

# WELSPUN DI PIPES LIMITED

3<sup>RD</sup> ANNUAL REPORT  
2022-2023

## Company Information

Company Identification Number	:	U27320GJ2020PLC115329
Date of Incorporation	:	August 6, 2020
Registered Office	:	Survey No. 650, Welspun City, Village Versamedi, Taluka- Anjar, Dist. Kutch, Gujarat-370110. Tel 02836-662079; email :Companysecretary_WDIL@Welspun.com
Authorized Capital	:	Rs. 240,00,00,000 divided into 6,00,00,000 (Six Crore) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 18,00,00,000 (Eighteen Crore) Preference Shares of Rs. 10/- (Rupees Ten Only) each
Paid-up Capital	:	Rs. 2,14,52,10,000 divided into 52,000,000 Equity Shares of Rs.10/- each fully paid-up and 162,521,000 Preference Shares of Rs. 10/- each fully paid-up
Securities Registrar & Transfer Agent	:	<b>M/s NSDL Database Management Limited</b> 4th Floor, Trade World, "A" Wing Kamala Mills Compound Lower Parel, Mumbai - 400 013
Board of Directors	:	Mr. Vipul Mathur-Director Mr. Percy Birdy- Wholetime Director Mr. Harishchandra Gupta-Director Mr. Neeraj Kant - Director Ms. Amita Misra - Independent Director
Chief Financial Officer	:	Mr. Navin Agarwal
Company Secretary	:	Mr. Paras Shah
Auditors	:	Price Waterhouse Chartered Accountants LLP

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## DIRECTORS' REPORT

To,  
 The Members,  
**Welspun DI Pipes Limited**

Your directors take great pleasure in presenting their 3<sup>rd</sup> Annual Report on the business of your Company, together with the audited financial statements for the financial year ended March 31, 2023.

### 1. FINANCIAL HIGHLIGHTS

Particulars	(Amount in Rs. crores)	
	For the Financial Year ended	For the Financial Year ended
	31.03.2023	31.03.2022
Income	266.30	1.42
Less: Total Expenses	293.65	5.72
Profit / (Loss) before tax	(27.35)	(4.30)
Profit / (Loss) After Tax	(22.68)	(4.30)
Other Comprehensive Profit / (Loss)	0.01	(0.26)
Profit / (Loss) for the year Carried to the Balance Sheet	(22.67)	(4.56)

### 2. UPDATE ON THE DI PIPES PROJECT

During the year under review, your Company's Ductile Iron Pipes (DI) plant located at Anjar, Gujarat was commissioned. The DI plant can produce ~ 400 KMT of Ductile Iron Pipes. The integrated complex is equipped with the latest cutting-edge technology and DI plant has also received BIS certification.

Due to improvements to the project plan, the total project cost of ~Rs. 635 crore (as approved by the Board of the Company), the expected project closure cost, including project cost of Rs. 662 crore, capitalization of operational losses of Rs. 15 crore and likely addition to complete project of Rs. 6 crore and addition of critical / insurance spares of Rs.10 crore, was estimated to be ~Rs.693 crore which effectively would mean effective cost overrun of ~Rs. 59 crore, which was proposed to be funded by way of drawdown of loans already approved for the project.

During the year, following milestones were achieved by the company:

1. Project Capitalization of Rs. 612 Cr.
2. DI Pipe Production of ~ 41KMT has been achieved.
3. Achieved Revenue of ~ Rs. 266 Cr.

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- The company has received BIS certification to manufacture pipes upto 1200 diameter.

In line with the safety incidents at the plant, the management has implemented the 4 Phase wise safety measures to mitigate and prevent the safety incidents from occurring.

### **3. TRANSFER TO RESERVES**

In view of the losses during the financial year 2022-23, the Company has not transferred any amount to reserves

### **4. DIVIDEND**

Your Directors do not recommend any dividend for the year ended March 31, 2023.

### **5. DETAILS OF SUBSIDIARY**

The Company does not have any subsidiary.

### **6. PUBLIC DEPOSITS**

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

### **7. SHARE CAPITAL**

The Company does not have any equity share with differential rights and hence disclosures as required in Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 are not required. The Company has not issued any sweat equity or stock options.

### **8. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

Since the Company does not meet the criterion laid down under Section 135(1) during the immediately preceding previous financial year, the constitution of CSR Committee is not applicable and average net profit of the Company for the immediately three preceding financial years is also negative. Hence, it is not

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necessary for the Company to spent amount on CSR activities. Accordingly, reporting on CSR activities is not applicable to the Company.

## 9. AUDITORS

### (a) Statutory Auditors:

Your Company's Auditors M/s. Price Waterhouse Chartered Accountants LLP, who have been appointed up to the conclusion of the 6<sup>th</sup> Annual General Meeting. The remuneration fixed for the financial year 2023-24 is Rs. 20 Lakh p.a. plus travelling and out-of-pocket expenses.

### (b) Secretarial Auditors:

M/s. JMJA & Associates LLP, practicing company secretaries, are the Secretarial Auditors of the Company. The Secretarial Audit Report required pursuant to sub section (3) of Section 134 and Section 204(1) of the Companies Act, 2013, is given in **Annexure 1** to this report.

### (c) Internal Auditors:

M/s. KPMG Assurance and Consulting Services LLP, Chartered Accountants, were appointed as the Internal Auditors of the Company for the financial year 2022-23.

### (d) Cost Auditors:

M/s. Kiran J Mehta & Cost Accountants, have been appointed as the Cost Auditors of the Company for the financial year 2023-24.

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

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## 10. AUDITORS' REPORT

### (a) Statutory Auditors' Report

Statutory Audit Report given by M/s. Price Waterhouse Chartered Accountants LLP, read with the annexure thereto and notes on account referred to in the their Report is self-explanatory and therefore, do not call for any further comments.

### (b) Secretarial Audit Report

Secretarial Audit Report given by M/s. JMJA & Associates LLP, Company Secretaries, read with the annexure thereto, is self-explanatory and therefore, do not call for any further comments.

### (c) Reporting of Frauds by Auditors

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

## 11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under Report, following changes took place in the Board of Directors and Key Managerial Personnel:-

- Appointment of Mr. Suhas Pawar as the Company Secretary w.e.f. May 20, 2022 and resignation as the Company Secretary w.e.f. October 28, 2022;
- Appointment of Mr. Navin Agarwal as Chief Financial Officer w.e.f. May 20, 2022;
- Appointment of Ms. Amita Misra as an Additional Independent Director w.e.f. January 27, 2023;
- Appointment of Mr. Paras Shah as the Company Secretary w.e.f. January 27, 2023;
- Appointment of Mr. Neeraj Kant as an Additional Director w.e.f. May 22, 2023, subject to shareholders' approval;

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Harish Chandra Gupta (DIN: 07559832) is retiring by rotation at the forthcoming Annual General Meeting and being eligible, has been recommended for re-appointment by the Board.

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Details about the directors being appointed are given in the Notice of the forthcoming Annual General Meeting being sent to the members along with the Annual Report.

The Board is of the opinion that the Director(s) holding the positions on the Board of the Company during the year under Report, possess requisite expertise, experience (including the proficiency) and integrity.

## **12. DECLARATION BY INDEPENDENT DIRECTOR(S)**

The independent director has individually declared to the Board that she meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and there is no change in the circumstances as on the date of this Report which may affect her status as an independent director. Your Board confirms that in their opinion the independent director fulfills the conditions of independence as prescribed under the Companies Act, 2013 and she is independent of the management. Further, in the opinion of the Board, the independent director possesses requisite expertise, experience and integrity. The Independent Director on the Board of the Company is registered with the Institute of Corporate Affairs, Manesar, Gurgaon as notified by the Central Government under Section 150(1) of the Companies Act, 2013 and as applicable shall undergo online proficiency self-assessment test, as may be applicable, within the time prescribed by the IICA.

## **13. FORMAL ANNUAL EVALUATION**

The performance evaluation of the Directors was conducted by the entire Board (excluding the Director being evaluated) on the basis of a structured questionnaire which was prepared after taking into consideration inputs received from the Directors covering various aspects of the Board's functioning viz. adequacy of the composition of the Board, time spent by each of the directors; accomplishment of specific responsibilities and expertise; conflict of interest; integrity of the Director; active participation and contribution during discussions and governance.

For the financial year 2022-23, the annual performance evaluation was carried out by the Directors and the Board, which included evaluation of the Board, Non-independent Directors, Executive Directors, Quantity, Quality and Timeliness of Information to the Board. All the results were satisfactory.

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#### 14. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Company's Board comprises of the required blend of Directors with considerable experience in diverse fields such as finance, accounts and general management and business strategy. All the directors are liable to retire by rotation, except the Independent director, as per the provisions of the Companies Act, 2013.

The composition and category of directors and relevant details relating to them are given below:

Name of the Director	Age (completed years)	Category	Board Meetings Attended during the Year 2022-23	Attendance at the Last AGM	No. of other Directorship (as last declared to the Company)
1) Mr. Harish Gupta	57	NE, NI	5/8	Yes	19
2) Mr. Percy Birdy-WTD	55	E, NI	8/8	Yes	7
3) Mr. Vipul Mathur	53	NE, NI	4/8	No	4
4) Ms. Amita Misra @	67	NE, I	1/1	NA	3
5) Mr. Neeraj Kant^	59	NE, NI	-	NA	1

**Abbreviations:**

I = Independent, NI = Non Independent, E = Executive Director, NE = Non-Executive Director,

@ Appointed as Additional Independent Director from January 27, 2023

^Appointed as Additional Director from May 22, 2023

To have better oversight on the project implementation, 8 meetings of the Board of Directors were held during the reporting financial year on the following dates: 20.04.2022, 22.04.2022, 20.05.2022, 20.06.2022, 27.07.2022, 01.11.2022, 27.01.2023 and 14.03.2023

It is confirmed that there is no relationship between the directors inter-se. None of the directors held any share in the Company except as the nominee of the holding company in compliance with the Companies

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**15. PARTICULARS OF EMPLOYEES**

a) Details of the top 10 employees of the Company in terms of remuneration drawn and name of other employees as required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 -

Name	Designation	DOB	Age (completed years)	Joining Date	Remuneration FY 22-23	Previous Experience (in years)	Previous Company	Qualification	Nature of Employment †	% Of Equity Shares held in the Company	Relative of any Director/ Manager of the Company
Sourav Das*	Vice President	06-06-1968	55	20-04-2022	69,90,795	30	Lucky Holdings Private Limited	B.Com, Diploma in Marketing	Full Time	NIL	No
Sayanlal Mahapatra	Associate Vice President	22-06-1969	54	12-07-2021	46,66,477	14	Rishmi Metals Limited	BE (Mechanical)	Full Time	NIL	No
M.V Subba Rao*	Partner President	06-06-1961	62	10-10-2022	65,00,000	38	KIOCL Ltd, Bangalore	B.Tech (Metallurgy)	Full Time Resigner	NIL	No
Kesham Joshi	Associate Vice President	17-05-1978	45	01-10-2021	34,24,599	27	BMD Pvt Ltd.	CA	Full Time	NIL	No
Ankit Shah	Senior General Manager	20-05-1974	49	15-11-2021	26,91,690	14	Shakti Alloys Ltd	BE (Mechanical), Diploma in Financial Management	Full Time	NIL	No
Ravi Sonkusare	General Manager	04-01-1976	47	23-11-2021	25,34,774	24	Rashmi Metals Ltd	BE, MBA (Materials Management)	Full Time	NIL	No
Sumet Gupta*	Deputy General Manager	12-08-1976	47	05-01-2023	24,37,500	30	Jirnal Saw Limited	BE (Instrumentation)	Full Time	NIL	No
Sudipita Chaturjee*	General Manager	17-12-1979	43	29-08-2022	22,24,387	20	Electro Thermo Ltd	BE (Metallurgy)	Full Time	NIL	No
Mukesh Sharma*	General Manager	05-03-1977	46	26-09-2022	20,20,875	15	Man Industries (India) Limited	BE	Full Time	NIL	No

\* Employees joined in the FY. Remuneration considered from joining date to 31 Mar'23.

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- b) Whole Time Director of the Company was not in receipt of any remuneration, commission from the Company as he was in receipt of remuneration from holding company.
- c) No remuneration was paid / payable to the executive director of the Company for the financial year 2022-23.
- d) No remuneration or perquisite was paid to, and no service contract was entered into with, or stock options granted to any non-executive director.

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

#### **16. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS MADE / GIVEN UNDER SECTION 186 ARE AS UNDER**

No Loan or guarantee was given or investments made by the Company during the financial year 2022-23 except as mentioned below:

- The Company holds equity shares of Welspun Captive Power Generation Limited amounting to Rs. 3.79 Crore (fair value) as the captive user of the power produced by Welspun Captive Power Generation Limited.

#### **17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All the transactions with the related parties that were entered into during the year under report were on an arm's length basis and were in the ordinary course of business. The disclosure of material related party transactions as required under Section 134(3) (h) of the Act in Form AOC-2 for financial year 2022-23 is annexed to this Report as **Annexure 2**. Details of related party transactions entered into by the Company, in terms of Ind AS-24 have also been disclosed in the Note No. 31 of the financial statements.

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None of the Directors had any pecuniary relationships or transactions vis-à-vis the Company.

## 18. ANNUAL RETURN

As the Company does not have its own website, the Annual Return in Form MGT-7 of the Companies (Management and Administration) Rules, 2014 is not being hosted.

## 19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

### (A) Conservation of energy:

(i)	the steps taken or impact on conservation of energy	1) Implementation of load Manager for Induction furnace to control excess load. 2) Using AF flue gas heat for post and pre heating at External pipe coating Furnace.
(ii)	the steps taken by the company for utilising alternate sources of energy;	BFG is being used in annealing furnace 100%.
(iii)	the capital investment on energy conservation equipments;	Rs 21.23 crores

### (B) Technology absorption-

(i)	The efforts made towards technology	1) Using AF flue gas heat for external coating:- Under planning and analysis
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution;	Many of Chinese components are converted to Indian supplier.
(iii)	In case of imported technology - (imported during the last three years reckoned from the beginning of the financial year)	
(a)	The details of technology imported	
(b)	The year of import	
(c)	Whether the technology been fully absorbed. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof:	1) Load Manager implementation:- Not absorbed, area absorption Induction furnace at Company, Require shutdown of Induction furnace hence it will be Implemented during Capital shutdown.

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		2) Using AF flue gas heat for external coating of pipe :- Not Absorbed, area all finishing line Bitumen coating, under planning stage
(d)	The expenditure incurred on Research and Development	1) Load Manager implementation:- None, Reviewed as per market and implementation of other steel plant. 2) Using AF flue gas heat for external coating of pipe:- None, Under Planning and analysis

Total foreign exchange used and earned:

Used : Rs. 153.83 Crore

Earned : Nil

## 20. INTERNAL CONTROLS & RISK MANAGEMENT

Your Company has adequate systems for risk management and internal control, which are commensurate with the size, scale and complexity of its operations.

The controls were tested during the year under Report and no reportable material weaknesses either in their design or operations were observed. In other observations, appropriate corrective actions were taken as advised by the Board.

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

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

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

Broad categories of Risks which may threaten the existence of the company are Commodity Price Risk, Increased Competition, Business Interruptions, Maintenance Risk, Non-availability of skilled manpower etc.

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## 21. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES/WHISTLE BLOWER POLICY

The Board has adopted vigil mechanism in the form of Whistle Blower Policy, to deal with instances of fraud or unethical behavior or misconduct etc. and no persons had been denied access to the Directors of the Company. The Whistle Blower Policy provide adequate safeguard against victimization and even the disclosures expressed anonymously may be considered. During the year under review, no Protected Disclosures under the Whistle Blower Policy and Vigil Mechanism of the Company, was received.

## 22. MISCELLANEOUS DISCLOSURES

During the year under report, there was no change in the general nature of business of your Company.

No material change has occurred or commitment made which would have affected the financial position of your Company between the end of the financial year of your Company to which the financial statements relate and the date of the report.

No significant and material order was passed by the regulators or courts or tribunals which would have impacted the going concern status and your Company's operations in future.

There are no proceedings, either filed by the Company or filed against the Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before the National Company Tribunal or other Courts as at the end of the financial year 2022-23.

Your Company has not made any provision of money for the purchase of, or subscription for, shares in your Company or its holding company, to be held by or for the benefit of the employees of your Company and hence the disclosure as required under Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is not required.

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India (SS-

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1 and SS-2) respectively relating to the Meetings of the Board & its Committees and the General Meetings, which have mandatory application.

The Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions, and hence the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

There was no revision of financial statements and Board's Report of the Company during the year under review.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The ICC comprises of internal as well external members.

Disclosure of number of complaints filed, disposed of and pending in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as on the end of the financial year under Report are as under:

- number of complaints filed during the financial year : One
- number of complaints disposed of during the financial year : One
- number of complaints pending as on end of the financial year Nil

### 23. DIRECTORS' RESPONSIBILITY STATEMENT

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

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

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- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;
- e. the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### 24. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Board has adopted vigil mechanism in the form of Whistle Blower Policy, to deal with instances of fraud or unethical behavior or misconduct etc. and no persons had been denied access to the Directors of the Company. The Policy provide adequate safeguard against victimization and even the disclosures expressed anonymously may be considered.

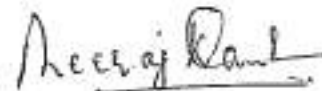
#### 25. ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors



Percy Birdy  
Whole time Director  
DIN: 07634795  
Place : Mumbai



Neeraj Kant  
Director  
DIN: 06598469  
Place : Anjar

Mumbai  
May 22, 2023



#### Welspun DI Pipes Limited

Regd. Off: Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Anjar, Kachchh, Gujarat - 370110  
Corp Off: 7<sup>th</sup> Floor, Welspun House, Kamala Mills Compound, Lower Parel (West), Mumbai - 400013  
Tel: +91 22 6613 6000/ 2490 8000 F: +91 22 2490 8020  
E-mail: companysecretary\_wdil@welspun.com  
Corporate Identification Number: U27320GJ2020PLC115329

FORM NO. MR-3

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

To  
**The Members,**  
**WELSPUN DI PIPES LIMITED**  
Survey No. 650, Welspun City,  
Village Versamedi, Taluka Anjar,  
Dist. Kutch Anjar Kachchh-370110

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **WELSPUN DI PIPES LIMITED (CIN: U27320GJ2020PLC115329)** (hereinafter referred as "the Company") having its registered office situated at Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch Anjar Kachchh-370110. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the Audit period **April 01, 2022 to March 31, 2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period **April 01, 2022 to March 31, 2023** as per the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under; **Not Applicable to the Company**
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and Commercial Borrowings; **Not applicable to the Company during the Audit Period**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011; **Not applicable to the Company during the Audit Period**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015 as amended from time to time; **Not applicable to the Company during the Audit Period**
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009; **Not applicable to the Company during the Audit Period**



- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; *Not applicable to the Company during the Audit Period*
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *Not applicable to the Company during the Audit Period*
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *Not applicable to the Company during the Audit Period*
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; *Not applicable to the Company during the Audit Period*
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; *Not applicable to the Company during the Audit Period*
- (vi) The other General applicable laws like Labour laws, Indian Contract Act, 1872 , The Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, The Employees Provident Funds and Miscellaneous Provisions Act, 1952 etc.

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to the Board and General Meetings.

During the period under review, the Company has complied, to the extent applicable, with the provisions of the Act, Rules, Regulations, Guidelines, etc. as mentioned above.

We further report that:

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. Independent Directors are not required being a Wholly Owned Subsidiary of a public company, however during the year, the Company has appointed one Independent Woman Director as per the provisions of the Companies Act, 2013. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;
- i. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting; Consent of members was obtained for holding the Extra Ordinary General Meetings at a shorter notice dated November 18, 2022.
- b) During the period under review, resolutions were carried through majority. The minutes of the minutes did not reveal any dissenting views by any member of the Board of Directors during the period under review;
- c) Based on the information provided and the representations made by the Company, its officers, and also on review of the compliance reports of the Company secretary, in our

opinion, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines;

We further report that during the audit period the Company has following major events:

1. Appointment of Mr. Suhas Pawar as a Company Secretary w.e.f. May 20, 2022;
2. Appointment of Mr. Navin Agarwal as a Chief Financial Officer w.e.f. May 20, 2022;
3. Allotted 50, 10,000, Equity Shares of Rs.10/- each fully paid on June 20, 2022 on Rights basis.
4. Converted 8% Convertible, Non-Cumulative, Optionally Redeemable Preference Shares of Rs. 13,47,90,000/-into Equity Shares by allotting 1,34,79,000 Equity Shares of Rs. 10/- each on July 27, 2022.
5. Resignation of Mr. Suhas Pawar as a Company Secretary w.e.f. October 28, 2022;
6. Appointment of Ms. Amita Misra as an Independent Director for the tenure of 4(Four) years w.e.f. January 27, 2023;
7. Appointment of Mr. Paras Shah as a Company Secretary w.e.f. January 27, 2023;
8. Converted 8% Convertible, Non-Cumulative, Optionally Redeemable Preference Shares of Rs. 4,00,00,000/-into Equity Shares by allotting 40,00,000 Equity Shares of Rs. 10/- each on January 27, 2023.
9. Conversion of Existing Short Term Loans amounting to Rs. 300 Crores availed from Welspun Corp Limited, The Holding Company into Long Term Loan for 36 Months w.e.f. March 14, 2023.

For JMJA & Associates LLP,  
Practising Company Secretaries  
Peer Review Certificate No. 980/2020

MANSI  
DAMANIA

CS Mansi Damania  
Designated Partner  
FCS: 7447 | COP: 8120  
UDIN: F007447E000345884

Place: Mumbai  
Date: May 22, 2023

**NOTE:** This report is to be read with our letter of even date which is annexed as 'Annexure' and forms an integral part of this report.

**'Annexure'**

**To,  
The Members,  
WELSPUN DI PIPES LIMITED**

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

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

**For JMJA & Associates LLP,  
Practising Company Secretaries  
Peer Review Certificate No. 980/2020**

**MANSI**  
**DAMANIA**

**CS Mansi Damania  
Designated Partner  
FCS: 7447 | COP: 8120**

**UDIN: F007447E000345884  
Place: Mumbai  
Date: May 22, 2023**

**Annexure 2**
**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis. : Not applicable
2. Details of material contracts or arrangement or transactions at arm's length basis which are more than 10% of the total transactions of the same type:

Sr. No.	Name(s) of the related party and nature of relationship	Nature of Contracts/arrangements/transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any:	Amount (Rs. Crore)
	<b>Sale of Goods</b>						
1	Welspun Corp Limited - Holding Company	Sale of Goods	Transactional	Sale of Finished Goods / Scrap	20 May, 2022	-	1.16
2	Welspun Metallics Limited - Fellow Subsidiary	Sale of Goods	Transactional	Sale of Finished Goods / Stores & Spares	20 May, 2022	-	1.02
3	Anjar TMT Steel Private Limited - Fellow Subsidiary	Sale of Goods	Transactional	Sale of Finished Goods / Stores & Spares	20 May, 2022	-	0.03
4	Welspun Enterprises Limited - Other Related Party	Sale of Goods	Transactional	Sale of Finished Goods	20 May, 2022	-	1.62
5	Welspun Anjar Sez Limited - Other Related Party	Sale of Goods	Transactional	Sale of Finished Goods	20 May, 2022	-	2.54

**Welspun DI Pipes Limited**

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 Tel: +91 22 6613 6000/ 2490 8000 F: +91 22 2490 8020  
 E-mail: companysecretary\_wdil@welspun.com  
 Corporate Identification Number: U27320GJ2020PLC115329



	<u>Additions to capital work in progress / Purchase of goods and expenses incurred</u>						
6	Welspun Corp Limited - Holding Company	Purchase of goods & services	Transactional	Purchase of Capital Goods/ Stores & Spares	20 May, 2022	-	5.18
7	Welspun Anjar Sez Limited - Other Related Party	Purchase of goods & services	Transactional	Purchase of Services	20 May, 2022	-	0.10
8	Welspun Realty Private Limited - Other Related Party	Purchase of goods & services	Transactional	Purchase of Services	20 May, 2022	-	0.09
9	Welspun Global Brands Limited - Other Related Party	Purchase of goods & services	Transactional	Purchase of Gifts	20 May, 2022	-	1.40
10	Welspun Global Services Limited - Other Related Party	Purchase of goods & services	Transactional	Shared Service Charges	20 May, 2022	-	0.04
11	Welspun Transformation Services Limited - Other Related Party	Purchase of goods & services	Transactional	Shared Service Charges	20 May, 2022	-	0.64
12	Welspun Metallics Limited - Fellow Subsidiary	Purchase of goods & services	Transactional	Purchase of Raw Material / Stores & Spares	20 May, 2022	-	276.38
13	Welasure Private Limited - Other Related Party	Purchase of goods & services	Transactional	Purchase of Manpower Services	20 May, 2022	-	10.26
14	Welspun Captive Power Generation Limited - Other Related Party	Purchase of goods & services	Transactional	Purchase of Power & Coal	20 May, 2022	-	14.10
15	Anjar TMT Steel Private Limited - Fellow Subsidiary	Purchase of goods & services	Transactional	Purchase of Stores & Spares	20 May, 2022	-	0.22
16	Welspun Advanced Materials (India) - Other Related Party	Purchase of goods & services	Transactional	Purchase of Stores & Spares	20 May, 2022	-	0.02
17	Welspun India Limited - Other Related Party	Purchase of goods & services	Transactional	Purchase of Business Support Services	20 May, 2022	-	1.35
	<u>Purchase of Land</u>						

**Welspun DI Pipes Limited**

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Corp Off: 7<sup>th</sup> Floor, Welspun House, Kamala Mills Compound, Lower Panel (West), Mumbai - 400013

Tel: +91 22 6613 6000/ 2490 8000 F: +91 22 2490 8020

E-mail: companysecretary\_wdil@welspun.com

Corporate Identification Number: U27320GJ2020PLC115329

18	Welspun Metalliks Limited - Fellow Subsidiary	Purchase of land	Transactional	Purchase of Land	20 May, 2022	-	0.88
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For and on behalf of the Board of Directors



Percy Birdy  
Whole time Director  
DIN: 07634795  
Place : Mumbai



Neeraj Kant  
Director  
DIN: 06598469  
Place : Anjar



**Welspun DI Pipes Limited**

Regd. Off: Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Anjar, Kachchh, Gujarat - 370110  
Corp Off: 7<sup>th</sup> Floor, Welspun House, Kamala Mills Compound, Lower Parel (West), Mumbai - 400013  
Tel: +91 22 6613 6000/ 2490 8000 F: +91 22 2490 8020  
E-mail: companysecretary\_wdil@welspun.com  
Corporate Identification Number: U27320GJ2020PLC115329

# Price Waterhouse Chartered Accountants LLP

## Independent Auditor's Report

To the Members of Welspun DI Pipes Limited

Report on the Audit of the Financial Statements

### Opinion

1. We have audited the accompanying financial statements of Welspun DI Pipes Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, 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, 2023, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

### 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 "Auditor's 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, but does not include the financial statements and our auditor's 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.

Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West)  
Mumbai - 400 028  
T: +91 (22) 66691100, F: +91 (22) 66691804 / 01

Registered Office: 252, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai - 400 028

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we refer to our Act as the Act. Price Waterhouse Chartered Accountants LLP is a Chartered Accountant firm registered with the Institute of Chartered Accountants of India  
Chartered Accountants LLP, no. 252, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai - 400 028

# Price Waterhouse Chartered Accountants LLP

## Independent Auditor's Report

To the Members of Welspun DC Pipe Limited

Report on the Audit of the Financial Statements

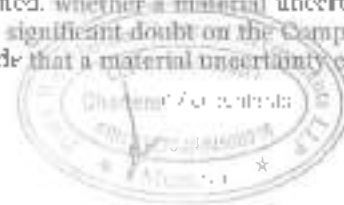
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### Responsibilities of management and those charged with governance for the financial statements

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.

### Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
8. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists,





# Price Waterhouse Chartered Accountants LLP

## Independent Auditor's Report

To the Members of Welspun IO Pipes Limited  
Report on the Audit of the Financial Statements  
Page 2 of 11

we are required to draw attention in our auditor's 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 auditor's 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(1) 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 these 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to 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 Auditor's 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 position as at March 31, 2023.
  - ii. The Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2023.



## Price Waterhouse Chartered Accountants LLP

### Independent Auditor's Report

To the Members of Welpun Oil Pipes 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 year ended March 31, 2023.
- 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 39(vi) to the financial statements).
- (b) 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 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 39(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 or paid any dividend during the year.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.
12. The Company has not paid / provided for managerial remuneration during the year. 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 Akhlu  
Partner  
Membership Number: 117839  
U.DIN: 23117839@GSNGI6379

Place: Mumbai  
Date: May 22, 2023

## **Price Waterhouse Chartered Accountants LLP**

### **Annexure A to Independent Auditor's Report**

Referred to in paragraph 10(f) of the Independent Auditor's Report of even date to the members of Walspur DI Pipes Limited on the financial statements for the year ended March 31, 2023.

Page 5 of 11

### **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 Walspur DI Pipes Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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



## Price Waterhouse Chartered Accountants LLP

### Annexure A to Independent Auditor's Report

Referred to in paragraph 2(f) of the Independent Auditor's Report of even date to the Members of Wel-post DLT 1-25 Limited on the financial statements for the year ended March 31, 2023.

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accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.


### Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/8500016

  
Ali Akbar  
Partner

Membership Number: 117839  
UDIN: 23117839BGSNGP6379

Place: Mumbai  
Date: May 22, 2023

## Price Waterhouse Chartered Accountants LLP

### Annexure B to Independent Auditor's Report

Referred to in paragraph 10 of the Independent Auditor's Report of even date to the members of Welspun D3 Pipes Limited on the financial statements for the year ended March 31, 2023

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- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment.  
(B) The Company is maintaining proper records showing full particulars of intangible assets.
  - (b) The property, plant and equipment are physically verified by the management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the property, plant and equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
  - (c) The title deeds of all the immovable properties, as disclosed in Note 3(a) to the financial statements, are held in the name of the Company.
  - (d) The Company has not revalued its property, plant and equipment or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a registered valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of property, plant and equipment or intangible assets does not arise.
  - (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
  - (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has not submitted quarterly returns or statements with such banks for the quarters ended June 2022 and September 2022 and accordingly, to that extent, the question of our commenting on whether these returns or statements are in agreement with the unaudited books of account of the Company does not arise. The Company has filed quarterly returns or statements with such banks, for the quarters ended December 2022 and March 2023, which are not in agreement with the unaudited books of account as set out below. (Also refer Note 39(i) to the financial statements).



## Price Waterhouse Chartered Accountants LLP

### Annexure B to Independent Auditor's Report

Referred to in paragraph 2c of the Independent Auditor's Report of even date to the members of Welspun DI Pipe Limited on the financial statements for the year ended March 31, 2023

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Rs. in Crores

Name of the Bank/ Financial Institution	Aggregate working capital limits sanctioned	Nature of Current Asset referred as Security	Quarter ended	Amount disclosed as per quarterly return/ statement	Amount as per books of account	Difference	Reasons for difference
Bank of Baroda, Union Bank of India, Industrial Bank, Yes Bank	454.00	Trade Receivable, Trade Payable and Inventory	31-Dec-22 31-Mar-23	28.15 98.09	21.98 98.09	(2.83) 0.35	Difference is an amount of finalisation entries passed after the submission to the bank.

- iii. (a) The Company has made investments in one company. The Company has not granted secured / unsecured loans / advances in nature of loans, or stood guarantees, or provided security to any parties.
- (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.
- (c) 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(i)(c), (iii)(c), (iii)(e) and (iii)(f) of the Order is not applicable to the Company.
- 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 Act in respect of investments made. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 187 and 186 of the Act.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. 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 regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, duty of customs, cess 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 Auditor's Report

Referred to in paragraph 10 of the Independent Auditor's Report of even date to the members of Welspun CL Pipes Limited on the financial statements for the year ended March 31, 2023.

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- vii. 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 an asset that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year. However, during the year, the Company has rescheduled certain repayment terms for short term loans from the lending company, which the lender has approved before the due date of such payments. Refer Note 12(ii)(e) to the financial statements.
- (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 Willful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained, except for Rs. 0.09 crores which is pending for refinance and are included under cash and cash equivalents. (Also refer Note 32(xii) 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, we report that the Company has used funds raised on short term basis aggregating Rs. 11.50 crores for long-term purposes. Refer Note 12(iii) to the financial statements.
- (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 year. Accordingly, the reporting under clauses 3(ix)(e) and 3(ix)(f) of the Order is 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 year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by 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.



## Price Waterhouse Chartered Accountants LLP

### Annexure B to Independent Auditor's Report

Referred to in paragraph 10 of the Independent Auditor's Report of even date to the members of Welspun DI Pipes Limited on the Financial statements for the year ended March 31, 2022

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- (e) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(iii) 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(xii) of the Order is not applicable to the Company.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group has three CICs as part of the Group as detailed in Note 40 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. 11.88 crores in the financial year and of Rs. 3.98 crores in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.





## Price Waterhouse Chartered Accountants LLP

### Annexure B to Independent Auditor's Report

Referred to in paragraph 20 of the Independent Auditor's Report given date to the members of Welspun DL Pipes Limited on the financial statements for the year ended March 31, 2023

Page 11 of 11

- xix. According to the interpretation and explanations given to us and on the basis of the financial ratios (Also refer Note 34 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 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 38 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(xxv) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xvi) 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/N260016

  
Ali Akbar  
Partner  
Membership Number: 117830  
UDIN: 25117839BGSNGP6179

Place: Mumbai  
Date: May 22, 2023

**Welspun DI Pipes Limited**

**Financial statements for the year ended March 31, 2023**

**Financial statements**

- Balance sheet as at March 31, 2023
- Statement of profit and loss for the year ended March 31, 2023
- Statement of changes in equity for the year ended March 31, 2023
- Statement of cash flows for the year ended March 31, 2023
- Notes comprising significant accounting policies and other explanatory information

	Notes	As at	
		March 31, 2023	March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	31a)	590.30	77.16
Capital work-in-progress	31a)	19.04	324.25
Intangible assets	31a)	7.07	-
Right-of-use assets	31b)	-	-
Financial assets			
Investments	3	3.78	-
Other financial assets	31d)	0.68	0.30
Deferred tax assets (net)	29)3)	0.67	-
Other non-current assets	31e)	1.01	14.74
<b>Total non-current assets</b>		<b>642.58</b>	<b>427.45</b>
<b>Current assets</b>			
Inventory	3	24.18	-
Prepaid assets			
Trade receivables	3	51.08	-
Cash and cash equivalents	31c)	9.89	72.01
Bank balances (other than cash and cash equivalents)	31c)	3.28	1.02
Other financial assets	31c)	0.67	3.11
Other current assets	3d)	0.28	0.13
Other current assets	31b)	50.00	2.24
<b>Total current assets</b>		<b>148.36</b>	<b>75.55</b>
<b>Total assets</b>		<b>790.94</b>	<b>502.99</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	11)3)	52.00	45.00
Reserves and surplus	11)3) & 11)	162.52	137.92
Other equity			
Reserves and surplus	11)3)	120.64	12.07
Other reserve	11)3)	70.08	12.13
<b>Total equity</b>		<b>345.24</b>	<b>207.12</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	12)3)	410.58	112.43
Provisions	13)3)	0.76	0.41
Government grant	17)	54.47	-
<b>Total non-current liabilities</b>		<b>465.81</b>	<b>112.84</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	12)3)	47.79	0.70
Trade payables			
Total outstanding dues of creditors and vendors/contractors	13)	2.45	-
Total outstanding dues other than above	13)	68.77	1.33
Other financial liabilities	14)	16.27	104.01
Provisions	13)3)	0.47	0.24
Government grant	17)	5.53	-
Other current liabilities	16)	17.29	0.31
<b>Total current liabilities</b>		<b>110.30</b>	<b>116.59</b>
<b>Total liabilities</b>		<b>576.11</b>	<b>229.43</b>
<b>Total equity and liabilities</b>		<b>790.94</b>	<b>502.99</b>

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

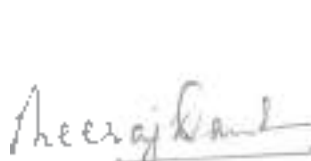
This is the balance sheet prepared in accordance with the provisions of law.

For M/s. Waggoner Capital Limited (Chartered Accountants LLP)  
 Firm Registration No. 01375447 / 20200136

For and on behalf of the Board



A.K. Khar  
 Partner  
 Membership No. 117823



Meeraj Kani  
 Whole-time Director  
 DIN No. 00298409  
 Place: Pune



Pooja Khar  
 Director  
 DIN: 07634795  
 Place: Mumbai



P.O. Shahi  
 Company Secretary  
 AFS-42157  
 Place: Mumbai  
 Date: May 22, 2023



Pooja Aggarwal  
 Chief Financial Officer  
 Place: Mumbai

Waggoner Capital  
 Corp. No. 73, Jhule

Wikipyn Oil Pipes Limited  
 Statement of profit and loss  
 (all amounts in Rupees unless, unless otherwise stated)

	NOTES	For the year ended March 31, 2021	For the year ended March 31, 2022
Revenue from operations	1A	215.77	11.2
Other income	1B	0.58	1.15
<b>Total income</b>		<b>216.35</b>	<b>12.35</b>
Expenses			
Cost of materials consumed	2D	227.52	-
Changes in inventories of work-in-progress and finished goods	2E	948.00	-
Employee benefit expenses	2F	19.79	2.59
Depreciation and amortisation expenses	2G	25.64	11.15
Other expenses	2H	57.55	1.71
Finance costs	2I	71.67	2.25
<b>Total expenses</b>		<b>793.17</b>	<b>5.72</b>
<b>Loss before tax</b>		<b>(576.82)</b>	<b>(6.37)</b>
Income tax expense			
- Current tax	24H)	-	-
- Deferred tax	24I)	14.67	-
<b>Total income tax expense</b>		<b>14.67</b>	<b>-</b>
<b>Loss for the year (A)</b>		<b>(591.49)</b>	<b>(6.37)</b>
Other comprehensive income (B)			
Items that may be reclassified to profit or loss			
- Deferred gains/ losses on cash flow hedges (net)	17H)	0.26	(1.14)
- Income tax relating to this item	24A)	57.21	-
Items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations	19	50.64	(3.33)
- Finance loss relating to this item	25A)	0.00	-
<b>Other comprehensive income for the year, net of tax (B)</b>		<b>57.91</b>	<b>(4.47)</b>
<b>Total comprehensive income for the year (A+B)</b>		<b>(533.58)</b>	<b>(10.84)</b>
Earnings / (Loss) per equity share			
- Basic and diluted loss per share (Rs.)	15	(5.24)	(3.47)

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

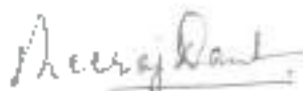
This is the statement of profit and loss received in its original form and copy.

For Pave Warehouse Chartered Accountants LLP  
 Firm Registration No. 012754K / 450206



Anil Akhtar  
 Partner  
 Membership No. 117839

For and on behalf of the Board



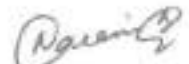
Meera Kulkarni  
 Whole Time Director  
 DIN: 0259849  
 Place: Mumbai



Perry Bandy  
 Director  
 DIN: 07924195  
 Place: Mumbai



Parag Shah  
 Company Secretary  
 ACS-30357  
 Place: Mumbai  
 Date: 24th Feb 2022



Naveen Agarwal  
 Chief Financial Officer  
 Place: Mumbai

Place: Mumbai  
 Date: 24th Feb 2022

Walipon Di Pura Limited  
Statement of Cash Flows  
(All amounts in Rupees unless otherwise stated)

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A) Cash flows from operating activities</b>		
Profit / (loss) before tax	127.56	(4.20)
Adjustments for:		
provisions for long-term liabilities	—	6.27
depreciation	12.64	12.44
Provision for Goodwill impairment	12.44	—
Net gain on sale of current investments	17.11	16.01
Depreciation and amortisation expense	29.64	0.06
Finance expense	21.47	3.24
Net increase / decrease on finance	7.26	0.49
<b>Operating activities changes in operating assets and liabilities</b>	<b>(6.48)</b>	<b>(3.88)</b>
Changes in operating assets and liabilities		
increase / (decrease) in other non-current financial assets	10.54	00.00
decrease / (increase) in other non-current assets	23.83	(17.14)
increase / (decrease) in inventories	(14.28)	—
increase / (decrease) in trade receivables	18,428	—
increase / (decrease) in other current financial assets	0.48	1.10
increase / (decrease) in other current assets	(47.78)	(2.41)
increase / (decrease) in trade payables	89.47	1.24
increase / (decrease) in other financial liabilities	0.44	—
increase / (decrease) in provisions and gratuity	28.21	—
increase / (decrease) in provisions	0.16	1.67
increase / (decrease) in other current liabilities	(1.16)	1.20
<b>Total changes in operating assets and liabilities</b>	<b>22.78</b>	<b>(24.40)</b>
<b>Cash flow from / (used in) operations</b>	<b>22.28</b>	<b>(27.48)</b>
income tax paid / (tax deducted) (net)	(0.11)	1.17
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>21.17</b>	<b>(26.31)</b>
<b>B) Cash flows from investing activities</b>		
payments for property, plant and equipments and intangible assets / (receiving capital works) - capital	(452.74)	(415.84)
sale of capital work-in-progress	1.27	1.22
interest received	0.25	1.14
dividend received from	—	(132.57)
company in related party	—	152.57
company in equity share	(5.98)	—
acquisition of Goodwill (net)	(5.25)	(0.14)
purchase of current investments	(5.74)	(1.62)
Proceeds from sale of current investments	1.35	1.06
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(358.53)</b>	<b>(394.07)</b>
<b>C) Cash flows from financing activities</b>		
issue of equity shares	5.22	27.00
issue of preference shares	—	144.00
Share issue expenses	—	(1.68)
loan taken from related company	11.50	149.00
Repayment of loan to related company	(6.00)	(243.00)
interest paid	(24.12)	(8.47)
Principal payments of loan payments	—	(1.26)
loan taken from banks	222.59	227.21
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>47.19</b>	<b>284.20</b>
<b>Net increase / (decrease) in cash and cash equivalents (work)</b>	<b>(12.17)</b>	<b>15.44</b>
Cash and cash equivalents at the beginning of the year	27.07	6.85
<b>Cash and cash equivalents at the end of the year (refer note 8)(all)</b>	<b>14.90</b>	<b>22.29</b>

The above statement of cash flows does not necessarily reconcile with the accompanying notes.

This is the statement of Cash Flow as referred to in the report of auditors.

For Walipon Di Pura Chartered Accountants LLP  
Firm Registration No: C327546 / M500036

For and on behalf of the Board

At Mumbai  
Partner  
Membership No: U-7889

At Mumbai  
Attested Director  
24 No. 2227646  
Page Four

At Mumbai  
Director  
CIN: 02694795  
Place: Mumbai

At Mumbai  
Date: 24/05/2022

At Mumbai  
Company Secretary  
24 No. 2227646  
Date: 24/05/2022

At Mumbai  
Chief Financial Officer  
Place: Mumbai

Michael Hill Plc Ltd  
 Statement of changes in equity  
 (All amounts in Rupees unless stated otherwise)

A. Equity share capital

Particulars	Notes	Amount
Balance as at April 01, 2021		0.01
Changes in equity attributable during the year	(1)(i)	29.50
Balance as at March 31, 2022		29.51
Changes in equity attributable during the year	(1)(i)	28.44
Balance as at March 31, 2023		57.95

B. Instruments Entitled Equity in Nature

(a) 8% Convertible Non-Cumulative Debenture Redeemable Preference Share (CORPS)

Particulars	Notes	Amount
Balance as at April 01, 2021		15.00
Changes in CORPS during the year	(1)(ii)	15.00
Balance as at March 31, 2022		30.00
Changes in CORPS during the year	(1)(ii)	12.52
Balance as at March 31, 2023		42.52

(b) 0% Convertible Cumulative Redeemable Preference Share (CRPS)

Particulars	Notes	Amount
Balance as at April 01, 2021		9.52
Changes in CRPS during the year	(1)(ii)	(9.52)
Balance as at March 31, 2022		-
Changes in CRPS during the year	(1)(ii)	-
Balance as at March 31, 2023		-

C. Other equity (Reserve LLid) and IIRid)

	Reserves and surplus	Other reserve	Total other equity
	Retained Earnings	Cash flow hedging reserve	
Balance as at April 01, 2021	10.83	-	10.83
Total for the period	4.10	-	4.10
Other comprehensive income	0.15	-	0.15
Total comprehensive income for the year	4.25	-	4.25
Share issue expenses	1.68	-	1.68
Capital loss hedging reserve	-	(0.10)	(0.10)
Balance as at March 31, 2022	16.83	(0.10)	16.73
Loss for the year	(2.72)	-	(2.72)
Other comprehensive income (net of tax)	3.04	-	3.04
Total comprehensive income for the year	0.32	-	0.32
Cash flow hedging reserve (net of tax)	-	0.05	0.05
Balance as at March 31, 2023	16.83	0.05	16.88

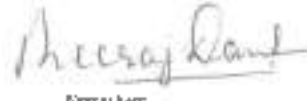
The above statement is prepared in accordance with the applicable accounting standards.

This is the statement of changes in equity referred to in the report of the directors.

For Michael Hill Plc Ltd  
 Director  
 Date: 31/03/2023

For and on behalf of the Board

  
 Anil Kishore  
 Director  
 Date: 31/03/2023

  
 Anurag Kulkarni  
 Director  
 Date: 31/03/2023

  
 Pratik Bhat  
 Director  
 Date: 31/03/2023

Date: 31/03/2023

  
 P D Shah  
 Company Secretary  
 Date: 31/03/2023

  
 Nishu Parwal  
 Director  
 Date: 31/03/2023

**Background**

Welspun Di Pipes Limited (the "Company") is a Company Limited by Shares incorporated in August 08, 2010 and domiciled in India under the Companies Act, 2013. The Company is engaged in manufacturing of flexible pipes.

The registered office of the Company and its principal place of business is at Survey No. 515, In 519, 512 to 515 Welspun Engineering Grounds, Taluka Anjar, Kutch, Gujarat 370110. The Company has commenced its commercial operations from October 18, 2022.

These financial statements are prepared for issue to the Board of directors on 05/07/2023.

The Financial Statements have been prepared 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 crore 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. These policies have been consistently applied to all the years presented, unless otherwise stated.

**(a) Basis of preparation**

**(i) Compliance with Ind AS**

The financial statements comply 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 basis and on a historical cost basis, except for the following items:

Items	Measurement Basis
Fair value of financial assets and liabilities	Fair value of financial assets and present value of deferred benefit obligations
Financial instruments at cost and "at fair value" (including derivatives instruments)	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 (the 12 months) and other criteria set out in Schedule III to the Act.

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

The issuing Company has approved a funding plan for investment in the Company. The management has made an assessment on the basis of the financial information and expected dates of realization 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 obligations existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. Based on, the Company has prepared its financial statements on a going concern basis.

**(v) New and amended standards adopted by the company**

The Ministry of Corporate Affairs has vide notification dated March 24, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective April 1, 2022. These amendments did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

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

The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the "Rules") which amend certain accounting standards and are effective April 1, 2023.

The Rules predominantly amend Ind AS 23, Ind AS 28, and Ind AS 1. Provisions of financial statements. The other amendments to Ind AS notified by these rules are primarily of a clarificatory nature.

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. Nevertheless, no changes would be necessary in a subsequent period of amendments issued to Ind AS 12 of the Company's accounting policy unless in line with the new mandatory requirement.



(b) Segment reporting

The chief operating decision makers for the Board of Directors of this company. The directors of the Company assess the financial performance and position of the Company, and make strategic decisions. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers.

(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 transfer of monetary assets and liabilities denominated in foreign currencies at year-end and exchange rates are recognised in profit or loss. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss within other income/expense as applicable.

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 settled at fair value are reported as part of the fair value gain or loss.

(d) Revenue recognition

The Company recognises revenue from sale of products as follows:

The Company recognises revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Company has the present right to payment, all of which occurs at a point in time upon shipment or delivery of the product. The Company has an explicit obligation to sell to fulfil the promise to transfer the related products and the customer payments for freight costs are recorded as a contractual receivable.

A receivable is recognised when the goods are delivered to the customer on the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

In some customer contracts, freight terms are treated as a distinct separate performance obligation and the Company recognises revenue for such services when the performance obligation is completed.

The Company considers the terms of the contract in determining the point in time. The transaction price is based upon the amount the Company expects to be entitled to in exchange for transferring a defined good and service to the customer after deducting expected program, discounts, issued but not earned discounts, volume rebates, etc.

Reserve for taxes and duties collected on behalf of the government(s).

(e) Contract assets and contract liabilities

When the Company performs a service in order to provide services of rendering construction services a contract asset or receivable

A contract asset is a Company's right to consideration in exchange for goods or services that the Company has transferred to a customer if the Company transfers control of goods or services to a customer before the customer pays consideration. The Company records a contract asset when the nature of the Company's right to consideration for its performance is other than provision of time. A contract asset will be classified as a receivable when the Company's right to consideration is unconditional (that is, when payment is due only on the passage of time). The Company also assesses a contract asset for impairment in accordance with Ind AS 109. Impairment of a contract asset is measured, presented and a situation in which a contract asset is impaired is similar to that of trade receivables under the scope of Ind AS 109. The Company classifies contract assets under "Other Assets".

The Company recognises a contract liability if the customer's payment or consideration precedes the Company's performance. A contract liability is recognised if the Company receives consideration (or if it has the unconditional right to receive consideration) in advance of its performance.

The Company classifies contract liability under "Other (Liabilities)".





**(I) Government grants**

Grants from the government are recognised at their fair value when there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Capital incentives and subsidies are recognised when there is reasonable assurance that the company will comply with the conditions and the incentive will be received.

Grants related to assets are government grants whose primary condition is that an entity satisfying the condition should purchase, construct or otherwise acquire long-term assets. Grants related to income are government grants other than those related to assets.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented either under 'other operating income' or are included in reporting the related expense.

Government grants relating to the purchase of property, plant and equipment are included in 'other income' and are credited to profit or loss or cost of sale over the expected useful life of the related asset and presented within 'other operating income' in case of disposal of such property, plant and equipment. Other Government Grants included in 'other income' are work-in-progress and change in net statement of profit and loss.

**(ii) Income tax**

The income tax expense or credit for the period is the tax payable or the current penalty liability amount based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities, as appropriate in temporary differences and deferred tax assets.

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 this Management periodically evaluates positions taken in tax returns with respect to situations which apply the judgment on a subject to uncertainty and considers whether it is probable that a taxation authority will accept an approach to tax treatment. Significant positions where appropriate on the basis of an audit expected to be audited to the tax authorities.

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

Deferred tax assets are recognised for all deductible temporary differences, if there is an assessed tax asset in which 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 liabilities are offset where the entity has a legally enforceable right to offset and a liability or asset is recognised on a net basis, if it is to be settled by the same 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 recognised in other comprehensive income or directly in equity, respectively.

**(iii) Leases**

**As a lessee**

The Company leases various lands. Rental contracts are typically made for fixed periods of one to five years but may have extension options as described in note (vii). These terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not contain any other substantive provisions that would affect the accounting for the lease.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments, as applicable:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable
- variable lease payments that are based on an index or rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the lease is reasonably certain to be exercised
- payments of penalties for terminating the lease, if the lease is reasonably certain to be terminated



lease payments to be made under respective certain alternative options are also included in the measurement of the liability. The lease payments are accounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar nature and value to the right-of-use asset, in a similar economic environment with similar terms, security and conditions.

These payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following (as applicable):

- a. the amount of the initial measurement of lease liability;
- b. any lease payments made at or before the commencement date less any cash incentives received;
- c. any initial direct costs; and
- d. restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term, including extension options, using a cost-of-control or a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Depreciation is allocated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

**(i) Cash and cash equivalents**

In the statement of financial position, the statement of cash flows, cash and cash equivalents includes cash on hand, other than restricted, 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 (if any) are shown within borrowings in current liabilities in the balance sheet.

**(ii) Trade receivable**

Trade receivables are amounts due from customers for goods and services provided in the ordinary course of business and represent company's unconditional right of consideration (that is, payments due only on the passage of time). Trade receivables are recognised initially at their transaction price if they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

**(iii) Inventory**

Raw materials and stores, work-in-progress, finished goods are stated at the lower of cost and net realisable value. Cost of raw material comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overheads expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average cost. Costs of purchased inventory are determined after deducting returns and discounts not eligible for a net. The normalised selling price in the ordinary course of business less the estimated costs of completion and the estimated costs to sell are used to make the sale.

**(iii) Financial instruments**

**(A) Investment 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.



**Welspun DI Pipes Limited**

Notes annexed to and forming part of the financial statements for the year ended March 31, 2021

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business mode in which investment is held. For investments in equity instruments, this will depend on whether the Company has made an available-for-sale classification at the time of initial recognition or not. For the equity investment at fair value through other comprehensive income, the company records in debit investments which and only when its business mode for managing those assets changes.

**(a) 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 of financial asset.

**(a) Measurement**

At initial recognition, the company measures financial asset including made receivables which do not contain a significant financing component) 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**

Substantial influence over debt instruments depends on the Company's business model for managing the asset and the cash flows (payments to 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. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss, and presented in other income or other expenses. Impairment losses are presented as separate line item in the statement of profit and loss.

• **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.

• **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. If a gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income or other expenses (as applicable). The period to 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 following derecognition of investment. 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 expense (as applicable) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments held at FVOCI are not reported separately from other changes in fair value.

**(a) Impairment of financial assets**

The company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach reduced by Sd AS 108, which requires expected lifetime losses to be recognised from initial recognition of the receivables.



(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 BOPs.

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 retained 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 financial assets at fair value through profit or loss is distributed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOD is calculated using the effective interest method and is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends

Dividends are received from financial assets at fair value through profit or loss and as FVOD. 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-accumulated profits, unless the dividend clearly represents a return of part of the cost of the investment.



**(R) Financial liabilities**

**(i) Measurement**

Financial liabilities are initially recognized at fair value (deduct by transaction costs of financial liability) at fair value through profit or loss. Those that are directly attributable to the issue of financial liability, after initial recognition, financial liabilities are measured at amortized cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received, 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 of initial recognition. At the time of initial recognition, there is no financial liability measured at amortized cost through profit or loss.

**(ii) Derecognition**

A financial liability is derecognized 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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

**(c) 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 recognized amounts and there is an intention or ability to settle 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.

**(m) Derivatives and hedging activities**

In order to hedge its exposure to foreign exchange and interest rates, the Company enters into forward and interest rate swap contracts and other derivative financial instruments. The Company does not use derivative financial instruments for speculative purposes.

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently marked to market to their fair value at the end of each reporting period.

The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions and specific interest rate risk associated with borrowings (cash flow hedges).

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items, including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The fair value of a hedging derivative is classified as a non-current asset or liability when the net carrying amount of the recognition is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

**(j) Cash flow hedges that qualify for hedge accounting**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income as cash flow hedging reserve with equity, limited to the cumulative change in fair value of the hedges measured on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, with some income or other expenses (as applicable).



When the forward contract is used to hedge forecast transactions, the Company generally designates the full change in fair value of the forward contract as being accounted for as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the contract are recognized through gains or losses in the cash flow hedging reserve within equity.

Accounting for cumulative gains or losses in profit or loss in the periods when the hedged item affects profit or loss.

Where the hedged item subsequently results in the recognition of a non-financial asset (such as inventory), with the deferred hedging gains and losses and the deferred loss value of the deferred forward contracts, if any, are included in the initial cost of the asset.

When a hedging instrument expires, or is terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss in equity at that time remains in equity until the hedged transaction occurs. When the forecast transaction no longer meets the criteria, the cumulative gain or loss that was reported in equity at that date is reclassified to profit or loss within other income or other expenses (as appropriate) if the hedge ratio for risk management purposes was a long option, but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, or a hedge ratio which will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge remains in line with the original risk management purposes. Any hedge effectiveness is calculated and accounted for in statement of profit or loss at the time of the hedge relationship terminating.

(c) Derivatives that are not designated as hedges

The Company enters into derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income or other expenses (as appropriate).

(d) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually settled within 30 to 120 days of recognition. Trade and other payables are presented as current liabilities unless payment is required within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(e) Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the item.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Cost of capital work in progress (CWIP) comprises amounts paid towards acquisition of property, plant and equipment and other assets, including as of date balance sheet date and construction expenditures, other expenditures necessary for the purpose of preparing the CWIP for its intended use and borrowing costs incurred before the qualifying asset is ready for intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.

**Depreciation methods, estimated useful lives and residual value**

Depreciation is calculated using straight-line method to allocate the cost of the asset net of the residual value over the estimated useful life of the assets as given below. These estimated useful lives are in accordance with those prescribed under Schedule II to the Companies Act, 2013 (except in respect of plant and machinery, buildings and furniture and fixtures wherein the estimated useful lives are different than those under Schedule II to the Companies Act, 2013) based on a better estimate that is made by the management.

Assets	Estimated useful lives
Buildings	10-15 years
Office and other equipments	4-5 years
Furniture and fixtures	3-10 years
Equipments	4 years
Plant and machinery	4 years to 10 years

The residual value is determined as a percentage of the original cost of the asset.



An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss, within other income/ other expenses (as applicable).

Plant and machinery, fixtures and furniture and fixtures are depreciated on straight-line method over their useful life ranging upto 30 years, 10 years to 10 years and 5 years to 10 years respectively in order to reflect the actual usage of the assets. The estimated useful lives of plant and machinery, fixtures and furniture and fixtures has been determined based on internal technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the remaining useful life of the asset, anticipated technological changes, etc.

Estimates useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological developments as well as normal wear and tear and adjusted prospectively, if appropriate.

#### (p) Intangible assets

##### (A) Intangible assets

Intangible assets with finite useful lives acquired by the company are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged on a straight-line basis over the estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in the estimates being accounted for as a change in accounting policy.

##### (B) Amortisation methods and periods

Intangible assets consisting of computer software which is amortised on a straight-line basis over its expected useful life over a period of three years which is based on a technical evaluation done by the Management.

##### (d) Impairment of asset

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets. Non-financial assets and intangible assets that are impaired are reviewed for possible reversal of the impairment at the end of each reporting period.

Non-financial assets and intangible assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### (r) 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 the case the loan is designated as a financial asset, fees 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. The fees are capitalised as a prepayment on liquidity facilities 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 settled by the borrower at a price other than its carrying amount, including any costs or losses incurred on liabilities assumed, is recognised in statement of profit or loss as either income or other expenses (as applicable).

When the terms of a financial liability are renegotiated and the entity issues equity instruments or a restriction is being lifted or part of the liability (debt) for equity component of loan is recognised as part of loan, which is major and as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowing are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a financial covenant on a long term financing arrangement or a breach at 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 to not to demand payment as a consequence of the breach.

#### (s) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to prepare the asset for its intended use or sale. Qualifying assets are assets that are necessarily part of substantial project of time to get ready for their intended use or sale.

Interest 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.



**III. Provisions, contingent liabilities and contingent assets**

**i) Provisions**

Provisions for legal claims are recognized 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 recognized for future operating losses.

Where the obligation is for a specific obligation, the likelihood that a payment will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow will depend on any one item included in the class class of obligations if the benefit of 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 expense in the profit or loss for the passage of time is recognized as interest expense.

**ii) Contingent liabilities**

Contingent liabilities are defined 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 neither probable that an outflow of resources will be required to settle a reliable estimate of the amount which is made.

**iii) Contingent assets**

Contingent assets are defined when an inflow of resources is probable.

**iv) Employee benefits**

**i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, and the related amounts are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are classified as short-term employee benefit obligations in the balance sheet.

**ii) Other long-term employee benefit obligations**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services rendered by employees up to the end of the reporting period using the projected unit credit method. The liabilities are recognized using the projected unit credit method at the end of the reporting period that have been approximately to the amount of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**iii) Post-employment obligations**

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity, and
- defined contribution plans such as provident fund and employees' pension scheme.

**ii) Defined Benefit Plan - Gratuity**

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is determined annually by actuary using the projected unit credit method. Gratuity liability is wholly actuarial.

The present value of the defined benefit obligation is determined in the statement of financial position by discounting the estimated future cash outflows by a rate or rates that reflect the risk of the obligation and an assumption about the timing of the cash outflows.

The net interest cost is calculated by applying the discount rate to the net liability of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur directly in other comprehensive income. They are included in other comprehensive income in the statement of changes in equity and in the balance sheet. Remeasurements gain and losses are in profit and loss in the subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss or other comprehensive income.





(e) Defined contribution plans

President Fund and Pension Fund

The company pays President fund and employee pension scheme contributions to publicly administered president funds or per local regulations. The company has no further payment obligation once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expenses when they are due.

(f) 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.

(g) Earnings/ (loss) per share

(i) Basic earnings/ (loss) per share

Basic earnings/ (loss) per share is calculated by dividing

- the profits/ (loss) 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 share 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.

(k) Instruments Entirely Equity in Nature

Instruments entirely equity in nature issued by the Company comprises of convertible and optionally convertible preference shares and compound financial instrument debentures. These instruments have such terms and conditions that qualify them as being financial equity in nature based on the criteria given in Paragraph 10A of Financial Instruments Presentation. Company assessed 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-impounded.

(l) Rounding of amounts

The Company in the current year that ended March 2023, has changed its rounding off denomination to rupees from millions in order to make it more useful to users of financial statements. Accordingly, the figures of the comparative year has also been changed to give this effect. Further, the said change is in line with Schedule II of the Companies Act, 2013.

Note 3: Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the company's accounting policies.

In note provides an overview of the areas that involved a high degree of judgment, uncertainty, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

Estimation of useful life of Property, Plant and Equipment (refer note 3(a))

Property, plant and equipment represent a significant proportion of the assets base of the company. The change in respect of periodic depreciation is carried out after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their lives, such as changes in technology.

Recognition of deferred tax assets (Refer note 25(a))

The company has recognised deferred tax assets for carried forward tax losses of the company. The company has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets. The company is expected to generate taxable income from 2024 onwards. The losses can be carried forward for a period of 8 years under new tax regulations and the company expects to recover the losses.





**Weispun Di Pipes Limited**

Notes annexed to and forming part of the financial statements for the year ended March 31, 2023  
(All amounts in Rupees unless stated otherwise)

Note 2(a): Property, plant and equipment (PPE) and Capital work-in-progress and Incomplete works (Contd.)

**Capital work-in-progress**

(a) Group of Capital work-in-progress

For the year ended on March 31, 2023

Particulars	Amount in CAIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work-in-progress	91.04	-	-	-	91.04
<b>Total</b>	<b>91.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>91.04</b>

For the year ended on March 31, 2022

Particulars	Amount in CAIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work-in-progress	211.15	26.70	-	-	237.85
<b>Total</b>	<b>211.15</b>	<b>26.70</b>	<b>-</b>	<b>-</b>	<b>237.85</b>

(d) The completion schedule of the above capital work-in-progress for the year 2022 has not recorded its cost concerned to its original plan.

**Notes**

(a) Risk of default, payment and duration are disclosed in notes 19, 20 & 21.

(b) Capital work-in-progress comprises of assets under construction at the year end.

(c) For the related obligations refer note 2(a) for the issue of central tax commitments for the acquisition of property, plant and equipment, tax thereon and products which are to be purchased.

**Note 3(H) - Right-of-use assets**

(i) Amounts recognised in balance sheet

Right-of-use assets

Leasehold land

Total right-of-use assets

Lease liabilities

Non-current

Total lease liabilities

	As at March 31, 2023	As at March 31, 2022
Right-of-use assets	-	-
Total right-of-use assets	-	-
Lease liabilities	-	-
Non-current	-	-
Total lease liabilities	-	-

(ii) Amounts recognised in the Statement of Profit and Loss

The Statement of Profit and Loss shows the following amounts relating to the leases

Decrease or change of Right-of-use assets (refer note 22)

Leasehold land

Interest expense (included in finance cost) refer note 25.

Provision for impairment for the leases

	As at March 31, 2023	As at March 31, 2022
Decrease or change of Right-of-use assets (refer note 22)	-	0.00
Interest expense (included in finance cost) refer note 25.	-	0.15
Provision for impairment for the leases	-	1.24

(iii) During the year 2022-23, the lease has been renewed





Welspun or WPI Limited

Annexure to auditors report of the Statutory Auditors for the year ended March 31, 2023  
 (As per Section 143(3)(b) of the Companies Act, 2013)

Name of the Trade Receivables:

Amn	As at
March 31, 2023	March 31, 2022

Trade Receivables are categorized as follows:-  
 Trade Receivables from contract with Government of India  
 Less: Provisions for doubtful debts  
 Net Trade Receivables

524	524
5124	5124
5628	5628

Ageing of Trade Receivables as at March 31, 2023 (in Lakhs)

Including	non Age	Total Period	6 months to 1 year	1 - 2 year	2 - 3 year	More than 3 year	Total
Trade Receivables from Government	4838	212	-	-	-	-	5050
Trade Receivables from other	-	-	-	-	-	-	-
<b>Total</b>	4838	212	-	-	-	-	5050

Note

1. The ageing of Trade Receivables as at March 31, 2023, are more than 36 months.
2. The ageing of Trade Receivables from Government are more than 36 months.
3. The ageing of Trade Receivables from other are more than 36 months.



**Welspun DI Pipes Limited**

Notes annexed to and forming part of the financial statements for the year ended March 31, 2023  
(All amounts in Rupee - Crores, unless otherwise stated)

**Note 9(a): Cash and cash equivalents**

Balances with banks  
In current accounts  
**Total cash and cash equivalents**

As at March 31, 2023	As at March 31, 2022
9.69	12.01
<b>9.69</b>	<b>12.01</b>

**Note 9(b): Bank balances other than cash and cash equivalents**

Margin money deposits with maturity of less than twelve months (including interest accrued)  
Deposits with maturity of more than three months and less than twelve months (including interest accrued)  
**Total bank balances other than cash and cash equivalents**

As at March 31, 2023	As at March 31, 2022
3.15	0.34
0.34	-
<b>3.49</b>	<b>0.34</b>

\* Deposits of Rs. 3.49 (March 31, 2022 - Nil) represent earmarked balances with banks.

**Note 10: Current tax assets**

Opening balance  
Add: Tax deducted at source  
Less: Current Tax payable for the year  
**Total current tax assets**

As at March 31, 2023	As at March 31, 2022
0.12	0.01
0.17	0.15
-	-
<b>0.29</b>	<b>0.16</b>



Wahpus Of Pipes Limited  
 Notes annexed hereto forming part of the financial statements for the year ended March 31, 2023  
 in Form No. 23 Annexure 2, under sub-section 129(2)

**Item 11: Equity share capital and treatments relating equity capital**

**Item 11 (a) Equity share capital**

**(i) Authorized equity share capital**

As at April 01, 2021

Number of Shares	Face value	Amount
10,00,000	10	1000

Increase during the period

5,00,00,000	10	5000
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As at March 31, 2022

6,00,00,000	10	6000
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Increase during the year

-	10	-
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As at March 31, 2023

6,00,00,000	10	6000
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**(ii) Movement in equity share capital**

**Issued, subscribed and paid up capital**

As at April 01, 2021

11,000	10	1100
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Corporate Issuance (Refer Item 11(a) (ii) (b) (i) and (ii) of the financial statements for the year ended March 31, 2022

35,00,000	10	3500
1,00,00,000	10	1000

As at March 31, 2022

4,45,11,000	10	44511
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Corporate Issuance (Refer Item 11(a) (ii) (b) (i) and (ii) of the financial statements for the year ended March 31, 2023

1,75,70,000	10	17570
36,10,000	10	3610

As at March 31, 2023

6,20,81,000	10	62081
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**(iii) Terms and rights attached to Equity shares**

The Company has only one class of equity shares having a face value of Rs. 10 per share. The holder of equity shares is entitled to vote with one share one vote. The shares were issued on the basis of the approval of the shareholders in the ordinary Annual General Meeting except in case of their reduction. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive the amount of the Company after a number of preferences amounts. The dividend is to be paid to the shareholders in proportion to the number of shares held by the shareholders.

**(iv) Shares of the Company held by holders outside India**

As per the records maintained by the company

As at March 31, 2022		As at March 31, 2023	
No. of shares	% holding	No. of shares	% holding
5,70,00,000	100%	5,70,11,000	100%

As per the records maintained by the company

As at March 31, 2022		As at March 31, 2023	
No. of shares	% holding	No. of shares	% holding
5,70,00,000	100%	5,70,11,000	100%

**(v) Details of equity shares**

Particulars	Number of shares	Face value	Amount	Date of allotment
Equity Shares	11,000	10	1100	25-Aug-21
Corporate Issuance (Refer Item 11(a) (ii) (b) (i) and (ii) of the financial statements for the year ended March 31, 2022	35,00,000	10	3500	01-Sep-22
Equity Shares	1,00,00,000	10	1000	24-Aug-23
Equity Shares	35,00,000	10	3500	30-Aug-23
Equity Shares	15,10,000	10	1510	07-Sep-23
Equity Shares	35,00,000	10	3500	27-Sep-23
Corporate Issuance (Refer Item 11(a) (ii) (b) (i) and (ii) of the financial statements for the year ended March 31, 2023	1,75,70,000	10	17570	27-Sep-23
Corporate Issuance (Refer Item 11(a) (ii) (b) (i) and (ii) of the financial statements for the year ended March 31, 2023	36,10,000	10	3610	27-Sep-23
<b>Total</b>	<b>6,20,81,000</b>		<b>62081</b>	

**(vi) Details of shareholding of promoters**

Name of the promoter	Year ended March 31, 2022			Year ended March 31, 2023		
	Number of shares	% of total number of shares	Percentage of change during the year	Number of shares	% of total number of shares	Percentage of change during the year
Wahpus Of Pipes Limited (Promoter)	5,70,00,000	100.00%	0.00%	5,70,11,000	100.00%	0.02%
<b>Total</b>	<b>5,70,00,000</b>	<b>100.00%</b>		<b>5,70,11,000</b>	<b>100.00%</b>	

**(vii) Aggregate number of shares issued for consideration other than cash**

Particulars	Year ended March 31, 2022	Year ended March 31, 2023
	No. of shares	No. of shares
Conversion of Debentures into Equity Shares (Refer Item 11(a) (ii) (b) (i) and (ii) of the financial statements for the year ended March 31, 2022)	1,00,00,000	2,10,00,000
Conversion of GDRs into Equity Shares (Refer Item 11(a) (ii) (b) (i) and (ii) of the financial statements for the year ended March 31, 2023)	-	-







Waispun Di Pipes Limited  
 Notes annexed to and forming part of the financial statements for the year ended March 31, 2023  
 (All amounts in Rupees unless otherwise stated)

Note 13 (i) (ii) Convertible Debentures (CCDs) (refer note 34)

(j) Movement in 8% Convertible Convertible Debentures

Issued, subscribed and paid up  
 As at April 01, 2022  
 CCDs converted into equity shares  
 As at March 31, 2023  
 Issued during the year  
 As at March 31, 2023

Number of Debentures	Face value	Amount
10,00,000	10	5.00
(10,00,000)	(10)	(5.00)
-	-	-
-	-	-
-	-	-

(k) Terms and rights attached to Convertible Debentures

Category	Conversion option
Issue of 50,000 CCDs	Any time after six months from date of allotment and upto the Tenor
Issue of 2,00,000 CCDs	Any time after two months from date of allotment and upto the Tenor

\* CCDs are redeemable with the debenture holder's consent (if the holder pays off the CCDs) or the CCDs will be issued in cash form.

(l) Conversion of Unlisted Equity Shares

Pursuant to the board resolution dated August 25, 2021 and the resolution approved on August 24, 2021, the company has converted the convertible debentures outstanding total amount of 500 crores into equity shares of the company in the form of ELP during the period from 2021 to 2023.



Note 11(d) : Reserves and surplus

	As at March 31, 2023	As at March 31, 2022
<b>Reserves and surplus</b>		
Retained earnings (refer note below)	129.65	(5.92)
<b>Total reserves and surplus</b>	<b>129.65</b>	<b>(6.92)</b>

Note - Retained earnings

Opening balance	(6.92)	(0.81)
Profit for the year	122.69	(4.30)
Share based expenses during the year	-	(1.68)
Reversal/adjustment of past employment benefit obligations, net of tax	(0.04)	(0.13)
<b>Closing balance</b>	<b>129.65</b>	<b>(6.92)</b>

Note 11(e) : Other reserves

	As at March 31, 2023	As at March 31, 2022
Cash flow hedging reserve (refer note below)	(0.08)	(0.14)
<b>Total other reserves</b>	<b>(0.08)</b>	<b>(0.13)</b>

Note - Cash flow hedging

Opening balance	(0.13)	-
Add: Gain/Loss recognised in cash flow hedging reserve during the year (Net) net of tax	0.05	(0.07)
Add: Loss transferred to the statement of profit and loss	-	(0.06)
<b>Closing Balance</b>	<b>(0.08)</b>	<b>(0.13)</b>

Nature and Purpose of Other reserves

Retained Earnings

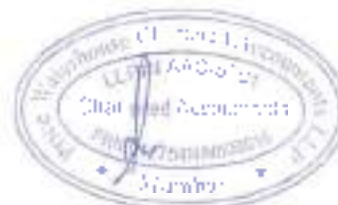
Retained earnings comprises of prior years as well as current year's undistributed earnings after taxes.

Cash flow hedging reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portfolio of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the hedging of cash flows, assets will be reclassified to statement of profit and loss only when the hedged transaction affects the profit or loss, included as a basis adjustment to the non-financial hedged item.

Note 12: Borrowings

	As at March 31, 2023	As at March 31, 2022
<b>(a) Non-current</b>		
<b>Secured</b>		
Term loan from a bank (refer notes (i) and (ii) below)	317.31	110.99
Buyers' credit (refer notes (i) and (ii) below)	5.12	-
Acceptances for capital items (refer notes (i) and (ii) below)	80.26	-
<b>Unsecured</b>		
Loan from related party (refer notes (i), (ii) and (iii))	7.50	-
<b>Total non-current borrowings</b>	<b>410.19</b>	<b>110.99</b>



Welspun Di Pipes Limited

Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

All amounts in Rupees crore, unless otherwise stated.

(h) Current

Secured

Current maturities of long term borrowings (Term Loan  
Buyers credit (refer notes (i) and (a) (ii) below)  
Short term loan from bank (refer notes (i) and (c) (iii) below)  
Cash Credit

	As at March 31, 2022	As at March 31, 2023
	12.07	-
	-	4.51
	-	1.49
	15.72	-
<b>Total current borrowings</b>	<b>47.79</b>	<b>6.30</b>

(i) Nature of security for borrowings

Secured by first charge ranking pari passu on hypothecation on all movable and immovable property, plant and machinery, intangible assets, insurance policies of the Company both present and future

(ii) Terms of repayment and interest

- a) The capital loan from consortium of banks are payable in 10 years commencing from December 2023 in quarterly instalments. The rate of interest of the consortium lenders are linked to respective bank's MCLR plus spread, such that average rate of interest during the year was 8.34% p.a.  
 b) Carries an interest in range of 4% to 5% p.a. and repayable at maturity of 12 months. However, the company under existing sanctioned facility expects to convert the outstanding buyers credit into term loan and hence classified as non-current during the current year.  
 c) Carries an interest of 7% and repayable at maturity of upto 36 months.  
 d) Carries an interest in range of 4% to 5% p.a. and originally repayable at maturity of 12 months during the previous year.  
 e) During the year, The company had revised its agreement with its holding company for the avancement of term loan & working cap loan. The repayment period had been revised to 24 months from the original period of 5 months from the crowdown date of the loan.

(iii) The Company has used funds raised on short term basis for long term purposes to the extent of ₹ 11.50 as at March 31, 2023 (March 31, 2022: INR 6.30).

(c) Net debt reconciliation

Cash and cash equivalents	9.89	72.91
Borrowings	(458.35)	(117.29)
Interest accrued but not due on borrowings	(2.83)	(2.61)
Lease liabilities	-	-
	<b>(451.32)</b>	<b>(96.99)</b>

	Financial assets		Financial liabilities		Total (D)-(A)-(B)-(C)
	Cash and cash equivalents (A)	Borrowings (B)	Lease liabilities (C)		
Net debts as at March 31, 2021	6.85	(6.00)	(4.71)		(3.86)
Interest accrued as at March 31, 2021	-	(0.05)	-		(0.05)
Cash flow (net)	15.16	(121.74)	0.27		(106.31)
Interest expenses charged in CWP	-	(8.13)	-		(8.13)
Interest expenses	-	(1.25)	-		(1.25)
Interest paid	-	5.07	(0.13)		4.84
Other non cash adjustments	-	-	8.65		8.65
Net debts as at March 31, 2022	22.01	(127.24)	-		(105.23)
Interest accrued as at March 31, 2022	-	(2.61)	-		(2.61)
Cash flow (net)	(12.17)	(341.09)	-		(353.26)
Interest expenses charged in CWP	-	(14.47)	-		(14.47)
Interest expenses	-	(11.47)	-		(11.47)
Interest paid	-	24.52	-		24.52
Other non cash adjustments	-	-	-		-
Net debts as at March 31, 2023	9.89	(455.35)	-		(445.46)
Interest accrued as at March 31, 2023	-	(2.83)	-		(2.83)



Note 15 Trade payables

	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro, small and medium enterprises (refer note 31)	2.48	-
Trade payable to related parties (refer note 11)	67.55	-
Trade payable others	1.94	0.09
Trade payable for advances	5.31	1.24
<b>Total trade payables</b>	<b>77.28</b>	<b>1.33</b>

Trade Payable Aging

Year ended March 31, 2022

Particulars	Outstanding for following periods from the due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Unbilled trade payable	-	-	-	-	-	-	-
to Micro, small and medium enterprises	-	2.48	-	-	-	-	2.48
to Others	7.05	5.61	14.21	0.14	-	-	27.01
<b>Total</b>	<b>7.05</b>	<b>8.13</b>	<b>14.21</b>	<b>0.14</b>	<b>-</b>	<b>-</b>	<b>29.53</b>

Year ended March 31, 2021

Particulars	Outstanding for following periods from the due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Unbilled trade payable	-	-	-	-	-	-	-
to Micro, small and medium enterprises	-	-	-	-	-	-	-
to Others	0.09	1.24	-	-	-	-	1.33
<b>Total</b>	<b>0.09</b>	<b>1.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.33</b>

Note:  
 1) There are no disputed trade payables as at March 31, 2022 and March 31, 2021.  
 2) Unbilled trade payables include amounts which are not classified as current, as under Ind AS 37.

Note 16 Other financial liabilities

	As at March 31, 2022	As at March 31, 2021
Current		
Interest accrued but not due on borrowings		
Related Parties (refer note 11)	0.40	1.41
Others	1.43	0.27
Trade payables	0.07	-
Capital leases		
Related Parties (refer note 11)	-	4.42
Total outstanding capital lease on micro, small and medium enterprises (refer note 31)	0.55	0.17
Total outstanding lease liabilities on micro, small and medium enterprises and trade payables	1.02	4.66
Derivatives designated as hedges (forward contracts)	0.00	0.12
Derivatives not designated as hedges (forward contracts)	0.25	0.42
<b>Total other current financial liabilities</b>	<b>2.15</b>	<b>6.88</b>



Welspun Di Pipes Limited  
 Notes annexed to and forming part of the financial statements for the year ended March 31, 2023  
 (All figures are in Rupees unless, unless otherwise stated)

**Note 15 - Provisions**

(a) Non-current

Gratuity (Refer note 14 to the financial statements)  
 Total non-current provisions

	As at March 31, 2023	As at March 31, 2022
	0.76	0.74
	<u>0.76</u>	<u>0.40</u>

(b) Current

Leave obligations (Refer note 14 to the financial statements)  
 Gratuity (Refer note 14 to the financial statements)

Total current provisions

	0.34	0.71
	0.25	0.77
	<u>0.59</u>	<u>0.77</u>

(c) Leave obligations

The leave obligations cover the Company's liability for earned leave. The obligations are presented as current liabilities in the balance sheet if the liability is not time-bound or if the obligations refer to leave entitlements that will be due to the employees after the reporting period, regardless of when the actual settlement is expected to occur.

(d) Post-employment obligations - Gratuity

The Company has a defined benefit gratuity plan which is governed by the payment of gratuity Act, 1972. The plan relates to employees who have rendered at least five years of continuous service, or gratuity is payable at the rate of fifteen days wages for every completed year of service to full-time employees. The gratuity plan is a funded plan.

(e) Balance sheet amounts - Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligations over the year are as follows:

Present value of obligation

Opening balance  
 Current service cost  
 Interest expense  
 Total amount recognised in statement of profit or loss

	March 31, 2023	March 31, 2022
	0.16	-
	0.55	0.07
	0.04	0.02
	<u>0.75</u>	<u>0.09</u>

Liabilities transferred in from other group companies

	-	0.21
--	---	------

Total

	<u>-</u>	<u>0.30</u>
--	----------	-------------

Re-measurements

Total actuarial (Gain)/Loss contribution  
 actuarial loss  
 Loss from changes in financial assumptions  
 Loss from changes in demographic assumptions

	-	-
	0.22	-
	0.07	0.11
	<u>0.29</u>	<u>0.11</u>

Total amount recognised in other comprehensive income

	<u>0.29</u>	<u>0.11</u>
--	-------------	-------------

Benefit Expense

	-	-
--	---	---

Closing balance

	<u>0.78</u>	<u>0.41</u>
--	-------------	-------------

Net current liability

	0.78	0.41
--	------	------

The net liability disclosed above relating to unfunded plans is as follows:

Unfunded plans

	March 31, 2023	March 31, 2022
	0.78	0.41

(iv) Significant actuarial assumptions are as follows:

Discount rate

	March 31, 2023	March 31, 2022
	6.15%	6.27%

Expected return on plan assets

	6.70%	6.70%
--	-------	-------



Welspun Di Pipas Limited  
 Notes annexed to and forming part of the financial statements for the year ended March 31, 2022  
 (All the values in Rupees unless otherwise stated)

(a) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted actuarial assumptions is:

Assumptions	Impact on defined benefit obligation							
	Change in assumption		Increase in assumption				Decrease in assumption	
	March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022
Discount rate	1.03%	1.26%	Increase to	1.26	0.75	Increase by	0.03	0.02
Salary growth rate	1.00%	1.11%	Increase to	0.08	0.14	Decrease to	0.03	0.05

(ii) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 5 years (March 31, 2023) / 6 years (the expected maturities of the undiscounted liability benefits) as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Total
March 31, 2023				
Defined benefit obligations - Gratuity	0.27	0.28	1.16	1.71
March 31, 2022				
Defined benefit - Gratuity - Gratuity	0.47	0.11	0.69	1.27

Note 16 - Other current liabilities

Trade advances  
 Statutory dues payable  
 Employee dues payable

Total other current liabilities

	As at March 31, 2023	As at March 31, 2022
Trade advances	14.35	0.01
Statutory dues payable	1.10	0.55
Employee dues payable	1.25	0.15
<b>Total other current liabilities</b>	<b>16.70</b>	<b>0.71</b>

Note 17 - Government Grants

Opening Balance  
 Recognized as deferred Government grant during the year  
 Reversal in the statement of profit and loss  
 Closing balance

Current  
 non-current  
 Total Government grants

	As at March 31, 2023	As at March 31, 2022
Opening Balance	-	-
Recognized as deferred Government grant during the year	50.75	-
Reversal in the statement of profit and loss	11.00	-
<b>Closing balance</b>	<b>61.75</b>	<b>-</b>
Current	5.85	-
non-current	55.90	-
<b>Total Government grants</b>	<b>61.75</b>	<b>-</b>

The Company had availed the benefit of Equity Linked Savings Scheme (ELSS) scheme provided by the Government of India (Ministry of Commerce and Industry) on portion of fixed assets.



Welspun DI Pipes Limited  
 Formatted to and forming part of the financial statements for the year ended March 31, 2023  
 (All amounts in Rupees unless otherwise indicated)

**Note 28: Revenue from operations**

**Revenue from contracts with customer**

Sale of products

Sale of finished goods

Total sale of products

For the year ended March 31, 2023	For the year ended March 31, 2022
224.72	-
224.72	-

**Other operating revenue**

Interest income

Government grants

Liability on lease accounted without cash

Total other operating revenue

Total revenue from operations

39.54	-
1.45	-
-	0.27
41.00	0.27
265.72	0.27

The Company is wholly engaged in the business of manufacturing and distribution of DI Pipes and revenue from such products is derived from finished goods sold in the market as shown under sale of products as above.

**Reconciliation of revenue from sale of products with contracted price**

Contracted price

Adjustment on discounts / rebates

Total sale of products

For the year ended March 31, 2023	For the year ended March 31, 2022
224.75	-
(0.03)	-
224.72	-

**Note 29: Other income**

Income from

Fixed deposits

Income tax refund

Income on lease contract (Note 28)

Income on sale of non-current assets measured at fair value through profit and loss

Net gain on sale of current investments

Total other income

For the year ended March 31, 2023	For the year ended March 31, 2022
0.00	0.00
0.01	-
-	1.28
0.41	-
0.58	0.28
0.99	1.56

**Note 30: Cost of materials consumed**

Raw materials at the beginning of the year

Less: Purchases

Less: Raw materials at the end of the year

Total cost of materials consumed

For the year ended March 31, 2023	For the year ended March 31, 2022
-	-
225.10	-
11.67	-
213.43	-

**Note 31: Changes in inventories of work-in-progress and finished goods**

Opening Balance

Work-in-progress

Finished goods

Closing Balance

Work-in-progress

Finished goods

Total changes in inventories of work-in-progress and finished goods

For the year ended March 31, 2023	For the year ended March 31, 2022
-	-
-	-
-	-
15.00	-
12.57	-
27.57	-



Weispu Di Pipes Limited  
Notes annexed to and forming part of the financial statements for the year ended March 31, 2023  
(All amounts in Rupees unless stated otherwise in detail)

**Note 22: Employee benefit expenses**

Salaries, wages and 10th  
Contribution to provident and pension funds (refer note 20(a))  
Gratuity (refer note 31(a))  
Staff welfare expenses

**Total employee benefit expenses**

For the year ended March 31, 2023	For the year ended March 31, 2022
18.30	2.21
0.90	0.27
0.28	0.31
0.54	0.24
<b>19.78</b>	<b>2.98</b>

**Note:**

Defined contribution plans  
i. Employees' Provident Fund  
ii. Employees' Pension Scheme - EPS  
iii. National Pension Scheme  
iv. Superannuation fund

During the year, the Company has recognized the following expenses in the statement of profit and loss:

Employee's Contribution to Provident Fund  
Employee's Contribution to Superannuation Fund  
Employee's Contribution to National Pension Scheme  
Total expenses recognized in the statement of profit and loss

0.87	0.24
0.11	-
0.34	0.11
<b>0.92</b>	<b>0.27</b>

**Note 23: Depreciation and amortisation expense**

Depreciation of property, plant and equipment (refer note 13(a))  
Depreciation of right-of-use assets (refer note 31(b))  
Amortisation of intangible assets (refer note 31(a))

**Total depreciation expense**

\* Amounts are below the reporting threshold adopted by the company.

For the year ended March 31, 2023	For the year ended March 31, 2022
15.64	0.01
-	0.01
-	-
<b>15.64</b>	<b>0.06</b>

**Note 24: Other expenses**

Consumption of power and steam  
Labour charges  
Cooling and other job charges  
Wages and electricity charges  
Freight, material handling and transportation charges  
Batteries and tools  
Repairs and maintenance  
- Plant and machinery  
- Others  
Travel and conveyance  
Telephone and communication charges  
Legal and professional fees  
Currency exchange difference (net) expense  
Printing and stationery  
Security charges  
Management information system  
Payments to auditors (refer note 25(a))  
Commission and discount on sales  
Sales promotion expenses  
Other business expenses  
Total other expenses

\* Amounts are below the reporting threshold adopted by the company.

For the year ended March 31, 2023	For the year ended March 31, 2022
19.77	1.27
5.44	-
1.09	-
17.54	-
14.73	-
0.33	0.07
0.11	0.01
0.48	-
0.08	-
1.35	0.21
7.22	-
1.74	0.74
7.46	-
-	0.01
0.21	0.01
0.18	-
0.04	0.08
0.15	0.10
0.08	-
0.06	0.04
1.12	0.70
<b>67.56</b>	<b>1.73</b>

**Note:**

Details of payment to auditors (excluding taxes, as applicable)

**Audit fee**

Audit fee  
Tax Audit

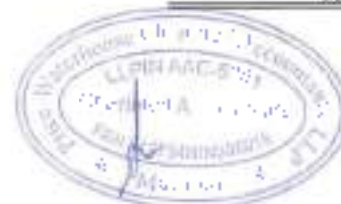
**Other expenses**

Certification fees

**Total**

\* Amounts are below the reporting threshold adopted by the company.

For the year ended March 31, 2023	For the year ended March 31, 2022
0.20	0.10
0.01	-
-	-
<b>0.21</b>	<b>0.10</b>





Note 25 Finance costs

Interest on borrowings  
 Interest on term deposits and other financial assets  
 Finance income  
 Interest and finance charges on bank overdrafts (net of 318)

Total finance costs

Less: Amount cap related (see note below)

Total finance cost charged to profit & loss

	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on borrowings	18.41	2.50
Interest on term deposits and other financial assets	1.89	1.06
Finance income	0.07	4.99
Interest and finance charges on bank overdrafts (net of 318)	-	0.19
Finance charges	20.37	8.74
<b>Total finance costs</b>	<b>20.37</b>	<b>9.69</b>
Less: Amount cap related (see note below)	(18.41)	(8.91)
<b>Total finance cost charged to profit &amp; loss</b>	<b>1.96</b>	<b>0.78</b>

Note: The capitalization rate used to determine the amount of borrowing costs to be capitalized is the weighted average interest rate applicable to the entity's specific borrowings during the year, in this case 8.88% (31 March 2022 - 8.34%)

Note 26 Income tax and deferred tax

26(a) Deferred tax liabilities (net)

Deferred Tax Liabilities  
 Re-measurements of post-employment benefit obligations  
 Cash flow hedge  
 Difference in WDV of Property, plant & Equipments  
 Total Deferred Tax Liabilities

Deferred tax assets  
 Business loss (including unabsorbed depreciation)  
 Cash flow hedge  
 Employee benefit obligation  
 Re-measurements on post-employment benefit obligations (net of other comprehensive income)

Total deferred tax assets

Net Deferred Tax Assets

Deferred tax Assets (net) recognized

	As at March 31, 2023	As at March 31, 2022
Deferred Tax Liabilities	-	-
Re-measurements of post-employment benefit obligations	0.01	-
Cash flow hedge	4.72	-
Difference in WDV of Property, plant & Equipments	6.73	-
<b>Total Deferred Tax Liabilities</b>	<b>11.46</b>	<b>-</b>
Deferred tax assets	-	-
Business loss (including unabsorbed depreciation)	9.25	2.50
Cash flow hedge	-	0.01
Employee benefit obligation	1.14	0.31
Re-measurements on post-employment benefit obligations (net of other comprehensive income)	0.01	-
<b>Total deferred tax assets</b>	<b>10.40</b>	<b>2.82</b>
<b>Net Deferred Tax Assets</b>	<b>0.67</b>	<b>0.91</b>
<b>Deferred tax Assets (net) recognized</b>	<b>0.67</b>	<b>-</b>

\* In the previous year deferred tax assets has been set off against only to the extent of deferred tax liabilities owing to the company being in consolidated net loss.

Movement in deferred tax asset and deferred tax liabilities:

	Re-measurements of post-employment benefits obligations considered in net comprehensive income	Cash flow Hedge	Difference in WDV of Property, plant & Equipments	Business loss (including unabsorbed depreciation)	Employee benefit obligation	Deferred Tax Assets (net)
As at March 31, 2021	-	-	-	-	-	-
Change (1) / credited to profit and loss	-	0.02	-	3.25	0.12	0.91
As at March 31, 2022	-	0.02	-	3.25	0.12	0.91
(Charge) / credited to profit and loss	0.01	(0.01)	(4.71)	4.45	0.02	0.78
As at March 31, 2023	0.01	(0.01)	(4.71)	7.70	0.14	0.67

26(b) Income tax expense

(i) Income tax expense

Current tax  
 Deferred tax  
 Total income tax (expense) / credit

	As at March 31, 2023	As at March 31, 2022
Current tax	-	-
Deferred tax	4.67	-
<b>Total income tax (expense) / credit</b>	<b>4.67</b>	<b>-</b>



(iii) Reconciliation of Income tax expense and the accounting profit multiplied by 100 is as follows:

	As at March 31, 2023	As at March 31, 2022
Profit / (Loss) before tax	27.76	14.10
Tax rate	17.16%	17.16%
Tax as per rate	(4.77)	(2.41)
Unrecognized Deferred Tax Assets (net)	-	0.14
Others	0.12	-
Total tax expense / (credit) as per statement of Profit & Loss	(4.65)	-
(iv) Tax losses		
	As at March 31, 2023	As at March 31, 2022
Unused tax losses for which no deferred tax asset has been recognized	-	0.53
Unutilized tax benefit @ 17.16%	-	0.73
(v) Unrecognized temporary differences		
	As at March 31, 2023	As at March 31, 2022
Temporary differences relating to below items for which deferred tax asset have not been recognized.		
Cash flow hedge	-	0.13
Employee benefit obligation	-	0.67
Total temporary differences	-	0.80
Provision tax benefit @ 17.16%	-	0.14



**Appendix 10 - Financials**

Notes attached to and forming part of the financial statements for the year ended March 31, 2022  
 (All amounts in Rupees, unless otherwise stated)

**Note 27 - Fair value measurements**

**Financial instruments by category**

	As at March 31, 2021			As at March 31, 2022		
	INR	USD	Amount (INR Cr.)	INR	USD	Revalued INR
<b>Financial assets</b>						
Investments						
Equity instruments	2.75	-	-	-	-	-
Debt instruments	-	-	3.96	-	-	1.16
Government securities	-	-	0.08	-	-	-
Fixed deposits	-	-	24.79	-	-	-
Bank balances/bank deposits	-	-	0.89	-	-	0.01
Government bonds (including call deposits)	-	-	3.20	-	-	0.03
Other financial assets	-	-	0.00	-	-	1.12
<b>Total financial assets</b>	<b>2.75</b>	<b>-</b>	<b>88.68</b>	<b>-</b>	<b>-</b>	<b>22.22</b>
<b>Financial liabilities</b>						
Bank overdrafts and short-term borrowings	-	-	40.00	-	-	10.74
Deposits received	-	-	0.17	-	-	-
Trade payables	-	-	90.15	-	-	1.51
Other financial liabilities	-	-	1.12	-	-	371.01
Government deposits and deposits for sale	-	0.00	-	0.12	-	-
Other financial liabilities (including deposits)	0.00	-	-	3.44	-	-
<b>Total financial liabilities</b>	<b>0.00</b>	<b>0.00</b>	<b>131.34</b>	<b>3.56</b>	<b>0.12</b>	<b>372.26</b>

**(c) Fair Value Hierarchy**

The fair value hierarchy and the measures made to determine the fair value of the financial instruments that are recognized and measured at fair value in the financial statements are disclosed in the following paragraphs. It includes a valuation of the financial instruments that are measured at fair value in the financial statements on the basis of the fair value measurement required, in appropriate cases, to be consistent with 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>				
Financial instruments at FVTPL				
Equity instruments	-	-	1.00	4.79
<b>Total financial assets</b>			<b>1.00</b>	<b>4.79</b>
<b>Financial liabilities</b>				
Liabilities designated as FVTPL	-	0.00	-	0.00
Derivatives not designated as FVTPL	-	0.00	-	0.00
<b>Total financial liabilities</b>		<b>0.00</b>		<b>0.00</b>

**Financial assets and liabilities which are measured at amortized cost for which no valuation adjustments at March 31, 2022**

	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Amortized cost				
Trade payables	-	-	3.56	3.56
Other financial assets	-	-	1.34	1.34
<b>Total financial assets</b>			<b>4.90</b>	<b>4.90</b>
<b>Financial liabilities</b>				
Amortized cost				
Bank overdrafts and short-term borrowings	-	-	461.21	461.21
Trade payables	-	-	3.32	3.32
<b>Total financial liabilities</b>			<b>464.53</b>	<b>464.53</b>



**Notes to Financial Statements**

Notes to the financial statements of the Company are presented on the pages under March 31, 2022.

Notes to the financial statements are presented on the pages under March 31, 2022.

**Financial assets and liabilities measured at fair value (excluding tax value) as at March 31, 2022**

	Level 1	Level 2	Level 3	Total
Financial assets	-	-	-	-
Total financial assets	-	-	-	-
Financial liabilities	-	-	-	-
Financial liabilities measured at fair value - forward contract	-	8.23	-	8.23
Derivatives not designated as hedges - forward contract	-	8.45	-	8.45
Total financial liabilities	-	16.68	-	16.68

**Financial assets and liabilities which are measured at fair value (tax value) as at March 31, 2022**

	Level 1	Level 2	Level 3	Total
Financial assets	-	-	1.13	1.13
Securities	-	-	1.13	1.13
Total financial assets	-	-	1.13	1.13
Financial liabilities	-	-	-	-
Over-the-counter derivatives	-	-	118.96	118.96
Total financial liabilities	-	-	118.96	118.96

The following table provides an analysis of the financial assets and liabilities which are measured at fair value (excluding tax value) as at March 31, 2022.

Level 1: The category includes financial instruments measured using quoted prices for identical assets or liabilities in active markets.

Level 2: The category includes financial instruments that are not quoted in active markets but whose fair value can be determined by reference to quoted prices for similar assets or liabilities in active markets, or by other valuation techniques.

Level 3: The category includes financial instruments whose fair value is determined using valuation techniques that require significant inputs that are not observable in the market.

(a) Valuation techniques used to determine fair value

Securities: quoted prices for identical securities in active markets.

Over-the-counter derivatives: quoted prices for identical derivatives in active markets.

Forward contracts: quoted prices for identical forward contracts in active markets.

The fair value of the financial instruments is determined by using the quoted prices for the instruments.

(b) The fair value measurement is categorized as follows (March 31, 2022)

The following table provides the details of the fair value measurements for the year ended March 31, 2022 and March 31, 2021.

	March 31, 2022	Total
As at March 31, 2021	-	-
Assets	1.13	1.13
Liabilities	118.96	118.96
Over-the-counter derivatives	118.96	118.96
As at March 31, 2022	1.13	1.13
As at March 31, 2021	-	-



Waispun Di Pipal, Ltd.  
 Notes on financial statements of the financial statements for the year ended March 31, 2021  
 (All figures in Rupees unless otherwise stated)

(d) Valuation against and in relation to fair value

Particulars	For year ended	Tangible	Problems arising from	Sensitivity
	March 31, 2021			
Impaired loans receivable	1.16	Realized value of 110.91	14.02%	For impairment, the value of loans receivable is based on the fair value of the loans receivable. The fair value of the loans receivable is based on the fair value of the loans receivable.

(e) Valuation methods  
 The fair value of the loans receivable is determined using the fair value of the loans receivable. The fair value of the loans receivable is determined using the fair value of the loans receivable.

(f) Fair value of financial liabilities measured at amortized cost

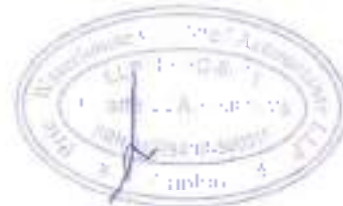
	By at March 31, 2021		As at March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Term deposits	2.56	0.16	2.11	0.14
Other financial assets	1.35	1.08	-	-
Total	3.91	1.24	2.11	0.14
Financial liabilities				
Provision for doubtful debts	101.71	101.71	101.71	101.71
Other financial liabilities	1.02	0.02	-	-
Total	102.73	101.73	101.71	101.71

(g) The carrying amounts of trade payables, capital creditors, and other liabilities are not significantly different from their fair values. The carrying amounts of the liabilities are not significantly different from their fair values.

(h) The fair value of the loans receivable is determined using the fair value of the loans receivable.

(i) Classification of income by nature of origin

	For year ended	For year ended
	March 31, 2021	March 31, 2021
Interest income on loans of equity measured at amortized cost	0.75	3.04
Interest income on term deposits	-	1.08
Other interest income	0.11	-
Total	0.86	4.12



**Note 28 Financial risk management**

The Company's principal financial instruments include capital leases and loans payable. The main objective of these financial instruments is to finance the operations of the Company. The Company's principal financial instruments include investments in debt and cash equivalents, other bank balances, trade receivables, and other financial assets. The Company also has contingent liabilities which include bank overdrafts and bills.

The Company's activities expose it to market risk, liquidity risk and credit risk. The directors of the Company are responsible for the design and management of the policies that are governed by appropriate policies and conditions and financial risks are controlled, measured and managed to a suitable level with the Company's policies and financial goals.

In order to ensure the adequacy of effects on the financial performance of the Company, the policy is to maintain the liquidity risk through exchange forward contracts and attempt to hedge further foreign currency risk associated. Estimated the time relationship of hedging contracts and related foreign currency exchange rates.

The following are the various financial risks that the Company has and the method to hedge against them in the financial statements:

Risk	Exposure arising from	Measurement	Mitigation
Credit risk	Trade receivables, cash & cash equivalents, other bank balances and other financial assets	Ageing analysis	Debtors' ledger is kept upto date for credit and collection of cash
Liquidity risk	Borrowings and other financial liabilities	Borrowing maturity and cash flow forecasts	Regularly reviewing cash flow forecasts and the maturity of liabilities
Market risk - interest rate risk	Borrowings	Sensitivity analysis	Market interest rate change hedging
Market risk - foreign exchange risk	Foreign payables & other financial assets	Sensitivity analysis	Forward foreign exchange contracts and insurance contracts
Market risk - commodity price risk	Commodity contracts (if any)	Sensitivity analysis	Commodity derivatives

**(i) Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities. Credit risk has been managed by the Company through credit approval and debtors' ledger, regular monitoring of the creditworthiness of customers to which the Company provides credit facilities. The creditworthiness of customers is being monitored through the ageing analysis of trade receivables.

The Company reviews the past ability of default payments being made by customer and whether there has been any change in creditworthiness of customer during the reporting period. In order to assess whether there is a significant increase in credit risk the Company monitors the risk of default, or change in creditworthiness of the reporting date with the risk of default at the reporting date.

**(ii) Trade receivables**

Trade receivables are typically originated and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approval and debtors' ledger, regular monitoring, monitoring the creditworthiness of customers to which the Company provides credit facilities. The creditworthiness of customers is being monitored through the ageing analysis of trade receivables made by regular monitoring of customer.

Ageing analysis of trade receivables financial statement shows ageing below 1 year as per below

	0-120 Days	More than 120 Days	Total
March 31, 2022	22.64	0.42	23.06
March 31, 2021	-	-	-

Since the company has a good operating record for the year, it has no credit risk related to the financial assets. The financial assets that are at risk of default have been substantially provided to customers for the year-end, including the full and expected used to be considered to be full and no allowance has been recognized on these receivables as at March 31, 2022 and March 31, 2021.

**(iii) Other financial assets**

The Company holds its investments primarily in cash and cash equivalents, term deposits in banks and investments in mutual funds. The Company has prescribed policies of investment in these categories. Investments which have gone over the prescribed period of maturity are not renewed. Investments in mutual funds are held with the Company which do not have a period of maturity and are purchased. Credit funds and other investments are managed in accordance with the Company's policy.

**(iv) 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 maintains liquidity risk by maintaining adequate reserves, banking facilities and access to credit facilities of additional financing to be provided by banks, government guarantee agencies and other financial institutions, and by matching the maturity profiles of its assets and liabilities.

Financial reporting management plans ensure having a sufficient amount of liquid assets and the availability of funding through an adequate amount of committed credit lines do not meet its payment obligations for the next 12-month period. The liquidity risk is managed through budgeting, monitoring of cash flows and working capital, and by matching the maturity profiles of its assets and liabilities by the management practice by the use of 2-3 years.

**(v) Financing (Debt) risk**

The Company has the following financial instruments at the end of the reporting period:

	As at March 31, 2022	As at March 31, 2021
Financing cost		
Financing after tax effect		125.52
Borrowing	-	-
Financing at the year end	54.25	-
Borrowing	21.78	-
Financing after tax effect	21.78	-
Total	21.78	125.52



**Weisbur Di Pipa Limited**

Balance sheet as per balance sheet of the financial statements for the year ended March 31, 2023

in compliance with applicable laws and regulations.

**(B) Maturity of financial liabilities:**

The table below analysis the Company's financial liabilities into liability maturity groups, based on the contractual maturity. All non-current items of liabilities and derivative items of financial liabilities are contractual liabilities as evaluated for an unamortizing at the end of the year flow.

The amounts disclosed in the table are for contractual and adjusted cash flows. The year duration is 12 months, or the remaining period as the result of shortening period of year end.

**As at March 31, 2023**

Contractual maturity of financial liabilities	< 1 year	1 - 2 years	2 - 5 years	> 5 years	Total	Carrying value
Non derivative						
Borrowings (including interest)	166.22	132.63	12.91	122.88	434.64	434.18
Trade payable	96.25	-	-	-	96.25	96.74
Contract liability	0.00	-	-	-	0.00	0.00
Other financial liabilities (Capital Creditors)	11.07	-	-	-	11.07	11.17
Derivatives	-	-	-	-	-	-
Financial contract	0.32	-	-	-	0.32	0.33
<b>Total financial liabilities</b>	<b>274.86</b>	<b>132.63</b>	<b>12.91</b>	<b>122.88</b>	<b>543.28</b>	<b>542.42</b>

**As at March 31, 2022**

Contractual maturity of financial liabilities	< 1 year	1 - 2 years	2 - 5 years	> 5 years	Total	Carrying value
Non derivative						
Borrowings (including interest)	15.19	56.21	40.12	61.51	173.03	178.90
Trade payable	1.11	-	-	-	1.11	1.32
Other financial liabilities (Capital Creditors)	147.21	-	-	-	147.21	149.77
Derivatives	-	-	-	-	-	-
Financial contract	1.06	-	-	-	1.06	1.06
<b>Total non-derivative liabilities</b>	<b>164.57</b>	<b>56.21</b>	<b>40.12</b>	<b>61.51</b>	<b>322.41</b>	<b>331.05</b>

**(C) Market risk**

Market risk is the risk that the fair value of financial instruments or future cash flows will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange risk, interest rate risk and commodity price risk.

**(i) Foreign currency risk**

The Company is not taking any financial derivatives in foreign currencies, consequently, exposures to exchange rate fluctuations are limited to the extent of the Company's net foreign currency assets and liabilities.

The Company uses foreign currency forward contracts to hedge its sales contracts with foreign customers. The Company's foreign currency forward contracts are not designated as hedging instruments. The Company's foreign currency forward contracts are not designated as hedging instruments. The Company's foreign currency forward contracts are not designated as hedging instruments.

**(ii) Foreign currency risk derivative**

The Company's exposure to foreign currency risk at the end of the reporting period is presented in equivalent RMB figures as follows:

	As at March 31, 2023		As at March 31, 2022	
	USD	GBP	USD	GBP
<b>Financial liabilities</b>				
My request for money				
Trade payable	1.11	-	-	-
Prepayments	96.25	-	-	-
Other financial liabilities (Capital Creditors)	11.07	-	71.86	1.63
Current borrowings (bank loan)	-	-	1.91	-
Trade receivables	0.22	7.14	1.21	-
<b>Net assets/(liabilities) in foreign currencies</b>	<b>(94.64)</b>	<b>-</b>	<b>(62.03)</b>	<b>11.07</b>



**Welspun Di Pipes Limited**

Notes accompanying the financial statements for the year ended March 31, 2023  
(All amounts in Rupees, unless otherwise stated)

**(b) Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates is given below for foreign currency denominated financial assets and liabilities that consist of equity or debt from foreign based exchange contracts, separated into the tables below.

	Net impact on profit / loss before tax		Net impact on other assets	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
USD assets				
INR/USD - Increase by 1% #	12.06	-	9.11	-
INR/USD - Decrease by 1% #	-3.08	-	-8.79	-
GBP assets				
INR/GBP - Increase by 1% #	-	-	-	-
INR/GBP - Decrease by 1% #	-	-	-	-

# For each other asset or liability.

\* Amounts are below the round-off norms applied by the company.

**(c) Interest rate risk**

The Company's financial statements are affected by fluctuations in the market interest rates. The Company is exposed to the risk of changes in the cost of funds. The Company's financial statements are affected by fluctuations in the market interest rates. The Company's financial statements are affected by fluctuations in the market interest rates.

The Company's bank overdrafts are carried at amortized cost. They are measured not subject to interest rate risk as defined in Ind AS 32. The carrying amount of the financial assets will fluctuate because of a change in market interest rates.

**(d) Interest rate exposure**

The exposure of the Company is measured in Indian rupee through the end of the reporting period are as follows:

Particulars	Δ Lac	As at
	March 31, 2023	March 31, 2022
Interest rate risk arising from bank overdrafts	455.21	117.49
Interest rate risk arising from bank overdrafts	7.90	1.47
	463.11	118.96

**(e) Sensitivity**

Profit or loss is sensitive to (higher) lower interest expense from borrowings as a result of changes in interest rates.

	Net impact on profit / loss before tax	
	As at March 31, 2023	As at March 31, 2022
Interest rate increase by 100 basis points *	14.59	11.71
Interest rate decrease by 100 basis points *	-4.54	-11.71

\* Holding all other variables constant

**(f) Investment Price Risk**

\* This risk is investment exposed to investment price risk as on March 31, 2023 and March 31, 2022.





**Welspun DI Pipes Limited**

Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

(All amounts in Rupees crores, unless otherwise stated)

**22. Financial risk management (Contd...)**

**(IV) Impact of hedging activities**

The Company undertakes transactions denominated in foreign currencies, consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward contracts and derivative contracts.

**a) Disclosure of effects of hedge accounting on financial position:**

As at March 31, 2023

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge ratio
	Assets	Liabilities	Assets	Liabilities		
Cash flow hedge Foreign exchange risk Forward contract	-	17.04	-	0.07	Apr 23 - Jul 23	1:1

As at March 31, 2022

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge ratio
	Assets	Liabilities	Assets	Liabilities		
Cash flow hedge Foreign exchange risk Forward contract	-	50.41	-	0.13	Mar 22 - Mar 23	1:1

As at March 31, 2023

Type of hedge	Change in the Value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash Flow Hedge Foreign Exchange Risk	-	-	-	-

As at March 31, 2022

Type of hedge	Change in the Value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash Flow Hedge Foreign Exchange Risk	(0.07)	-	(0.06)	(Other expense)

The Company uses forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments, highly probable forecast transactions and foreign currency exposures at the settlement date of certain receivables/payables. The use of forward contracts is governed by the Company's strategy approved by the board of directors, which provide principles on the use of such forward contracts consistent with the Company's risk management policy.



**Weispun DI Pipes Limited**

Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

(All amounts in Rupees crores, unless otherwise stated)

The Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships when, the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Company uses the hypothetical derivative method to assess effectiveness. Ineffectiveness is recognised on a cash flow hedge and not investment hedge where the cumulative change in the designated component value of the hedging instrument exceeds an absolute basis the change in value of the hedged item attributable to the hedged risk. In hedges of foreign currency forecast sale and purchase transactions, hedges of interest rate risk and hedges of net investment this may include:

- (i) the critical terms of the hedging instrument and the hedged item differ (i.e. nominal amounts, timing of the forecast transaction, interest resets changes from what was originally estimated), or
- (ii) Differences arise between the credit risk inherent within the hedged item and the hedging instrument. There were no ineffectiveness recognised in the statement of profit and loss during March 31, 2023 and March 31, 2022.

**b) Movements in cash flow hedging reserve**

Risk category	Foreign currency risk
Derivative instruments	Forward contracts
Cash flow hedging reserve	
As at April 01, 2022	-
Loss recognised in hedging reserve during the year (Net)	(0.07)
Loss transferred to the statement of profit and loss	(0.05)
As at March 31, 2022	40.13
Cash flow hedging reserve	
Gain recognised in cash flow hedging reserve during the year (Net)	0.05
Income tax on amount recognised in hedging reserve	(0.01)
As at March 31, 2023	40.08



**Note 29: Capital management**

**(a) Risk management**

For the purpose of the Company's capital management, capital includes issued equity capital 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.

The company monitors capital on the basis of the net debt to equity ratio:

	As at March 31, 2023	As at March 31, 2022
Net Debt (total borrowings (including current maturities) and lease liabilities net of cash and cash equivalents, other bank balances)	645.25	65.25
Total equity	184.60	202.46
<b>Net Debt equity ratio</b>	<b>2.41</b>	<b>0.47</b>

**(i) Loan covenants**

The Company has borrowings as at the end of the reporting period, however, as per the terms of bank sanction letter debt covenants are not applicable for current financial year.

**(b) Dividends**

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

**Note 30: 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 Duct for rain pipes.

**(ii) The chief operating decision makers primarily uses a measure of profit 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:**

Revenues of approximately Rs. 150.89 (31 March 2022- Nil) are derived from 4 external customers. These revenues are attributed to the India segment.

For the year ended	Number of customers	Amount	% of revenue from operations
March 31, 2023	4	150.89	57%
March 31, 2022	-	-	0%

**(iv) The company is domiciled in India. All revenue from contracts are from within India during the year ended March 31, 2023. There was no revenue for period from April 23, 2021 to March 31, 2022 as company had not commenced its operations in that period.**

**(v) The total of the non-current assets are located as below:**

	As at March 31, 2023	As at March 31, 2022
Outside India	0.35	8.39
Within India	645.21	392.05
<b>Total</b>	<b>645.56</b>	<b>400.45</b>



**Note 33 Related party transactions**

(a) Entities having significant influence

Name	Type	Ownership interest	Ownership interest
		March 31, 2023	March 31, 2022
Welspun Group Master Trust (jointly held trust) has significant influence on Welspun DI Pipes Limited, holding company	Agreement - Finance	49.75%	49.92%

(b) Holding Companies

Name	Type	Ownership interest	Ownership interest
		March 31, 2023	March 31, 2022
Welspun DI Pipes Limited	Parent company	100%	100%

(c) Key management personnel

Name	Amuse of relationship
Mr. Ajay Mathur	Director (Non-Executive and Non-Independent)
Mr. Farooq Badi	Director (Non-Executive and Non-Independent)
Mr. Ramesh Kishor	Whole-time Director (w.e.f. May 24, 2023)
Mr. Dinesh Patel	Director (w.e.f. 19/09/2023)
Ms. Anita Karia	Director (Independent) (w.e.f. January 27, 2023)
Mr. Raghav Joshi	Company Secretary (w.e.f. March 28, 2023 till May 20, 2023)
Mr. Mohan Agarwal	Chief Financial Officer (w.e.f. 10/01/2023)
Mr. Satish Patel	Company Secretary (w.e.f. May 21, 2023 till 28/05/2023)
Mr. Parag Shah	Company Secretary (w.e.f. 16/07/2023)

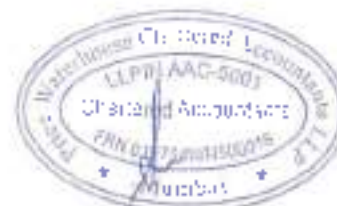
(d) List of other entities over which key management personnel or relatives of such personnel exercise significant influence or control and entities with which members of same group with whom transactions have taken place during the year and other related parties:

Welspun India Power Generation Limited
Welspun India Limited
Welspun Equip Ltd
Welspun Arjet Pvt. Limited
Welspun Trivale Limited
Welspun Metaltek Limited
Welspun Kishor Power Limited
Welspun Global Services Limited
Welspun Global Services Limited
Arjet TM Steel Pipes Limited
Welspun Advanced Kishor (India)
Welspun Enterprises Ltd
Welspun Transformation Services Limited

(e) Transactions with related parties

The following transactions occurred with related parties:

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Interest on loan</b>		
Welspun Metaltek Limited	-	1.18
<b>Total interest on loan</b>	-	1.18
<b>Sale of products and services</b>		
Welspun Equip Limited	1.08	-
Welspun Metaltek Limited	1.00	-
Arjet TM Steel Pipes Limited	0.08	-
Welspun Enterprises Ltd	1.62	-
Welspun Arjet SCV Limited	2.56	-
<b>Total sale of products and services</b>	<b>6.34</b>	-



Note 11: Related party transactions (Contd.)

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Additions in capital work in progress</b>		
Welspun Corp Limited	1.43	1.57
Welspun Arja SFZ Limited	-	18.16
Welspun Arja Private Limited	0.02	0.07
Welspun Global Brands Limited	0.54	0.12
Welspun Global Services Limited	0.02	0.10
Welspun Trade/Logistics/Services Limited	0.01	-
Welspun Metals Limited	0.82	0.06
Welspun Private Limited	0.02	0.05
Welspun Capital Power Generation Limited	0.21	-
Welspun Steel Private Limited	0.22	-
Welspun Advanced Materials India	0.04	-
Welspun India Export	-	0.95
<b>Total additions to capital work in progress</b>	<b>5.50</b>	<b>28.79</b>
<b>Purchase of goods and expenses incurred</b>		
Welspun Corp Limited	1.25	-
Welspun Arja SFZ Limited	0.13	-
Welspun Arja Private Limited	0.05	-
Welspun Global Brands Limited	0.35	-
Welspun Global Services Limited	0.02	-
Welspun Trade/Logistics/Services Limited	0.42	-
Welspun Metals Limited	216.38	-
Welspun Private Limited	11.19	-
Welspun Capital Power Generation Limited	11.87	-
Welspun India Limited	1.45	-
<b>Total purchase of goods and expenses incurred</b>	<b>226.15</b>	<b>-</b>
<b>Disposal of capital work in progress</b>		
Welspun Steel Private Limited	-	1.28
<b>Total disposal of capital work in progress</b>	<b>-</b>	<b>1.28</b>
<b>Reimbursement of expenses</b>		
Welspun Corp Limited	0.40	0.17
Welspun India Limited	0.54	-
<b>Total reimbursement of expenses</b>	<b>0.94</b>	<b>0.17</b>
<b>Additions to borrowings</b>		
Welspun Corp Limited	11.50	184.02
<b>Total additions to borrowings</b>	<b>11.50</b>	<b>184.02</b>
<b>Repayment of borrowing</b>		
Welspun Corp Limited	4.50	189.07
<b>Total repayment of borrowing</b>	<b>4.50</b>	<b>189.09</b>
<b>Loans given during the year</b>		
Welspun Metals Limited	-	152.57
<b>Total loans given during the year</b>	<b>-</b>	<b>152.57</b>
<b>Loans received back</b>		
Welspun Metals Limited	-	152.57
<b>Total loans received back</b>	<b>-</b>	<b>152.57</b>
<b>Conversion of ECD into Equity</b>		
Welspun Corp Limited	-	4.58
<b>Total conversion of ECD into equity</b>	<b>-</b>	<b>4.58</b>
<b>Investments in equity instruments</b>		
Welspun Capital Power Generation Limited	3.32	-
<b>Total investments in equity instruments</b>	<b>3.32</b>	<b>-</b>
<b>Issue of 8% Convertible Non-Cumulative Deferrably Redeemable Preference Share (CONPS)</b>		
Welspun Corp Limited	-	165.00
<b>Total issue of CONPS</b>	<b>-</b>	<b>165.00</b>
<b>Conversion of CONPS to equity</b>		
Welspun Corp Limited	17.78	-
<b>Total Conversion of CONPS to equity</b>	<b>17.78</b>	<b>-</b>
<b>Issue of equity share</b>		
Welspun Corp Limited	5.03	20.00
<b>Total issue of equity share</b>	<b>5.03</b>	<b>20.00</b>
<b>Interest expense</b>		
Welspun Arja SFZ Limited	-	0.11
<b>Total interest expense</b>	<b>-</b>	<b>0.11</b>



Note 13: Related party transactions (contd. .)

(f) Disclosure of closing balances

	As at March 31, 2023	As at March 31, 2022
<b>1) Trade payables</b>		
Welspun Corp. Limited	1.41	-
Welspun India Limited	1.39	-
Welspun Capital Power Generation Limited	7.35	-
Welspun Global Brands Limited	1.17	-
Welspun Prime Limited	2.33	-
Welspun Infrastructure Services Limited	0.20	-
Welspun Metals Limited	51.25	-
Angar IMI also private limited	0.14	-
Welspun Advanced Materials India	0.02	-
<b>Total trade payables</b>	<b>67.55</b>	<b>-</b>
<b>2) Capital Creditors</b>		
Welspun Corp. Limited	-	4.49
Welspun India Limited	-	0.71
Welspun Global Brands Limited	-	1.01
Welspun Prime Limited	-	0.01
<b>Total capital creditors</b>	<b>-</b>	<b>6.47</b>
<b>3) Other financial assets, trade receivables</b>		
Angar IMI also private limited	-	1.12
Welspun Infra private Ltd	0.34	-
Welspun Advanced Materials	2.35	-
<b>Total other financial assets, trade receivables</b>	<b>3.06</b>	<b>1.10</b>
<b>4) Borrowings</b>		
Welspun Corp. Limited (including interest accrued on non-drawdown borrowing)	3.41	3.41
<b>Total Borrowings</b>	<b>3.60</b>	<b>3.41</b>
<b>5) Equity share capital</b>		
Welspun Corp. Limited	25.50	25.51
<b>Total equity share capital</b>	<b>25.50</b>	<b>25.51</b>
<b>6) Convertible non-cumulative non-votable preference share</b>		
Welspun Corp. Limited	167.52	167.00
<b>Total preference share capital</b>	<b>167.52</b>	<b>167.00</b>
<b>7) Investments in equity instruments</b>		
Welspun Capital Power Generation Limited	3.17	-
<b>Total investments in equity instruments</b>	<b>3.17</b>	<b>-</b>

Directors of the Company are also employed by other group company and they have not been paid for their services accordingly.

(g) Terms and conditions

- All transactions were made on normal commercial terms and conditions and at market rates.
- All outstanding balances are unsecured and are repayable through cash/cheques.

Note 13: Contingent liability

There are no contingent liabilities as at March 31, 2023 and March 31, 2022.

Note 14: Commitments

(a) Capital commitments

Capital commitments were entered for at the end of the reporting period but not recognized as liabilities are as follows:

	As at March 31, 2023	As at March 31, 2022
Amount of issued of 2000000 shares to be exercised in favour of court (net of advance), Finance, part and deposit on net of capital advances INR 1.01 (March 31, 2022 - INR 1.03)	15.13	15.12

(b) Other Commitments

	As at March 31, 2023	As at March 31, 2022
Export Credit Guarantee for PCC government grant	261.13	-
Outstanding letters of credit	1.72	88.54



variance of fixed assets and forming part of the financial requirements for the year ended March 31, 2023  
 (All amounts in Rupees unless otherwise specified)

Note 24 : Key Financial Ratio with explanation

Ratio	Numerator	Denominator	Current Period	Previous Period	Variance In %	Variance In ₹	Reason
Current ratio (Year 1)	Current assets	Current liabilities	1.02	0.23	544%	256.25%	Increase in current assets and decrease in current liabilities
Debt-equity ratio (Year 1)	Total debt (Year 1)	Total equity	2.48	0.58	322%	318.36%	Increase in debt and decrease in equity
Fixed assets coverage (Year 1)	Fixed assets available for sale (Year 1)	Fixed assets (Year 1)	0.68	0.17	297%	211.52%	Increase in fixed assets available for sale and decrease in fixed assets
Equity to capital employed (Year 1)	Equity to capital employed (Year 1)	Capital employed (Year 1)	1.17	1.00	17%	17%	Increase in equity to capital employed
Return on Investment (ROI)	Profit before tax (Year 1)	Capital employed (Year 1)	10.23%	10.00%	2.3%	2.3%	Increase in profit before tax and decrease in capital employed
Debt to Equity Ratio (Year 1)	Total Debt (Year 1)	Total Equity (Year 1)	2.48	0.58	322%	318.36%	Increase in debt and decrease in equity
Current Ratio (Year 1)	Current Assets (Year 1)	Current Liabilities (Year 1)	1.02	0.23	544%	256.25%	Increase in current assets and decrease in current liabilities
Fixed Assets Coverage (Year 1)	Fixed Assets Available for Sale (Year 1)	Fixed Assets (Year 1)	0.68	0.17	297%	211.52%	Increase in fixed assets available for sale and decrease in fixed assets
Equity to Capital Employed (Year 1)	Equity to Capital Employed (Year 1)	Capital Employed (Year 1)	1.17	1.00	17%	17%	Increase in equity to capital employed
Return on Investment (ROI)	Profit Before Tax (Year 1)	Capital Employed (Year 1)	10.23%	10.00%	2.3%	2.3%	Increase in profit before tax and decrease in capital employed

- Notes:**
1. Profit before tax is net of depreciation and current provisions.
  2. Return on Investment is calculated on the basis of Return on Investment operating expenses like depreciation and other amortizations & interest.
  3. The current ratio is calculated on the basis of current assets and current liabilities.
  4. Debt to Equity Ratio is calculated on the basis of total debt and total equity.
  5. Working capital is calculated on the basis of current assets and current liabilities.
  6. Capital employed is calculated on the basis of total assets less current liabilities.
  7. Since the Company has no other liabilities on year end, the debt to equity ratio is calculated on the basis of total debt and total equity.

Not applicable for the previous year

Source: Company's financial statements

Prepared by: *[Signature]*

Date: *[Date]*

Place: *[Place]*

Page: *[Page]*

Volume: *[Volume]*

Chapter: *[Chapter]*

Section: *[Section]*

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Section: *[Section]*



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**Welspun Di Pipes Limited**

Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

For Disclosures: As per Companies Act, wherever stated.

**Note 35: Earning/ (Loss) per equity share:**

	March 31, 2023	March 31, 2022
(a) The number in the equity holders of the Company	17,159	14,701
Weighted average number of equity shares outstanding during the year	6,12,85,622	7,14,07,164
Basic and diluted EPS (per share/RS)	17.74	11.94
Adjusted EPS (per share/RS)	10.05	20.24

Note: Since there is a loss for the current year and previous year, potential equity shares are not considered as diluted and hence diluted EPS is same as Basic EPS.

**Note 36: News on code on Social Security, 2020**

The Indian Parliament has approved the Code on Social Security, 2020 which would require 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 17, 2020. The Company is in the process of assessing the additional impact on Provident Fund contribution and on Cost of Production etc. and will complete these activities and give appropriate impact in the financial statements in the period in which the regulations are made to become effective.

**Note 17: Micro, Small and Medium Enterprises Development Act, 2006**

Disclosure of amount due to creditors under "The Micro, Small and Medium Enterprises Development Act, 2006 (MSME-D Act)" is as under:

	Rs. in March 31, 2023	Rs. in March 31, 2022
Principal amount due to creditors registered under MSME Act and remaining unpaid as on period end	1.81	2.17
Interest accrued and due to suppliers registered under the MSME Act and remaining unpaid as on period end	0.00	0.00
<b>Total</b>	<b>2.81</b>	<b>2.17</b>
Principal amount paid to suppliers registered under the MSME Act, beyond the approved day during the period	1.49	0.00
Interest paid under Section 16 of MSME Act, to suppliers registered under the MSME Act, beyond the approved day during the period	0.00	0.00
Interest paid other than under Section 16 of MSME Act, to suppliers registered under the MSME Act, beyond the approved day during the period	0.00	0.00
Amount of interest due and payable for the period of delay in making payment, which have been paid but beyond the approved day during the period but without adding the interest specified under the MSME Act	0.00	0.00
Interest accrued and remaining unpaid as on the end of each accounting year	0.00	0.00
Amount of interest remaining due and payable even in the succeeding years, from such date when the interest due above are actually paid to the suppliers registered under the MSME Act and the MSME Act	0.00	0.00
Interest accrued and remaining unpaid as on the end of the year to creditors under MSME Act	0.17	0.00
<b>Total due to Micro and Small enterprises</b>	<b>2.81</b>	<b>2.17</b>

\* Amount is below the rounding off norms adopted by the company.

Note: Includes dues of micro, small and medium enterprises.

**Note 38: Going Concern**

The management has made an assessment on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities. There is no significant accompanying the financial statements, knowledge of the Board of Directors and management personnel has not raised any material uncertainty that the Company will be unable to meet its obligations falling due within a reasonable time when they fall due within a period of one year from the balance sheet date.





**Wajspan Di Pipes Limited**

**Notes annexed to and forming part of the financial statements for the year ended March 31, 2023**

(All amounts in Rupees, unless otherwise stated)

**Note 39. Additional regulatory information required by Schedule III**

**(i) Details of benami property held**

No proceedings have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (43 of 1988) and Rules made thereunder.

**(ii) Borrowing secured against current assets**

The Company has borrowings from banks and financial institutions on the basis of pledging of current assets.

Name of the Bank/ Financial Institution	Aggregate working capital limits sanctioned	Nature of Current Asset offered as Security	Quarter ended	Amount disclosed as per quarterly return/ statement	Amount as per Bank's account	Difference	Reasons for difference
Bank of India Union Bank of India Indus Ind Bank Yes Bank	454 Cr.	Trade Receivable Trade Payables and Inventory	31 Dec-22	91.75	47.98	43.83	performance on account of invoice payments received prior to the reporting to the bank
			31 Mar-23	96.49	45.02	51.46	

The companies do not file quarterly reports in statements with Banks/ Financial Institutions under the Companies Act as the company had not offered any securities during these quarters. The company had filed quarterly returns of statements for the quarters ended December 2022 and March 2023 which are not in agreement with the a and b of the said account. The company is in the process of filing the quarterly statements subsequent to the concerned.

**(iii) Willful defaulter**

The Company has not been declared willful 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 or previous financial years.

**(vii) Utilization of borrowed funds**

The company has not advanced or loaned or invested funds to any other person(s) in violation of terms, conditions, restrictions or to the understanding of the instrument(s) that

a) directly or indirectly loaned or invested in other person(s) not been identified in any manner whatsoever by or on behalf of the company ultimate Beneficiary or

b) provided any guarantee, security or the like to or on behalf of the ultimate Beneficiary.

The company has not received any fund from any person(s) in violation of, including through entities (funding party) with the understanding of which recorded in writing or otherwise that the company that

a) directly or indirectly loaned or invested in other person(s) or entities involved in any manner whatsoever by or on behalf of the funding party or ultimate Beneficiary or

b) provided any guarantee, security or the like to or on behalf of the ultimate Beneficiary.



**Wipro IT Paper Limited**

Notes annexed to and forming part of the financial statements for the year ended March 31, 2023

(All amounts in Rupees unless stated otherwise in rupees)

**(vii) Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year to the tax assessments under the Income Tax Act, 1961, that has not been reflected in the books of account.

**(viii) Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**(ix) Valuation of PP&E, intangible asset and investment property**

The Company has not revalued its property, plant and equipment including right-of-use assets or intangible assets or built during the current or previous year.

**(x) Title deeds of immovable properties not held in name of the company**

The title deeds of all the immovable properties (other than properties where the company is the lessee) and the lease agreements are duly executed in favour of the lessees as disclosed in notes and are held in the name of the Company.

**(xi) 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 stipulated period.

**(xii) Utilization of borrowings availed from banks and financial institutions**

The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were availed except for INR 0.00 crores, which is pending for utilization and are included under cash and cash equivalents as at March 31, 2023 (March 31, 2022 - Nil) in the annex.

**Note 40: Core Investment Companies (CIC)**

Management has assessed that there are three (3) in the Group Companies in the Group as defined in Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 as amended.

Note 41: The figures for the previous period have been regrouped wherever necessary.

As per our attached report of even date

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No: DL27649 / 2020016



Anil Akbar  
Partner  
Membership No: 117477

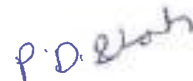
For and on behalf of the Board



Neera Kant  
Whole time Director  
ULK No. 26608669  
Place - Anand



Percy Birdy  
Director  
D.N. 6763479  
Place - Mumbai



Paras Shah  
Company Secretary  
ACS 10327  
Place - Mumbai  
Date: May 22, 2023



Navin Agarwal  
Chief Financial Officer  
Place - Mumbai  
Date: May 22, 2023

Place - Mumbai  
Date: May 22, 2023