 0.01% Optionally Convertible Debentures (OCDs)</b> | <b>4,010.00</b>                                       |
| <b>2) Issue of equity share</b>   |   |
| Welspun Corp Limited  | 0.01  |
| <b>Total issuance of equity share</b>                                   | <b>0.01</b>   |
| <b>3) Finance cost</b>  |   |
| Welspun Corp Limited  | 0.01  |
| <b>Total finance cost</b>   | <b>0.01</b>   |

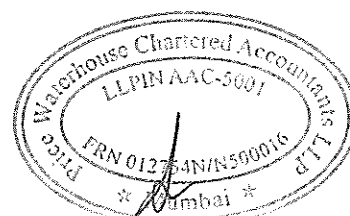
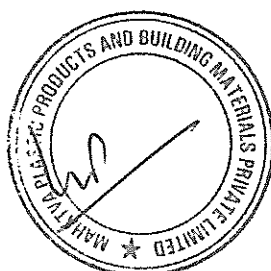
Note : Amount is inclusive of applicable taxes  
Directors of the Company are also employed by the other group Company and they have not been paid remuneration accordingly.

**(e) Disclosure of significant closing balances:**

|  | As at March 31, 2022 |
|--|----------------------|
| <b>1) Equity Share Capital</b>                           |                      |
| Welspun Corp Limited                                     | 0.01                 |
| <b>Total equity Share Capital</b>                        | <b>0.01</b>          |
| <b>2) 0.01% Optionally Convertible Debentures (OCDs)</b> |                      |
| Welspun Corp Limited                                     | 4,010.00             |
| <b>Total optionally Convertible Debentures (OCDs)</b>    | <b>4,010.00</b>      |
| <b>3) Interest accrued but not due</b>                   |                      |
| Welspun Corp Limited                                     | 0.01                 |
| <b>Total interest accrued but not due</b>                | <b>0.01</b>          |

**(f) Terms and conditions**

All transactions were made on normal commercial terms and conditions and at market rates.  
All outstanding balances are unsecured and are repayable through banking channels.



**Mahatva Plastic Products and Building Materials Private Limited**  
Notes annexed to and forming part of the balance sheet as at March 31, 2022  
and the statement of profit and loss for the period from August 13, 2021 (Date of incorporation) to March 31, 2022  
*(All amounts in Rupees million, unless otherwise stated)*

**Note 18: Contingent liability**

There are no contingent liabilities as at March 31, 2022

**Note 19: Commitments**

There are no capital and other commitments as at March 31, 2022

**Note 20: Note on Covid-19**

Management has made an assessment of the impact of COVID 19 in preparation for these financial statements. Management has considered all relevant external and internal factors in the measurement of assets and liabilities including recoverability of carrying values of its assets, its liquidity position and ability to repay debts. No adjustment to key estimates and judgements that impact the financial statements have been identified. However, the impact assessment of COVID 19 will be a continuing process given the uncertainties associated with its nature and duration and no significant impact is envisaged on the operations.

**Note 21: Earning/(Loss) per equity share**

|  | For the period from August<br>13, 2021 to<br>March 31, 2022 |
|--|---|
| Loss attributable to the equity holders of the Company                 | (0.33)  |
| Weighted average number of equity shares outstanding during the period | 1,000   |
| Basic and diluted loss per share (Rs.)                                 | (330.00)  |
| Nominal value of an equity share (Rs.)                                 | 10.00   |

Note: Since there is a loss for the period August 13, 2021 to March 31, 2022, potential equity shares are not considered as dilutive and hence diluted EPS is same as Basic EPS.

**Note 22: Note on code on Social Security, 2020**

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 financial statements in the period in which the rules that are notified become effective.

**Note 23: Micro, Small and Medium Enterprises Development Act, 2006**

There are no Micro and Small Enterprises to which Company owe dues and any interest as per Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2022.

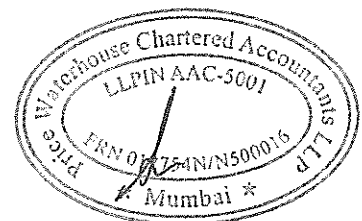
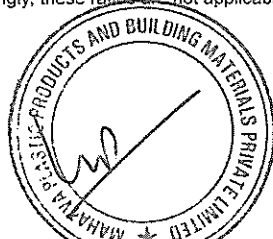
**Note 24: Financial ratios**

| Ratio                                    | Numerator                           | Denominator             | Current Period |
|--|-------------------------------------|-------------------------|----------------|
| Current ratio (times)                    | Current assets                      | Current liabilities     | 453.65         |
| Debt-equity ratio (times)                | Total debt                          | Total equity            | N.A.           |
| Debt service coverage ratio (times)      | Earnings available for debt service | Debt service            | N.A.           |
| Return on equity (%)                     | Net Loss for the period             | Shareholders equity     | 0.01%          |
| Inventory turnover ratio (times)         | Cost of goods sold                  | Inventory               | N.A.           |
| Trade receivables turnover ratio (times) | Revenue from operations             | Trade receivable        | N.A.           |
| Trade payable turnover ratio (times)     | Purchases                           | Trade payable           | N.A.           |
| Net capital turnover ratio (times)       | Revenue from operations             | Working capital         | N.A.           |
| Net Profit ratio (%)                     | Net loss for the period             | Revenue from operations | N.A.           |
| Return on capital employed (%)           | Earnings before interest and tax    | Capital employed        | 0.01%          |
| Return on investment (%)                 | Earnings before interest and tax    | Total assets            | 0.01%          |

As this is the first year of incorporation and the Company is under phase of acquisition of business, hence the reason for the variation in the ratios has not been given.

**Notes:**

- Total Debt = Non-current borrowings and Current borrowings
- Earning for debt service = Net profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest
- 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 minus Current liabilities.
- Capital employed = Tangible net worth + Total debt + Deferred tax liability.
- Since, the Company does not have any operations, purchase/sale of goods, inventory, trade receivable, trade payable relating to operating activities, the following ratios are not applicable for the year:
  - Inventory turnover ratio
  - Trade receivable turnover ratio
  - Trade payable turnover ratio
  - Net capital turnover ratio
  - Net profit ratio
- Since the Optionally Convertible Debentures are part of the Company's overall capital management, these are not considered as debt for the purpose of Debt equity & Debt service coverage ratio. Accordingly, these ratios are not applicable to the Company.



**Note 25: Additional regulatory information required by 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 does not have any borrowings from banks and financial institutions on the basis of security of current assets.

**(iii) Wilful defaulter**

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

**(iv) Relationship with struck off companies**

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

**(v) Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

**(vi) Compliance with approved scheme(s) of arrangements**

The Company has not entered into any scheme of arrangement which has an accounting impact on current period.

**(vii) Utilisation of borrowed funds**

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. 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

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

Other than Note 1 below, the Company has not received any fund 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: The Company has raised funds through issue of Optionally convertible debenture during the period to Welspun Corp Limited ( Holding Company) amounting INR. 4,010.00 million in accordance to the terms of issue. Further the Company has invested the amount of INR. 3,869.37 million in debentures of Sintex BAPL Limited during the period. Balance amount of INR 140.62 which is pending for utilisation is included under cash and cash equivalents (refer note 4).

**(viii) Undisclosed income**

There is no income surrendered or disclosed as income during the current period 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 period.

**(x) Valuation of PP&E (including Capital work-in-progress) and Right-of-use asset**

The Company does not hold any property, plant and equipment (including capital work-in-progress) and Right-of-use asset.

**(xi) Title deeds of immovable properties not held in name of the Company**

The Company does not own any immovable properties.

**(xii) Registration of charges or satisfaction with Registrar of Companies**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

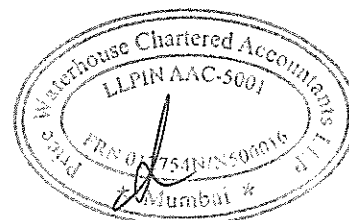
**(xiii) Utilisation of borrowings availed from banks and financial institutions**

The Company has not availed any borrowings from any banks or financial institutions.

**Note 26: Capital issued subsequent to the year end**

a. Subsequent to the year end the Company has invested in Non-convertible debentures of Sintex BAPL Limited having a face value of Rs.100,000 each (the "NCDs") for a purchase price of Rs. 162.60 million.

b. Subsequent to the year end the Company has issued 0.01 % OCDs of Rs.100/- each fully paid up aggregating Rs. 200.00 millions (including Rs.120.00 million pending allotment).





Mahatva Plastic Products and Building Materials Private Limited  
Notes annexed to and forming part of the balance sheet as at March 31, 2022  
and the statement of profit and loss for the period from August 13, 2021 (Date of incorporation) to March 31, 2022  
(All amounts in Rupees million, unless otherwise stated)

**Note 27: Going concern**

The management has made an assessment on the basis of the financial ratios ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, knowledge of the Board of Directors and management plans and has not noted any material uncertainty that the 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.

**Note 28: Core Investment Companies (CIC)**

Management has assessed that there are three Core Investment Companies (CIC) in the Group ('Companies in the Group' is as defined in Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016, as amended)

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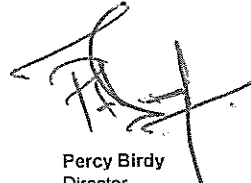
As per our attached report of even date

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No: 012754N / N500016



Ali Akbar  
Partner  
Membership No.117839

For and on behalf of the Board



Percy Birdy  
Director  
DIN No. 07634795



Altaf A. Jiwani  
Director  
DIN: 05166241

Place: Mumbai  
Date: May 20, 2022

Place: Mumbai  
Date: May 20, 2022

