

WELSPUN WASCO COATINGS PRIVATE LIMITED

9<sup>th</sup> ANNUAL REPORT

2023-2024

## Company Information

Company Identification Number	:	U28920GJ2015PTC084632
Date of Incorporation	:	May 30, 2015
Registered Office	:	Survey No. 569, Welspun City, Village Versamedi, Taluka- Anjar, Dist. Kutch, Gujarat-370110. Tel 02836-662079; email :Companysecretary_wwcpl@Welspun.com
Authorized Capital	:	Rs.60,00,00,000 divided into 6,00,00,000 Equity Shares of Rs.10/- each
Paid-up Capital	:	Rs. 499,314,000 divided into 49,931,400 Equity Shares of Rs.10/- each
Securities Registrar & Transfer Agent	:	<b>M/s Purva Sharegistry (I) Private Limited</b> 9 Shiv Shakti Industrial Estate, J.R. Boricha Marg, Near Lodha Excelus, Lower Parel, Mumbai – 400 011  Tel. 2301 2518/ 2301 6761. Email : support@purvashare.com
Board of Directors	:	Mr. Martyn Wilmot-Nominee of Wasco Coatings Ltd. Mr. Ramanathan P R Singaram-Nominee of Wasco Coatings Ltd. Mr. Godfrey John-Whole-time Director -Nominee of Welspun Corp Ltd. Mr. Percy Birdy-Nominee of Welspun Corp Ltd.
Chief Financial Officer	:	Mr. Gaurav Merchant
Company Secretary	:	Ms. Dipti Modi
Auditors	:	Price Waterhouse Chartered Accountants LLP

## DIRECTORS' REPORT

To,  
 The Members,  
**Welspun Wasco Coatings Private Limited**

Your directors are presenting their 9<sup>th</sup> Annual Report on the business and operations of your Company, together with the audited financial statements for the financial year ended March 31, 2024.

### 1. FINANCIAL HIGHLIGHTS

Particulars	(Amount in Rs. Million)	
	For the Financial Year ended 31.03.2024	31.03.2023
Income	3.94	131.43
Less: Total Expenses	80.40	154.67
Profit / (Loss) before tax	(76.46)	(23.24)
Profit / (Loss) After Tax	(76.46)	(23.24)
Other Comprehensive Profit / (Loss)	(0.04)	(0.31)
Profit / (Loss) for the year Carried to the Balance Sheet	(76.50)	(23.55)

### 2. RESERVES AND DIVIDEND

Your Directors do not recommend any dividend for the year ended March 31, 2024. The Company has not transferred any amount to Reserves.

### 3. 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.

### 4. DETAILS OF SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

There were no companies which have become or ceased to be our subsidiaries, joint ventures or associate companies during the year.

## 5. 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.

## 6. AUDITORS

### a) Statutory Auditors

Your Company's Auditors M/s. Price Waterhouse Chartered Accountants LLP, who have been re-appointed for a second term up to the conclusion of the 11<sup>th</sup> Annual General Meeting. The remuneration fixed for the financial year 2023-24 is Rs. 13,50,000/- p.a. plus such travelling and out-of-pocket expenses.

No frauds or instances of mismanagement were reported by the Statutory Auditor under Section 143 (12) of the Companies Act, 2013.

### b) Cost Auditors:

As per the provisions of Section 148 of the Act, the Board of Directors have appointed M/s. Kiran J. Mehta & Co, Cost Accountants, (Firm Registration No.000025) as the Cost Auditors for the financial year 2024-25 at a remuneration of Rs.75,000/- p.a. plus applicable taxes and out of pocket expenses that may be incurred.

The Board recommends ratification of the remuneration payable to the Cost Auditors for the year ending on March 31, 2025 by the Members at the ensuing Annual General Meeting.

### c) Internal Auditors:

M/s. Deloitte Touche Tohmastu India LLP, Chartered Accountants, have been appointed as the Internal Auditors of the Company for the financial year 2024-25.

## 7. AUDITORS' REPORT

### a) Statutory Audit Report :

The notes on account referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further comments.

**b) Cost Audit Report :**

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

The Company had appointed M/s. Kiran J. Mehta & Co., Cost Accountants as the Cost Auditors of the Company for auditing cost accounting records for the financial year 2024-25. The Cost Audit Report for the year 2022-23 was e-filed on August 23, 2023. As on the date of the Report, the Cost Audit for the financial year 2023-24 is in progress and the report will be e-filed to the Ministry of Corporate Affairs, Government of India, in due course.

**8. DIRECTORS AND MANAGERIAL PERSONNEL**

**A) Changes in Directors and Key Managerial Personnel**

Since the last report, no change took place in the Board of Directors except changes in the Key Managerial Personnel.

- Mr. Dharmesh Pardiwala, Company Secretary of the Company resigned on 31.10.2023.
- Mr. Pradeep Joshi was appointed as Company Secretary w.e.f .01.11.2023 who resigned on 21.04.2024.
- Ms.Dipti Modi is appointed as Company Secretary of the Company w.e.f 24.04.2024

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Martin (DIN: 08873698) is retiring by rotation at the forthcoming Annual General Meeting and being eligible, has been recommended for re-appointment by the Board.

## 9. 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. Further, the Board has mix of executive and non-executive directors.

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

	Name of the Director	Age (complete d years)	Category	Board Meetings Attended during the Year 20223-24	Attendance at the Last AGM	No. of other Directorship (as last declared to the Company)	Member / Chairman in No. of Board/ Committees including other Companies (as last declared to the Company)@#
						Pub.	
1	Mr. Godfrey John	58	E, NI, M	4/5	Yes	1	-
2	Mr. Percy Birdy	56	NE, NI, M	5/5	Yes	5	-
3	Mr. Ramanathan P R Singaram	56	NE, NI, M	5/5	Yes	---	-
4	Mr. Martyn Wilmot	63	NE, NI, M	5/5	Yes	---	-

Abbreviations:

I = Independent, NI = Non Independent, E = Executive Director, NE = Non-Executive Director, C=Chairman, M=Member.

**Average age of the Board members - ~ 58 years.**

**Average attendance at the Board meetings -95%**

5 meetings of the Board of Directors were held during the reporting financial year on the following dates: 18.05.2023, 25.07.2023, 05.09.2023, 27.10.2023 and 30.01.2024.

It is confirmed that there is no relationship between the directors inter-se. None of the directors held any share in the Company.

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

The Company has a Whistle Blower Policy and Vigil Mechanism for employees of the Company; former employees, trainees and contractual employees of the Company; employees of other agencies deployed for the Company's activities, whether working from any of the Company's offices or any other location; existing

/ prospective contractors, vendors, suppliers or agencies (or any of their employees) providing any material or service to the Company; customers, bankers of the Company; and any other person having an association with the Company, and no persons had been denied access to the Chairman. The Policy provide adequate safeguard against victimization and even the disclosures expressed anonymously may be considered. The Chairman of the Board can be approached at “[ramanathan.singaram@wascoenergy.com](mailto:ramanathan.singaram@wascoenergy.com)”.

## 11. 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	Joining Date	Remuneration FY 23-24	Previous Experience	Qualification	Nature of Employment	% Of Equity Shares held in the Company	Relative of any Director/ Manager of the Company	Previous Company
Ashwin Chadamiya	Deputy General Manager	12-19-1980	42	08-01-2005	22,54,974	11	BE (Electronics Engineering)	Full time	0%	No	Welspun Tubular LLC
Jignesh Dandiwalla	Junior Foreman 3	11-15-1980	42	04-01-2008	5,87,126	8	ITI Wireman	Full time	0%	No	Prakash Steelage Limited
Prem Ranjan Kumar	Engineer	12-25-1990	32	10-24-2019	4,57,606	2	BE (Mechanical Engineering)	Full time	0%	No	MAN INDUSTRY LTD - Contract
Chitrnanjan Kumar	Senior Technician	08-08-1989	34	8-27-2018	4,37,983	12	HSC	Full time	0%	No	Jindal Saw Ltd
Nimmsinh Sodha	Operator	7-13-1986	37	4-24-2017	3,68,356	11	8 <sup>th</sup> Pass	Full time	0%	No	Shiv Enterprises
Jay Varu	Engineer	5-16-1998	25	11-08-2021	3,44,142	2	BE (Mechanical Engineering)	Full time	0%	No	Welspun Corp Ltd. (WCL)
Jayendrasinh Parmar	Assistant Operator	6-23-1996	27	01-10-2022	2,80,751	2	ITI - Fitter	Full time	0%	No	Welspun Corp Ltd - NEEM
Rohitnath Nathbava	Assistant Operator	1-18-2001	22	08-04-2022	2,65,089	3	ITI-Welder	Full time	0%	No	Welspun Corp Ltd - NEEM



Deepesh kumar Emilya	Engineer	1-14-1997	27	5-18-2023	2,16,000	1	BE/B.Tech	Full time	0%	No	Welspun Corp Ltd - NEEM
Dharamkumar Vadodariya	Engineer	5-22-2000	24	5-18-2023	2,16,000	1	BE/B.Tech	Full time	0%	No	Welspun Corp Limited

- b) Whole Time Director of the Company was not in receipt of any commission from the Company or holding company.
- a) No remuneration was paid / payable to the executive director of the Company for the financial year 2023-24.
- b) 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 had any pecuniary relationships or transactions vis-à-vis the Company.

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

No Loan or guarantee was given by the Company during the financial year 2023-24.

The Company holds investment in the securities of Welspun Captive Power Generation Limited amounting to Rs. 2.34 million as on 31.03.2024 (carried at fair value through profit & loss account).

## **13. 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. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company.

Except receiving sitting fees for attending meetings of the Board & other meetings, none of the Directors had any pecuniary relationships or transactions vis-à-vis the Company.

Disclosures as required under the Companies Act, 2013 are given in Form AOC-2 annexed as Annexure 1 to this Report.

## **14. HOSTING OF ANNUAL RETURN ON THE COMPANY'S WEBSITE**

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.

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

### Conservation of energy:

(i)	The efforts made towards technology absorption	None
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution;	Not applicable
(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	None
(b)	The year of import	Not Applicable
(c)	Whether the technology been fully absorbed. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof:	Yes
(d)	The expenditure incurred on Research and Development	Nil

Total foreign exchange used and earned:

Used : USD 167287.2

Earned : Nil

## 16. 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, Government Policy, Policy shift globally towards Environment and Green Energy, Geopolitical, Natural Disasters, Compliances etc.

#### **17. PROCEEDINGS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016)**

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

#### **18. 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 2023-24.

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 (SS1 and SS2) respectively relating to Meetings of the Board which have mandatory application.

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 Nil
- number of complaints disposed of during the financial year : N/A
- number of complaints pending as on end of the financial year Nil

## 19. DIRECTORS' RESPONSIBILITY STATEMENT

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

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

- e. 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.

## 20. BOARD EVALAUTION:

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 2023-24, 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.

## 21. ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors of  
**Welspun Wasco Coatings Private Limited**

**Mumbai**  
**22<sup>nd</sup> April, 2024**

Sd/-  
Godfrey John  
**Whole time Director**  
DIN: 03602725

Sd/-  
Percy Birdy  
**Director**  
DIN: 07634795

**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 with the same party:**  
Please refer Note .37 -Related Party Trasaction of the Financial Statement.

**Sd/-**  
Godfrey John  
**Whole time Director**  
DIN: 03602725

**Sd/-**  
Percy Birdy  
**Director**  
DIN: 07634795

# Price Waterhouse Chartered Accountants LLP

## Independent Auditor's Report

To the Members of Welspun Wasco Coatings Private Limited

### Report on the Audit of the Financial Statements

#### Opinion

1. We have audited the accompanying financial statements of Welspun Wasco Coatings Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, 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 material accounting policy information 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, 2024, 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.



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Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/1500016 (ICAI registration number before conversion was 012754N)



# Price Waterhouse Chartered Accountants LLP

Independent Auditor's Report  
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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.



# Price Waterhouse Chartered Accountants LLP

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 11(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
  - (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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 11(b) above on reporting under Section 143(3)(b) and paragraph 11(h)(vi) below on reporting under Rule 11(g) of the Rules.
  - (g) 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".



# Price Waterhouse Chartered Accountants LLP

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- (h) 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, 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.
  - ii. The Company was not required to recognise a provision as at March 31, 2024 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, 2024.
  - 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, 2024.
  - iv.(a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 42(vii) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 42(vii) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; 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. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except for changes made through specific access and for direct database changes. Further, during the course of performing our procedures, except the aforesaid instances, we did not notice any instance of audit trail feature being tampered with.



**Price Waterhouse Chartered Accountants LLP**

Independent Auditor's Report

To the Members of Welspun Wasco Coatings Private Limited

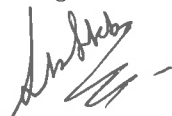
Report on the Audit of the Financial Statements

Page 5 of 11

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 Akbar

Partner

Membership Number: 117839

UDIN: 24117839BKEKVB4402

Place: Mumbai

Date: April 24, 2024

# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditor's Report

Referred to in paragraph 11(g) of the Independent Auditor's Report of even date to the members of Welspun Wasco Coatings Private Limited on the financial statements for the year ended March 31, 2024  
Page 6 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 Welspun Wasco Coatings Private Limited ("the Company") as of March 31, 2024 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

### Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance



## Price Waterhouse Chartered Accountants LLP

### Annexure A to Independent Auditor's Report

Referred to in paragraph 11(g) of the Independent Auditor's Report of even date to the members of Welspun Wasco Coatings Private Limited on the financial statements for the year ended March 31, 2024

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

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

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

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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



Ali Akbar

Partner

Membership Number: 117839

UDIN: 24117839BKEKVB4402

Place: Mumbai

Date: April 24, 2024

# 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 Wasco Coatings Private Limited on the financial statements for the year ended March 31, 2024

Page 8 of 11

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- 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 (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Notes 3(a) and 3(b) to the financial statements, are held in the name of the Company.
- (d) The Company has not revalued its property, plant and equipment (including right of use assets) 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 (including right of use assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the 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. 50 million, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account. Also, refer Note 42(ii) to the financial statements.
- iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order is not applicable to the Company.
- iv. In our opinion, 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 185 and 186 of the Act.



## 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 Wasco Coatings Private Limited on the financial statements for the year ended March 31, 2024

Page 9 of 11

- 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.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) 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, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Also, refer Note 38 to the financial statements regarding management's assessment on certain matters relating to provident fund.
- (b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) 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 (principal and interest) for term loans from the holding companies, which the lender has approved before the due date of such payments. Refer Note 11 to the financial statements.
- (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not obtained any term loans during the year ended March 31, 2024 and there was no unutilized balance of term loan obtained in earlier years as on April 1, 2023. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short-term basis. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (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.





## 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 Wasco Coatings Private Limited on the financial statements for the year ended March 31, 2024

Page 10 of 11

- 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, 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.
- xiv. (a) In our opinion, 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. In our opinion, 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.



**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 Wasco Coatings Private Limited on the financial statements for the year ended March 31, 2024

Page 11 of 11

- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has three CICs as part of the Group as detailed in Note 46 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. 71.74 million in the financial year and of Rs. 12.24 million 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.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. 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. Refer Note 45 to the financial statements.
- xx. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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



Ali Akbar  
Partner

Place: Mumbai  
Date: April 24, 2024

Membership Number: 117839  
UDIN: 24117839BKEKVB4402

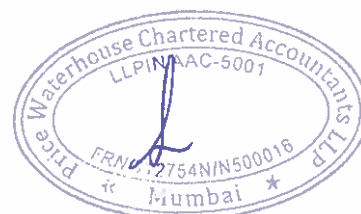
**Welspun Wasco Coatings Private Limited**  
**Financial statements - March 31, 2024**

**Financial statements**

- Balance sheet as at March 31, 2024
- Statement of profit and loss for the year ended March 31, 2024
- Statement of changes in equity for the year ended March 31, 2024
- Statement of cash flows for the year ended March 31, 2024
- Notes comprising material accounting policies and other explanatory information

**Welspun Wasco Coatings Private Limited**
**Balance sheet**
*(All amounts in Rupees (Rs.) million, unless otherwise stated)*

	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3(a)	61.48	62.95
Right-of-use assets	3(b)	12.36	12.89
Intangible assets	3(c)	-	-
Financial assets			
Investments	4	2.34	3.72
Other financial assets	5	0.03	0.03
Deferred tax assets (net)	14	-	-
Income tax assets (net)	18	4.48	4.71
Other non-current assets	6(a)	0.33	0.37
<b>Total non-current assets</b>		<b>81.02</b>	<b>84.67</b>
<b>Current assets</b>			
Inventories	7	22.67	15.35
Financial assets			
Trade receivables	8	-	0.25
Cash and cash equivalents	9	7.24	43.46
Other current assets	6(b)	12.96	11.20
<b>Total current assets</b>		<b>42.87</b>	<b>70.26</b>
<b>Total assets</b>		<b>123.89</b>	<b>154.93</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	10(a)	499.31	499.31
<b>Other equity</b>			
Reserves and surplus	10(b)	(1,006.19)	(929.69)
<b>Total equity</b>		<b>(506.88)</b>	<b>(430.38)</b>



**Welspun Wasco Coatings Private Limited****Balance sheet***(All amounts in Rupees (Rs.) million, unless otherwise stated)*

	Notes	As at March 31, 2024	As at March 31, 2023
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	11	155.89	309.17
Lease liabilities	3(b)	84.90	86.01
Provisions	13(a)	0.74	1.15
Government grants	15	18.56	21.24
<b>Total non-current liabilities</b>		<b>260.09</b>	<b>417.57</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	11	311.74	154.65
Lease liabilities	3(b)	3.87	1.01
Trade payables			
- total outstanding dues of micro and small enterprises	17	0.09	0.04
- total outstanding dues other than above	17	15.56	6.72
Other financial liabilities	12	29.63	-
Provisions	13(b)	0.81	0.18
Government grants	15	2.68	2.68
Other current liabilities	16	6.30	2.46
<b>Total current liabilities</b>		<b>370.68</b>	<b>167.74</b>
<b>Total liabilities</b>		<b>630.77</b>	<b>585.31</b>
<b>Total equity and liabilities</b>		<b>123.89</b>	<b>154.93</b>

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

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

\* Amount is below the rounding off norms adopted by the Company

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration No: 012754N / N500016


**Ali Akbar**

Partner

Membership No.117839

**For and on behalf of the Board**

**Godfrey John**

Whole-time Director

DIN No.03602725

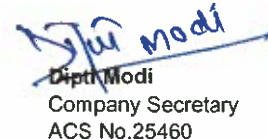

**Percy Birdy**

Director

DIN No.07634795


**Gaurav Merchant**

Chief Financial Officer


**Dipu Modi**

Company Secretary

ACS No.25460

Place: Mumbai

Date: April 24, 2024

Place: Mumbai

Date: April 24, 2024

**Welspun Wasco Coatings Private Limited**

**Statement of profit and loss**

(All amounts in Rupees (Rs.) million, unless otherwise stated)

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations	19	2.76	128.50
Other income	20	1.18	2.93
<b>Total income</b>		<b>3.94</b>	<b>131.43</b>
<b>Expenses</b>			
Cost of materials consumed	21	0.23	47.35
Employee benefit expense	22	12.80	13.76
Depreciation expense	23	4.54	4.43
Other expenses	24	20.53	36.25
Finance costs	25	42.30	52.88
<b>Total expenses</b>		<b>80.40</b>	<b>154.67</b>
<b>Profit / (Loss) before tax</b>		<b>(76.46)</b>	<b>(23.24)</b>
<b>Income tax expense</b>			
Current tax	26	-	-
Deferred tax	27	-	-
<b>Total income tax expense</b>		<b>-</b>	<b>-</b>
<b>Profit / (Loss) for the year (A)</b>		<b>(76.46)</b>	<b>(23.24)</b>
<b>Other comprehensive income (B)</b>			
Items that will not be reclassified to profit or loss			
Remeasurements of post employment benefit obligations, net of tax	30	(0.04)	(0.31)
<b>Other comprehensive income for the year, net of tax (B)</b>		<b>(0.04)</b>	<b>(0.31)</b>
<b>Total comprehensive income for the year (A+B)</b>		<b>(76.50)</b>	<b>(23.55)</b>
<b>Earnings/ (loss) per equity share</b>	43		
Basic earnings / (loss) per share (in Rupees)		(1.53)	(0.47)
Diluted earnings / (loss) per share (in Rupees)		(1.53)	(0.47)

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

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

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration No: 012754N / N500016



**Ali Akbar**

Partner

Membership No.117839

**For and on behalf of the Board**



**Godfrey John**

Whole-time Director

DIN No.03602725



**Gaurav Merchant**

Chief Financial Officer



**Percy Birdy**

Director

DIN No.07634795



**Dipati Modi**

Company Secretary

ACS No.25460

Place: Mumbai

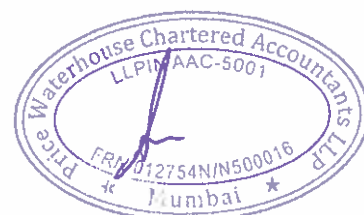
Date: April 24, 2024

Place: Mumbai

Date: April 24, 2024

Welspun Wasco Coatings Private Limited  
Statement of cash flows  
(All amounts in Rupees (Rs.) million, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>A) Cash flow (used in) / from operating activities</b>		
Profit / (Loss) before tax	(76.46)	(23.24)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	4.54	4.43
(Gain)/loss on disposal of property, plant and equipment (net)	0.01	- *
Fair valuation (gain)/loss on investment (net)	1.38	(0.40)
Amortisation of Government grants	(2.68)	(2.68)
Dividend income	(0.12)	-
Interest income	(1.02)	(2.53)
Interest expenses	40.82	52.88
Unrealised net exchange differences	1.48	1.97
	<u>44.41</u>	<u>53.67</u>
<b>Operating profit before changes in operating assets and liabilities</b>	<b>(32.05)</b>	<b>30.43</b>
<b>Changes in operating assets and liabilities (bracket figures represents increase in asset and decrease in liabilities)</b>		
Movement in other non-current assets	0.04	8.26
Movement in inventories	(7.32)	12.28
Movement in trade receivables	0.25	(0.25)
Movement in other current financial assets	-	(3.79)
Movement in other current assets	(1.76)	0.00
Movement in trade payables	8.88	4.41
Movement in other current liabilities	1.05	0.36
Movement in provisions	0.18	0.38
<b>Total changes in operating assets and liabilities</b>	<b>1.32</b>	<b>21.65</b>
<b>Cash flow from operations</b>	<b>(30.73)</b>	<b>52.08</b>
Income taxes paid (tax deducted at source)	0.23	(0.27)
<b>Net cash (used in)/ from operating activities (A)</b>	<b>(30.50)</b>	<b>51.81</b>
<b>B) Cash flow (used in)/ from investing activities</b>		
Payments for property, plant and equipment	(0.22)	-
(Investments in)/ Proceeds from maturity of fixed deposit (net)	-	102.50
Interest received	1.02	3.80
Dividend received	0.12	-
<b>Net cash from/ (used in) investing activities (B)</b>	<b>0.92</b>	<b>106.30</b>



Welspun Wasco Coatings Private Limited  
Statement of cash flows  
(All amounts in Rupees (Rs.) million, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>C) Cash flow from/ (used in) financing activities</b>		
Repayment of long term borrowings	-	(77.20)
Interest paid	(0.50)	(37.11)
Principal elements of lease payments	(6.14)	(8.90)
<b>Net cash (used in)/ from financing activities (C)</b>	<b>(6.64)</b>	<b>(123.21)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(36.22)</b>	<b>34.90</b>
Cash and cash equivalents at the beginning of the year	43.46	8.56
<b>Cash and cash equivalents at the end of the year (refer note 9)</b>	<b>7.24</b>	<b>43.46</b>
Balances with banks		
- In current accounts	7.24	8.45
Deposits with original maturity of less than three months	-	35.01
<b>Balance per statement of cash flows</b>	<b>7.24</b>	<b>43.46</b>

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

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

\* Amount is below the rounding norms adopted by the Company

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

  
Ali Akbar  
Partner  
Membership No.117839

Place: Mumbai  
Date: April 24, 2024

For and on behalf of the Board

  
Godfrey John  
Whole-time Director  
DIN No.03602725

  
Gaurav Merchant  
Chief Financial Officer

Place: Mumbai  
Date: April 24, 2024

  
Percy Birdy  
Director  
DIN No.07634795

  
Dipu Modi  
Company Secretary  
ACS No.25460



**Welspun Wasco Coatings Private Limited****Statement of changes in equity***(All amounts in Rupees (Rs.) million, unless otherwise stated)***A. Equity share capital**

Particulars	Notes	Amount
Balance as at April 1, 2022		499.31
Changes in equity share capital during the year	10(a)	-
Balance as at March 31, 2023		499.31
Changes in equity share capital during the year	10(a)	-
Balance as at March 31, 2024		499.31

**B. Other equity [refer note 10(b)]**

	Reserves and surplus	Total other equity
	Retained earnings	
Balance as at April 01, 2022	(906.14)	(906.14)
Loss for the year	(23.24)	(23.24)
Other comprehensive income (net of taxes)	(0.31)	(0.31)
<b>Total comprehensive income for the year</b>	<b>(23.55)</b>	<b>(23.55)</b>
Balance as at March 31, 2023	(929.69)	(929.69)
Loss for the year	(76.46)	(76.46)
Other comprehensive income (net of taxes)	(0.04)	(0.04)
<b>Total comprehensive income for the year</b>	<b>(76.50)</b>	<b>(76.50)</b>
Balance as at March 31, 2024	(1,006.19)	(1,006.19)

The above statement of changes in equity should be read in conjunction with the accompanying notes.  
This is the statement of changes in equity referred to in our report of even date.

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration No: 012754N / N500016

**For and on behalf of the Board**

**Ali Akbar**

Partner

Membership No.117839


**Godfrey John**

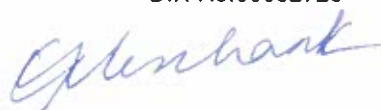
Whole-time Director

DIN No.03602725

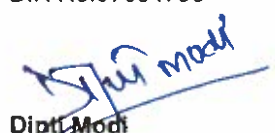

**Percy Birdy**

Director

DIN No.07634795


**Gaurav Merchant**

Chief Financial Officer


**Dipti Modi**

Company Secretary

ACS No.25460

Place: Mumbai

Date: April 24, 2024

Place: Mumbai

Date: April 24, 2024

**Welspun Wasco Coatings Private Limited****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in Rupees (Rs.) millions, unless otherwise stated)***General Information**

Welspun Wasco Coatings Private Limited ("WWCPL" or the "Company") is a Company limited by shares incorporated on September 30, 2015 and domiciled in India under the Companies Act, 2013. The Company is engaged in the business of all types of coating works including but not limited to concrete, cement, polyolefin, polymers, Epoxy, coal tar, blasting, and painting or any combination thereof, performed on inside and/or outside metallic structures as well as pipes and accessories and also to trade, sell, purchase, deal in, import, export, convert, treat and to act as agents, distributors of the above products.

The registered office of the Company and its principal place of business is at Survey No. 569, Welspun City, Village Versamedi, Taluka Anjar, Kutch, Gujarat – 370110.

These financial statements are authorised for issue by the Board of Directors on April 24, 2024.

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

**Note 1. Material Accounting Policies**

This note provides a list of the material 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 of financial statements****(i) Compliance with Ind AS**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

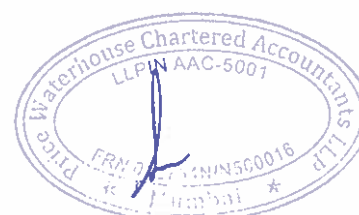
**(ii) Historical cost convention**

The financial statements have been prepared on an accrual and going concern basis. The financial statements have been prepared on a historical cost basis, except for the following items:

Items	Measurement Basis
Certain financial assets and liabilities (including derivatives instruments)	Fair Value

**(iii) Current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (i.e 12 months) and other criteria set out in Schedule III (Division II) to the Act. Based on the time between the acquisition of assets for processing and their realisation in the form of cash or cash equivalents the company has determined its normal operating cycle as 12 months.



**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) millions, unless otherwise stated)*

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

The Ministry of Corporate Affairs had vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) amendment Rules, 2023 which amended certain accounting standards (see below), and are effective April 1, 2023.

- Disclosure of accounting policies – amendment to Ind AS 1
- Definition of accounting estimates – amendment to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction – amendment to Ind AS 12

The other amendment to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the company accounting policy already complies with the now mandatory treatment.

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

The management has made an assessment on the basis of the financial ratios ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, knowledge of the Board of Directors and management plans and has not noted any material uncertainty that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. Basis this, the Company has prepared its financial statements on a going concern basis.

**B) Foreign currency translation**

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Foreign exchange differences regarded as an adjustments to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income/ other expenses as applicable.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of initial transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

The Company has elected to apply the exemption from the transition date i.e. April 01, 2015 in respect of accounting policy followed for long term foreign currency monetary items. Accordingly, long term foreign currency monetary items in the standalone financial statement have been accounted in accordance with previous GAAP as given below:

Foreign exchange differences on account of depreciable assets are adjusted in the cost of depreciable assets and depreciated over the balance life of the assets.



**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) millions, unless otherwise stated)*

**C) Revenue recognition**

**i) Sales of products**

The Company sells concrete weighted coated (CWC) pipes to its customers.

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

Whether the customer has obtained control over the asset depends on when the goods are made available to the carrier or the buyer takes possession of the goods, depending on the delivery terms. For the Company's pipes operations, generally the criteria to recognize revenue has been met when its products are delivered to its customers or to a carrier who will transport the goods to its customers, this is the point in time when the Company has completed its performance obligations.

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

The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the Company expects to be entitled to in exchange for transferring of promised goods to the customer after deducting incentive programs, included but not limited to discounts, volume rebates, etc.

Revenue is recognized at a determined transaction price when identified performance obligations are satisfied.

Revenue excludes any taxes and duties collected on behalf of the government.

The Company's payment terms range from 0 to 60 days from date of delivery, depending on the market and product sold.

**ii) Sales of services**

Contract revenue with customers include contracts relating to pipe coating services and other services.

Where the contracts are highly integrated, they are recognised as a single performance obligation. Revenue is recognised progressively based on the progress towards complete satisfaction of the performance obligation.

Revenue are recognised over time when control of the asset is transferred over time when the Company's performance creates and enhances an asset that the customer controls as the services are being performed.

The progress towards complete satisfaction of the performance obligation is measured based on the method that best reflect the Company's performance in satisfying the performance obligation, the Company's efforts or inputs to the satisfaction of the performance obligation (e.g. by reference to cost incurred up to the end of the reporting period as a percentage of total estimated costs for complete satisfaction of the contract).



**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) millions, unless otherwise stated)*

**D) Income tax and deferred tax**

The Income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

**i) Current income tax**

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset at assessment year level where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**ii) Deferred tax**

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax assets is realized or deferred tax liability is settled.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

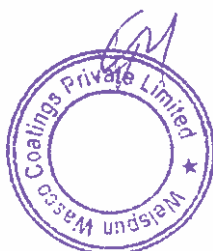
Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**E) Leases**

**As a Lessee:**

The Company leases land. Rental contracts are made for fixed periods of thirty years (including extension option of 20 years). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.





**Welspun Wasco Coatings Private Limited****Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) millions, unless otherwise stated)*

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

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

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

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

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

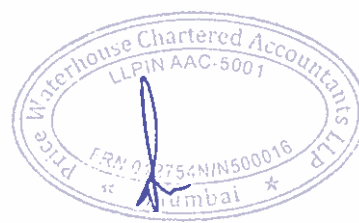
Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases 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.

**F) Inventories**

Raw materials, stores and spares and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials comprises cost of purchases on moving weighted average basis. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on moving weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.



**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) millions, unless otherwise stated)*

**G) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**a) Financial assets**

**i) Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through comprehensive income, or through profit or loss); and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

**ii) Recognition**

Regular way by purchase and sales of financial assets are recognised on trade date, being the date on which the Company commits to purchase or sale the financial assets.

**(iii) Measurement**

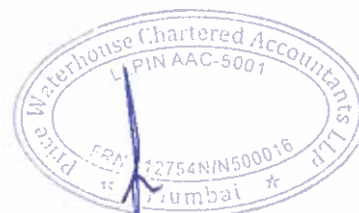
At initial recognition, the Company measures a financial asset (excluding trade receivables) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. However, trade receivables do not contain significant financing component are measured at transaction price.

After initial recognition, financial assets not measured at fair value through profit & Loss are measured using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash flow through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**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.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income or other expenses (as applicable) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.



**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) millions, unless otherwise stated)*

**iv) Impairment of financial assets**

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

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables based on provision matrix taking into account historical credit losses and is adjusted for forward looking information.

**v) Derecognition of financial assets**

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**vi) Income recognition**

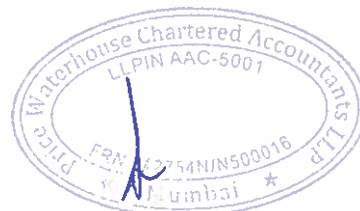
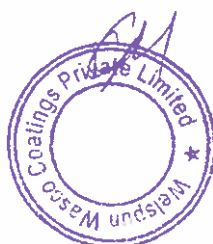
**Interest income**

Interest income from a financial assets is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis by reference to principal outstanding and the effective interest rate applicable which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

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

**Dividend income**

Dividend income are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.





**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) millions, unless otherwise stated)*

**vii) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flow, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts (if any) are shown within borrowings in current liabilities.

**viii) Trade Receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The 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.

**b) Financial liabilities**

**(i) Measurement**

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

**(ii) Derecognition**

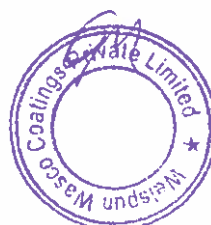
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**(iii) Trade and other payable**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 to 180 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**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 recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.



(All amounts in Rupees (Rs.) millions, unless otherwise stated)

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning.

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment (if any).

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

Depreciation is calculated using straight-line method 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 which is as stated below:

Assets	Estimated useful lives	Useful Life as per Companies Act, 2013
Buildings	3 - 30 years	30 years
Plant and machinery	5 - 15 years	Ranging between 8 to 40 years
Office and other equipments	3 - 5 years	5 years
Furniture and fixtures	3 - 10 years	Ranging between 8 to 10 years
Computers	3 years	Ranging between 3 to 6 years

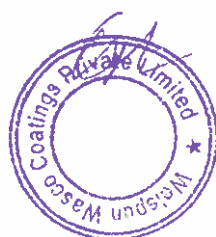
The useful lives have been determined based on technical evaluation done by management's expert which may differ from those specified in Schedule II of the Companies Act, 2013 (as indicated in table above) in order to reflect the actual usage of the assets.

The estimated useful lives of plant and machinery, determined based on internal technical advice, considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, etc.

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

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income or other expenses, as applicable.



**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) millions, unless otherwise stated)*

**I) Impairment of assets**

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

**J) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit and loss as other income or other expenses, as applicable.

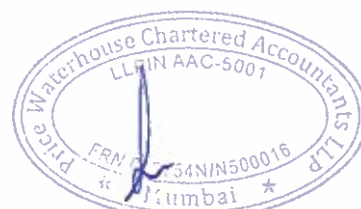
Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

**K) Borrowing Costs**

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.



**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) millions, unless otherwise stated)*

**L) Government Grants**

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

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. Grants related to income are presented under Other Operating Revenue or Other Income in the statement of profit and loss depending upon the nature of the underlying grant. This presentation approach is applied consistently to all similar grants.

Government grants relating to the purchase of property, plant and equipment are included in liabilities as "Deferred Government grants" and are credited to profit or loss on straight line basis over the expected lives of the related assets and presented within other operating income.

In case of disposal of such property, plant and equipment, related Government Grants included in the liabilities are written back and charged to the statement of profit and loss.



**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) millions, unless otherwise stated)*

**Note 2. Critical estimates and judgments**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

**Estimation of Useful life of Property, Plant and Equipment:**

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life, considering useful life as per Companies Act 2013. Increasing an asset's expected life would result in a reduced depreciation charge in the income statement.

The useful lives of the Company's assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

Historically, changes in useful lives have not resulted in material changes to the Company's depreciation charge.

**Recognition of deferred assets**

The recognition of deferred tax assets is based upon whether it is probable that sufficient taxable profits will be available in the future against which the reversal of temporary differences will be offset. In assessing the realizability of deferred tax assets, the Company considers the extent to which it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.





## 3(a) Property, plant and equipment (PPE)

Carrying amounts	Buildings	Plant and machinery	Office and other equipments	Computer Equipments	Furniture and fixtures	Total
<b>Year ended March 31, 2023</b>						
Gross carrying amount						
Balance as at April 01, 2022	121.03	597.46	3.02	2.72	4.45	728.68
Disposals	-	-	(0.10)	-	-	(0.10)
Exchange differences (Refer note (ii) below)	-	12.65	-	-	-	12.65
<b>Gross carrying amount as at March 31, 2023</b>	<b>121.03</b>	<b>610.11</b>	<b>2.92</b>	<b>2.72</b>	<b>4.45</b>	<b>741.23</b>
<b>Year ended March 31, 2024</b>						
Gross carrying amount						
Additions	-	-	-	0.22	-	0.22
Disposals	-	-	-	(0.11)	-	(0.11)
Exchange differences (Refer note (ii) below)	-	2.33	-	-	-	2.33
<b>Gross carrying amount as at March 31, 2024</b>	<b>121.03</b>	<b>612.44</b>	<b>2.92</b>	<b>2.83</b>	<b>4.45</b>	<b>743.67</b>

Accumulated depreciation	Buildings	Plant and machinery	Office and other equipments	Computer Equipments	Furniture and fixtures	Total
<b>Year ended March 31, 2023</b>						
Balance as at April 01, 2022	113.85	552.66	2.81	2.58	2.56	674.46
Depreciation charge during the year	0.13	3.40	0.05	-	0.34	3.92
Disposals	-	-	(0.10)	-	-	(0.10)
<b>Accumulated depreciation as at March 31, 2023</b>	<b>113.98</b>	<b>556.06</b>	<b>2.76</b>	<b>2.58</b>	<b>2.90</b>	<b>678.28</b>
<b>Year ended March 31, 2024</b>						
Depreciation charge during the year	0.11	3.54	0.01	0.01	0.35	4.02
Disposals	-	-	-	(0.10)	-	(0.10)
<b>Accumulated depreciation as at March 31, 2024</b>	<b>114.09</b>	<b>559.60</b>	<b>2.77</b>	<b>2.49</b>	<b>3.25</b>	<b>682.20</b>

## Net carrying amount of property, plant and equipment

As at March 31, 2023	7.05	54.05	0.16	0.14	1.55	62.95
As at March 31, 2024	6.94	52.84	0.15	0.34	1.19	61.47

## Notes:

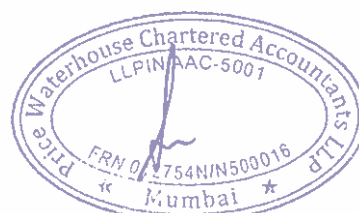
## (i) Contractual obligations

There are no contractual commitments for the acquisition of property, plant and equipment as at March 31, 2024 and March 31, 2023.

## (ii) Exchange differences

In accordance with para D13AA of Ind AS 101 First time adoption of Indian Accounting Standards and the option available in the Companies (Accounting Standards) (Second Amendment) Rules, 2011, as amended, vide notification dated December 29, 2011 issued by the Ministry of Corporate Affairs, the Company has adjusted the exchange rate difference arising on long term foreign currency monetary items, in so far as they relate to the acquisition of a depreciable capital asset, to the cost of the asset.

Accordingly the company has adjusted exchange loss of Rs. 2.33 million (March 31, 2023: Rs.12.65 million) to the cost of property, plant and equipment as the long term monetary items relate to depreciable capital asset.



**Welspun Wasco Coatings Private Limited****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in Rupees (Rs.) million, unless otherwise stated)***3(b) Leases****(i) Amount recognised in balance sheet**

The Balance sheet shows the following amounts relating to leases:

	As at March 31, 2024	As at March 31, 2023
<b>Right-of-use assets</b>		
Leasehold land	12.36	12.89
<b>Total Right-of-use assets</b>	<b>12.36</b>	<b>12.89</b>
<b>Lease Liabilities</b>		
Current	3.87	1.01
Non-Current	84.90	86.01
<b>Total Lease Liabilities</b>	<b>88.77</b>	<b>87.02</b>

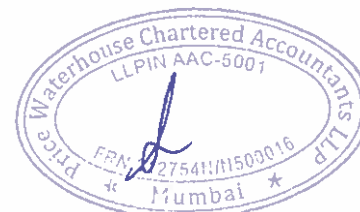
The Company has leased lands from Related Party Welspun Corp Limited for a period of 30 years (including extension of 20 years). Extension option is included in leasehold lands contract of the Company. These are used to maximise operational flexibility in terms of managing the assets used in Company's operations. The majority of extension and termination options held are exercisable by the Company and the respective lessor.

**(ii) Amount recognised in the statement of profit and loss**

The statement of profit or loss shows the following amounts relating to leases:

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Depreciation charge of Right-of-use assets</b>		
Leasehold land	0.52	0.51
<b>Total</b>	<b>0.52</b>	<b>0.51</b>
<b>Interest and Other expense</b>		
Interest expense on Leases (included in finance cost)	7.89	7.97
<b>Total</b>	<b>7.89</b>	<b>7.97</b>

The total cash outflow for the leases for the year ended March 31, 2024 was Rs.6.14 (March 31, 2023 Rs.8.90).



**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

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

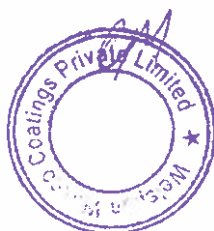
**3(c) Intangible assets**

Carrying amounts	Intangible assets (Software)
<b><u>Year ended March 31, 2023</u></b>	
Gross carrying amount	
Balance as at April 01, 2022	0.12
Additions	-
Disposals	-
<b>Gross carrying amount as at March 31, 2023</b>	<b>0.12</b>
<b><u>Year ended March 31, 2024</u></b>	
Gross carrying amount	0.12
Additions	-
Disposals	-
<b>Gross carrying amount as at March 31, 2024</b>	<b>0.12</b>

Accumulated amortisation	Intangible assets (Software)
<b><u>Year ended March 31, 2023</u></b>	
Balance as at April 01, 2023	0.12
Amortisation charge during the year	-
Disposals	-
<b>Accumulated amortisation as at March 31, 2023</b>	<b>0.12</b>
<b><u>Year ended March 31, 2024</u></b>	
Amortisation charge during the year	-
Disposals	-
<b>Accumulated amortisation as at March 31, 2024</b>	<b>0.12</b>

**Net carrying amount of Intangible assets**

As at March 31, 2023	-
As at March 31, 2024	-





**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

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

**4 Non-current investments (refer note 37)**

**Investment carried at fair value through profit and loss (fully paid up)**

**Unquoted**

**Investments in equity instruments of other entities**

Welspun Captive Power Generation Limited

29,004 (March 31, 2023: 29,004) equity shares of Rs. 10 each

As at	As at
March 31, 2024	March 31, 2023

2.34

3.72

**Total investments in equity instruments**

**2.34**

**3.72**

**Total non-current investments**

**2.34**

**3.72**

Aggregate amount of unquoted investments

2.34

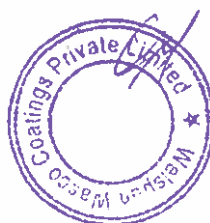
3.72

Aggregate amount of impairment in the value of Investment

-

-

Note: Investments made are approved by Board of Directors in accordance with policy of Company. The transactions are not prejudicial to shareholders of the Company.



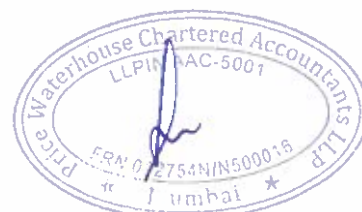
**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

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

	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>5 Other financial assets</b>		
Non-current		
Deposit with statutory authorities	0.03	0.03
<b>Total non-current other financial assets</b>	<b>0.03</b>	<b>0.03</b>
	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>6 Other assets</b>		
6(a) Non-current		
Prepaid expenses	0.05	0.09
Others*	0.28	0.28
	<b>0.33</b>	<b>0.37</b>
*Represents amount recoverable from employees towards employees' contribution for provident fund (refer note 38)		
	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
6(b) Current		
Balance with statutory authorities	12.63	5.69
Advance to suppliers	0.17	0.23
Prepaid expenses	0.16	0.14
Government grant receivable	-	5.14
<b>Total other current assets</b>	<b>12.96</b>	<b>11.20</b>
<b>Total other assets</b>	<b>13.29</b>	<b>11.57</b>
	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>7 Inventories</b>		
Raw materials	11.48	5.18
Stores and spares	11.19	10.17
<b>Total inventories</b>	<b>22.67</b>	<b>15.35</b>
	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>8 Trade receivables</b>		
Trade receivables from related parties (refer note 37)	-	0.25
Less : Loss Allowance	-	-
<b>Total receivables</b>	<b>-</b>	<b>0.25</b>
<b>Break up of security details</b>		
Unsecured, considered good	-	0.25
<b>Total</b>	<b>-</b>	<b>0.25</b>
Loss Allowance	-	-
<b>Total trade receivables</b>	<b>-</b>	<b>0.25</b>

The Company's trade receivable do not carry a significant financing element. Accordingly the Company has adopted a simplified approach for measurement of expected credit loss. In determining allowance for credit losses of trade receivables, the Company has used the practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of receivables and the rates used in provision matrix. The Company based on matrix is not required to create any provision for loss allowance.



**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

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

**Movement in loss allowance**

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	-	-
Changes in loss allowance	-	-
Closing balance	-	-

There are no Trade receivables as at March 31, 2024.

Ageing for trade receivables as at March 31, 2023 is as follows:

Particulars	Unbilled	Not Due	Outstanding for following periods from due date					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed trade receivables</b>								
(i) considered good	-	0.25	-	-	-	-	-	0.25
(ii) considered doubtful	-	-	-	-	-	-	-	-
<b>Gross Total</b>	-	0.25	-	-	-	-	-	0.25
Less: Loss allowances	-	-	-	-	-	-	-	-
<b>Total Trade receivables</b>	-	0.25	-	-	-	-	-	0.25

**Note:**

(i) There are no disputed trade receivables as at March 31, 2024 and March 31, 2023.

(ii) There are no trade receivables which have significant increase in credit risk or credit impaired.

**9 Cash and cash equivalents**

Balances with banks

- in current accounts

Deposits with original maturity of less than three months (including interest accrued)

**Total cash and cash equivalents**

As at March 31, 2024	As at March 31, 2023
7.24	8.45
-	35.01
<b>7.24</b>	<b>43.46</b>



**Welspun Wasco Coatings Private Limited**  
**Notes forming part of the financial statements as at and for the year ended March 31, 2024**  
*(All amounts in Rupees (Rs.) million, unless otherwise stated)*

**10 Equity share capital and other equity**

**10(a) Equity share capital**

**Authorised share capital**

**As at April 01, 2022**

Increase / (decrease) during the year

**As at March 31, 2023**

Increase / (decrease) during the year

**As at March 31, 2024**

Number of Shares	Par value	Amount
60,000,000	10	600.00
-	-	-
60,000,000	10	600.00
-	-	-
60,000,000	10	600.00

**i) Movements in issued equity share capital**

**Issued, subscribed and paid up capital**

**As at April 01, 2022**

Increase / (decrease) during the year

**As at March 31, 2023**

Increase / (decrease) during the year

**As at March 31, 2024**

Number of shares	Amount
49,931,400	499.31
-	-
49,931,400	499.31
-	-
49,931,400	499.31

**Terms and rights attached to equity shares**

Equity Shares have a par value of Rs. 10 each. They entitle the holder to participate in dividends, and to share in the proceeds of winding up of the Company in proportion to the number of and amounts paid on the shares held. Every holder of the Equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon the poll each share is entitled to one vote.

**(ii) Shares of the Company held by joint venturers**

**Equity Shares:**

Welspun Corp Limited

Wasco Coatings Limited

As at March 31, 2024	As at March 31, 2023
25,465,014	25,465,014
24,466,386	24,466,386

**iii) Shareholders holding more than 5% shares in the Company**

**Equity Shares:**

Welspun Corp Limited

Wasco Coatings Limited

As at March 31, 2024		As at March 31, 2023	
No. of shares	% holding	No. of shares	% holding
25,465,014	51.00%	25,465,014	51.00%
24,466,386	49.00%	24,466,386	49.00%

**(iv) Details of shareholdings of promoters**

Name of the promoter	Year ended March 31, 2024			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
Welspun Corp Limited	25,465,014	51.00%	-	25,465,014	51.00%	-
Wasco Coatings Limited	24,466,386	49.00%	-	24,466,386	49.00%	-
<b>Total</b>	<b>49,931,400</b>	<b>100.00%</b>		<b>49,931,400</b>	<b>100.00%</b>	



	As at March 31, 2024	As at March 31, 2023
10(b) Reserves and surplus		
Retained earnings	(1,006.19)	(929.69)
Total reserves and surplus	(1,006.19)	(929.69)
Retained earnings		
Opening balance	(929.69)	(906.14)
Loss for the year	(76.46)	(23.24)
Other comprehensive income	(0.04)	(0.31)
Closing balance	(1,006.19)	(929.69)

Nature and Purpose of Other Equity

Retained Earnings

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



**Welspun Wasco Coatings Private Limited****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in Rupees (Rs.) million, unless otherwise stated)*

	As at March 31, 2024			As at March 31, 2023		
	Non-Current	Current	Total	Non-Current	Current	Total
<b>11 Borrowings</b>						
<b>Unsecured</b>						
Term Loan - Loan from Joint ventures (refer note below, note 37)	155.89	311.74	467.63	309.17	154.65	463.82
<b>Total borrowings</b>	<b>155.89</b>	<b>311.74</b>	<b>467.63</b>	<b>309.17</b>	<b>154.65</b>	<b>463.82</b>

**Note: Loan from Joint ventures**

i) Loan from Welspun Corp Limited (WCL) amounting to Rs. 211.70 (March 31,2023: Rs 211.70) carries interest rates of 10.75% which shall be payable biannually on September 30 and March 31 every year. The Loan is repayable in 4 installments from Aug-24 and ending on Feb-26

ii) Loan of USD 3.07 million (March 31,2023: USD 3.07 million) equivalent to Rs. 255.93 (March 31,2023: Rs 252.12) from Wasco Coatings Limited. The Loan carries Interest rates of 3.75% which shall be payable biannually on September 30 and March 31 every year. The Loan is repayable in 4 installments from Aug-24 and ending on Feb-26

iii) During the current year, repayment schedule for above loans and interest thereon has been amended vide letter dated 6th July,2023 and 21st July, 2023 from Welspun Corp Limited and Wasco Coatings Limited respectively. As per the amended agreement, the principal repayments and interest payment due during the current year (i.e. Aug-23 and Feb-24) were deferred by one year (to Aug-24 and Feb-25).



**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

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

**12 Other financial liabilities**

**Current**

Interest accrued but not due on borrowings

**Total other current financial liabilities**

**Total other financial liabilities**

As at March 31, 2024	As at March 31, 2023
29.63	-
29.63	-
29.63	-
As at March 31, 2024	As at March 31, 2023

**13 Provisions**

**13(a) Non-current**

**Employee benefit obligations**

Gratuity (refer note 30)

**Other provisions**

Provision for litigation / disputes (refer note 31 and 38)

**Total non-current provisions**

0.74	0.59
-	0.56
0.74	1.15

**13(b) Current**

**Employee benefit obligations**

Gratuity (refer note 30)

Leave obligations (refer note 30)

**Other provisions**

Provision for litigation / disputes (refer note 31 and 38)

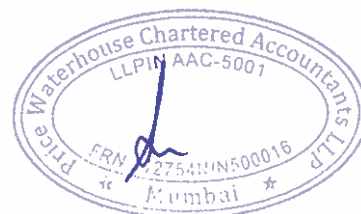
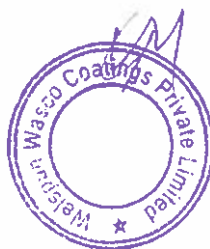
**Total current provisions**

0.05	0.03
0.20	0.15
0.56	-
0.81	0.18

Note: There are uncertainties regarding the timing and amount of the provisions. Changes in underlying facts and circumstances for each provision could result in differences in the amounts provided for and the actual cash outflow.

**Total provisions**

1.55	1.33
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**Welspun Wasco Coatings Private Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) million, unless otherwise stated)

**14 Deferred tax assets / liabilities (net) (refer note 32)**

The balance comprises of temporary differences attributable to:

**Deferred tax liabilities**

Fair valuation of investments (net)

Right-of-use Asset

As at March 31, 2024	As at March 31, 2023
0.34	0.72
3.44	3.59
3.78	4.31

**Set-off of deferred tax assets pursuant to set-off provisions**

**Deferred tax assets**

Employee benefit obligations

Property, plant and equipment

Carried forward business loss

Unabsorbed Depreciation

Government grants

Lease liability

Provision for Litigation

Others

0.27	0.22
25.87	31.64
120.81	94.21
109.18	102.14
5.91	6.65
23.93	24.22
0.16	0.16
3.37	3.37
289.50	262.61

**Total deferred tax assets/ liabilities (net)**

**Deferred tax recognised in Balance Sheet**

285.72	258.30
-	-

Considering the financial position of the company and information given under note 45, the company has recognised deferred tax assets to the extent of deferred tax liabilities

**15 Government grants**

**Deferred Grant Income (refer note below)**

Opening balance

Less: Recognised in the statement of profit and loss (refer note 19)

Closing balance

As at March 31, 2024	As at March 31, 2023
23.92	26.60
2.68	2.68
21.24	23.92

**Total government grants**

21.24	23.92
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**Non Current**

**Current**

**Total government grants**

18.56	21.24
2.68	2.68
21.24	23.92

**Note:**

During previous years :

(i) The Company had availed the benefit of Export Promotion Capital Goods (EPCG) scheme provided by the Government of India (Ministry of Commerce and Industry) on import of fixed assets.

(ii) The Company had availed the benefit under Resolution no INC-102015-645091-I Sachivalaya Gandhinagar Dt 25-07-2016 Gujarat Industrial Policy 2015 Scheme for Incentive to Industries (General) 2016-21.

**16 Other current liabilities**

Trade advances (refer note 37)

Employee dues payable

Statutory dues including provident fund and tax deducted at source

**Total other current liabilities**

As at March 31, 2024	As at March 31, 2023
4.50	-
-	0.01
1.80	2.45
6.30	2.46

\* Amount is below the rounding norms adopted by the Company





**Welspun Wasco Coatings Private Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) million, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>17 Trade payables</b>		
<b>Current</b>		
Trade payables: dues of micro and small enterprises (refer note 40)	0.09	0.04
Trade payables other than above:		
Trade payable to related parties (refer note 37)	11.87	0.62
Trade payables others	3.69	6.10
	15.56	6.72
<b>Total trade payables</b>	<b>15.65</b>	<b>6.76</b>

Ageing for trade payable as at March 31, 2024 is as follows:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade Payables</b>							
(i) Micro enterprise and small enterprises	0.01	-	0.08	-	-	-	0.09
(ii) Others	2.52	-	13.04	-	-	-	15.56
<b>Total</b>	<b>2.53</b>	<b>-</b>	<b>13.12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15.65</b>

Ageing for trade payable as at March 31, 2023 is as follows:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade Payables</b>							
(i) Micro enterprise and small enterprises	-	0.04	-	-	-	-	0.04
(ii) Others	3.95	2.59	0.18	-	-	-	6.72
<b>Total</b>	<b>3.95</b>	<b>2.63</b>	<b>0.18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.76</b>

Notes:-

- There are no disputed trade payables as at March 31, 2024 and March 31, 2023.
- Unbilled trade payables include accruals which are not classified as provisions under Ind AS 37.

	As at March 31, 2024	As at March 31, 2023
<b>18 Income tax assets (net)</b>		
Opening balance	4.71	4.44
Less: Refund received	(0.33)	-
Add: Taxes paid (pertaining to tax deducted at source)	0.10	0.27
<b>Closing balance</b>	<b>4.48</b>	<b>4.71</b>

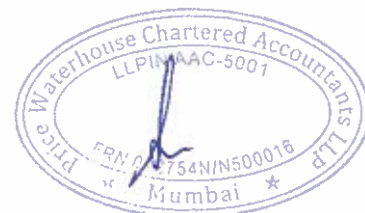


**Welspun Wasco Coatings Private Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) million, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>19 Revenue from operations</b>		
Revenue from contract with Customers		
(a) Sale of services	-	125.68
<b>Total revenue from contract with customers</b>	<b>-</b>	<b>125.68</b>
The Company had provided coating and other services to its customers and revenue from such services are recognised progressively over time based on the progress towards complete satisfaction of performance obligation .		
	Year ended March 31, 2024	Year ended March 31, 2023
(b) Other operating revenue		
Government grants (refer note 15)	2.68	2.68
Scrap sale	0.08	0.14
<b>Total other operating revenue</b>	<b>2.76</b>	<b>2.82</b>
<b>Total revenue from operations</b>	<b>2.76</b>	<b>128.50</b>
<b>Reconciliation of revenue recognised with contract price:</b>		
Contract price	-	125.68
Adjustments for:	-	-
<b>Total revenue from contract with customers</b>	<b>-</b>	<b>125.68</b>
	Year ended March 31, 2024	Year ended March 31, 2023
<b>20 Other income</b>		
Interest income		
Fixed deposits	1.00	2.53
Income tax refund	0.02	-
Dividend income on		
Non-current investments (refer note 37)	0.12	-
Net exchange differences	0.04	-
Fair valuation gain on investment (net)	-	0.40
<b>Total other income</b>	<b>1.18</b>	<b>2.93</b>



**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

(All amounts in Rupees (Rs.) million, unless otherwise stated)

**21 Cost of materials consumed**

Raw materials at the beginning of the year

Add: Purchases

Less : Raw materials at the end of the year

**Total cost of materials consumed**

Year ended March 31, 2024	Year ended March 31, 2023
5.18	17.41
6.53	35.12
11.71	52.53
11.48	5.18
0.23	47.35

**22 Employee benefit expense**

Salaries, wages and bonus

Contribution to provident and other funds (refer note below)

Gratuity expense (refer note 30)

Staff welfare expenses

**Total employee benefit expense**

Year ended March 31, 2024	Year ended March 31, 2023
12.38	13.43
0.29	0.24
0.13	0.08
- *	0.01
12.80	13.76

**Note:**

**Defined contribution plans**

Employers' Contribution to Provident Fund and Employee's Pension Scheme, 1995

During the year, the Company has recognised the following amounts in the statement of profit and loss:

Employer's Contribution to Provident Fund

**Total expenses recognised in the statement of profit and loss**

Year ended March 31, 2024	Year ended March 31, 2023
0.29	0.24
0.29	0.24

\* Amount is below the rounding norms adopted by the Company

**23 Depreciation expense (refer note 3)**

Depreciation of property, plant and equipment (refer note 3(a))

Depreciation of right-of-use assets (refer note 3(b))

**Total depreciation expense**

Year ended March 31, 2024	Year ended March 31, 2023
4.02	3.92
0.52	0.51
4.54	4.43



**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

(All amounts in Rupees (Rs.) million, unless otherwise stated)

**24 Other expenses**

	Year ended March 31, 2024	Year ended March 31, 2023
Consumption of stores and spares	1.94	5.94
Labour charges	0.71	3.42
Coating and other job charges	0.50	0.73
Power, fuel and water charges	2.19	3.37
Freight, material handling and transportation	0.04	4.77
Rates and taxes	5.28	0.12
Repairs and maintenance		
Plant and machinery	0.04	0.28
Buildings	-	0.49
Others	1.55	1.66
Travel and conveyance expenses	0.44	0.82
Legal and professional fees	1.55	6.85
Insurance	1.44	1.48
Directors' sitting fees (refer note 37)	-	0.02
Security charges	1.07	0.82
Vehicle expenses	0.18	-
Net exchange differences	-	2.44
Payment to auditors (refer note (i) below)	1.52	1.54
Loss on disposal of property, plant and equipment (net)	0.01	0.00
Fair valuation loss on investments (net)	1.38	-
Miscellaneous expenses	0.69	1.50
<b>Total other expenses</b>	<b>20.53</b>	<b>36.25</b>

\*Amount is below the rounding norms adopted by the Company.

**Note:**

**i) Details of payments to auditors**

**Payment to auditors**

**As auditor:**

Audit fee	1.35	1.35
Tax audit fee	0.15	0.15

**In other capacities**

Certification fees	-	0.03
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**Re-imbursement of expenses**

	0.02	0.01
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**Total payment to auditors**

	<b>1.52</b>	<b>1.54</b>
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**25 Finance costs**

**Interest on**

Term Loans (refer note 37)	32.43	37.11
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**Interest and finance charges on lease liability (refer note 3 (b))**

	7.89	7.97
--	------	------

**Other finance cost**

	0.50	0.12
--	------	------

**Net Exchange loss on foreign currency borrowings**

	1.48	7.68
--	------	------

**Total finance cost**

	<b>42.30</b>	<b>52.88</b>
--	--------------	--------------

**26 Income tax expense**

**(a) Income tax expense**

Current tax for the year	-	-
--------------------------	---	---

Adjustments for current tax of prior years	-	-
--	---	---

**Total Current tax**

	-	-
--	---	---



**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

(All amounts in Rupees (Rs.) million, unless otherwise stated)

**27 Deferred tax (refer note 32)**

(Increase) / Decrease in deferred tax assets	(26.89)	(13.71)
Increase / (Decrease) in deferred tax liabilities	(0.53)	3.70

**Total deferred tax expense/ (benefit)**

**Total deferred tax expense/ (benefit) recognised**

<b>(27.42)</b>	<b>(10.01)</b>
-	-

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

	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
Profit / (loss) before tax	(76.46)	(23.24)
Tax rate	27.82%	27.82%
<b>Tax at normal rate</b>	<b>(21.27)</b>	<b>(6.47)</b>
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income		
(Income) / expense on which deferred tax was required to be recognised but was not recognised	(27.42)	(10.01)
Adjustments for deferred tax of prior years but was not recognised	6.15	3.54
<b>Total Income tax expense</b>	<b>-</b>	<b>-</b>

**(c) Tax losses**

**Tax effects of unused tax losses for which no deferred tax has been recognised**

Unabsorbed depreciation (to be utilised for a indefinite period)	109.18	102.14
Unabsorbed business loss (to be utilised till AY 2025-2026)	41.22	41.22
Unabsorbed business loss (to be utilised till AY 2026-2027)	10.55	10.55
Unabsorbed business loss (to be utilised till AY 2027-2028)	16.54	16.54
Unabsorbed business loss (to be utilised till AY 2028-2029)	17.27	17.27
Unabsorbed business loss (to be utilised till AY 2029-2030)	3.39	3.39
Unabsorbed business loss (to be utilised till AY 2030-2031)	11.24	5.24
Unabsorbed business loss (to be utilised till AY 2031-2032)	20.60	-
	<b>229.99</b>	<b>196.35</b>

- 28** The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The draft rules for the Code on Social Security, 2020 have been released by the Ministry of Labour and Employment on November 13, 2020. The Company is in the process of assessing the additional impact on Provident Fund contributions and on Gratuity liability contributions and will complete their evaluation and give appropriate impact in the financial statements in the period in which the rules that are notified become effective.



**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

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

**29 Net debt reconciliation**

**Net debt reconciliation**

Cash and cash equivalents

Borrowings (including current maturities and interest accrued)

Lease Liabilities (current and non-current)

**Net Debt**

As at March 31, 2024	As at March 31, 2023
7.24	43.46
(497.26)	(463.82)
(88.77)	(87.02)
<b>(578.79)</b>	<b>(507.38)</b>

	Financial assets	Financial liabilities		Total [D] = [A]+[B]+[C]
	Cash and cash equivalents [A]	Borrowings [B]*	Lease liabilities [C]	
<b>Net debts as at March 31, 2022</b>	<b>8.56</b>	<b>(518.30)</b>	<b>(87.95)</b>	<b>(597.69)</b>
Cash flow (net)	34.90	77.20	8.90	121.00
Foreign exchange adjustments (net)	-	(22.72)	-	(22.72)
Interest expenses	-	(37.11)	(7.97)	(45.08)
Interest paid	-	37.11	-	37.11
<b>Net debts as at March 31, 2023</b>	<b>43.46</b>	<b>(463.82)</b>	<b>(87.02)</b>	<b>(507.38)</b>
Cash flow (net)	(36.22)	-	6.14	(30.08)
Foreign exchange adjustments (net)	-	(3.81)	-	(3.81)
Interest expenses	-	(32.43)	(7.89)	(40.32)
Other non cash adjustments	-	2.80	-	2.80
<b>Net debts as at March 31, 2024</b>	<b>7.24</b>	<b>(497.26)</b>	<b>(88.77)</b>	<b>(578.79)</b>

\* Includes current maturities of long-term borrowings.



**Welspun Wasco Coatings Private Limited****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in Rupees (Rs.) million, unless otherwise stated)***30 Employee benefit obligations****(i) Leave obligations**

The leave obligations cover the Company's liability for earned leave.

**(ii) Post-employment obligations - Gratuity**

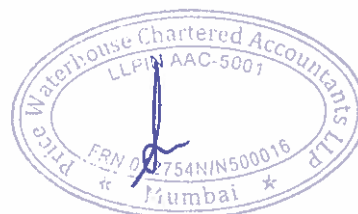
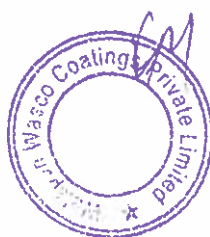
The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. The plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days salary for every completed year of service or part thereof in excess of six months, based on the rate of salaries last drawn by the employee concerned. The gratuity plan is a nonfunded plan.

This defined benefit plans expose the Company to actuarial risks, such as interest rate risk and market (investment) risk.

**(iii) Balance sheet amounts - Gratuity**

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

	Present value of obligations	Net amount
<b>April 01, 2022</b>	<b>0.23</b>	<b>0.23</b>
Current service cost	0.06	0.06
Interest expense/ (income)	0.02	0.02
<b>Total amount recognised in statement of profit or loss</b>	<b>0.08</b>	<b>0.08</b>
<b>Remeasurements</b>		
<u>Total Acturial (Gain)/Loss on Obligation</u>		
(Gain) / Loss from change in demographics assumptions	(0.06)	(0.06)
(Gain) / Loss from change in financial assumptions	0.37	0.37
<b>Total amount recognised in other comprehensive income</b>	<b>0.31</b>	<b>0.31</b>
<b>March 31, 2023</b>	<b>0.62</b>	<b>0.62</b>
	Present value of obligation	Net amount
<b>April 01, 2023</b>	<b>0.62</b>	<b>0.62</b>
Current service cost	0.08	0.08
Interest expense/ (income)	0.05	0.05
<b>Total amount recognised in profit or loss</b>	<b>0.13</b>	<b>0.13</b>



**Welspun Wasco Coatings Private Limited****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in Rupees (Rs.) million, unless otherwise stated)***30 Employee benefit obligations (Contd...)****Remeasurements****Total Acturial (Gain)/Loss on Obligation**

(Gain) / Loss from change in demographics assumptions	(0.50)	(0.50)
(Gain) / Loss from change in financial assumptions	0.54	0.54

**Total amount recognised in other comprehensive income**

<b>0.04</b>	<b>0.04</b>
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Benefit payment

-

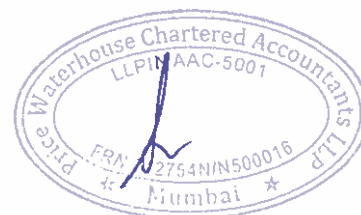
**March 31, 2024****0.79**

The net liabilities disclosed above relating to unfunded plans are as follows:

	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Present value of unfunded obligations	0.79	0.62
Fair value of plan assets	-	-
<b>Deficit of unfunded plan</b>	<b>0.79</b>	<b>0.62</b>
<b>Non-current (refer note 13(a))</b>	<b>0.74</b>	<b>0.59</b>
<b>Current (refer note 13(b))</b>	<b>0.05</b>	<b>0.03</b>

(iv) Significant actuarial assumptions are as follows:

	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Discount rate	7.28%	7.53%
Salary growth rate	6.00%	6.00%





## 30 Employee benefit obligations (Contd...)

## (v) Sensitivity analysis

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

Assumptions	Impact on defined benefit obligation							
	Change in assumption (%)		Increase in assumption (Rs.)				Decrease in assumption (Rs.)	
	As at March 31, 2024	As at March 31, 2023		As at March 31, 2024	As at March 31, 2023		As at March 31, 2024	As at March 31, 2023
Discount rate	0.50%	0.50%	Decrease by	(0.04)	(0.04)	Increase by	0.05	0.05
Salary growth rate	0.50%	0.50%	Increase by	0.05	0.05	Decrease by	(0.04)	(0.04)

## (vi) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 15 years (March 2023 - 5 years). The expected maturity analysis of undiscounted gratuity benefits is as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
<b>March 31, 2024</b>					
Defined benefit obligations- Gratuity	0.06	0.08	0.30	0.48	0.92
<b>March 31, 2023</b>					
Defined benefit obligations- Gratuity	0.04	0.04	0.15	-	0.23

## (vii) Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.

C) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability

## 31 Movements in provision for litigation/ disputes/claims (Non-current and current) (refer note 13)

Movements in each class of provisions during the financial year ended March 31, 2024 are set out below:

	As at March 31, 2024	
	Provident Fund (Refer note 38)	Total
Opening balance as at April 01, 2023	0.56	0.56
Provided during the year	-	-
Provision reversed during the year	-	-
<b>Closing balance as at March 31, 2024</b>	<b>0.56</b>	<b>0.56</b>

Movements in each class of provisions during the financial year ended March 31, 2023 are set out below:

	As at March 31, 2023	
	Provident Fund (Refer note 38)	Total
Opening balance as at April 01, 2022	0.56	0.56
Provided during the year	-	-
Provision reversed during the year	-	-
<b>Closing balance as at March 31, 2023</b>	<b>0.56</b>	<b>0.56</b>

Note: There are uncertainties regarding the timing and amount of the provisions. Changes in underlying facts and circumstances for each provision could result in differences in the amounts provided for and the actual cash outflow.



**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

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

**32 Movement in deferred tax liabilities and deferred tax assets : (refer note 14)**

Particulars	Deferred tax liabilities			Deferred tax assets								Net deferred tax assets / (liabilities) recognised	
	Fair valuation of investments (net)	Right-of-use Asset	Total deferred tax liabilities	Employee benefit obligations	Property, plant and equipment	Carried forward business loss	Unabsorbed depreciation	Government grants	Provision for Litigation	Lease liability	Others		Total deferred tax assets
As at April 01, 2022	0.61	-	0.61	0.11	69.34	78.41	94.48	4.17	-	2.01	0.38	248.90	-
Recognised in the statement of profit and loss other comprehensive income	0.11	3.59	3.70	0.11	(37.70)	15.80	7.66	2.48	0.16	22.21	2.99	13.71	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2023	0.72	3.59	4.31	0.22	31.64	94.21	102.14	6.65	0.16	24.22	3.37	262.61	-
Recognised in the statement of profit and loss other comprehensive income	(0.38)	(0.15)	(0.53)	0.05	(5.77)	26.60	7.04	(0.74)	-	(0.29)	-	26.89	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2024	0.34	3.44	3.78	0.27	25.87	120.81	109.18	5.91	0.16	23.93	3.37	289.50	-



### 33 Fair value measurements

#### Financial instruments by category

	As at March 31, 2024		As at March 31, 2023	
	FVPL	Amortised cost	FVPL	Amortised cost
<b>Financial assets</b>				
<b>Investments</b>				
Equity Instruments	2.34	-	3.72	-
Trade receivables	-	-	-	0.25
Cash and cash equivalents	-	7.24	-	43.46
<b>Other financial assets</b>				
Security deposits	-	0.03	-	0.03
<b>Total financial assets</b>	<b>2.34</b>	<b>7.27</b>	<b>3.72</b>	<b>43.74</b>
<b>Financial liabilities</b>				
Borrowings	-	497.26	-	463.82
(includes interest accrued and current maturities of long-term borrowing)				
Trade payables	-	15.65	-	6.76
<b>Total financial liabilities</b>	<b>-</b>	<b>512.91</b>	<b>-</b>	<b>470.58</b>

#### (i) Fair value hierarchy

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

#### Financial assets measured at fair value - recurring fair value measurements as at March 31, 2024

	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Financial Investments at FVPL</b>				
Unquoted Equity Investments	-	-	2.34	2.34
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>2.34</b>	<b>2.34</b>

#### Assets and liabilities which are measured at amortised cost for which fair value are disclosed as at March 31, 2024

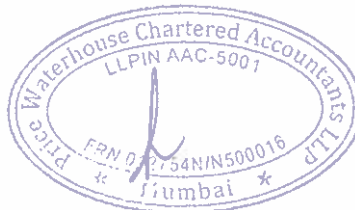
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Other financial assets</b>				
Security deposits	-	-	0.03	0.03
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>0.03</b>	<b>0.03</b>
<b>Financial liabilities</b>				
Borrowings (includes interest accrued and current maturities of long-term borrowing)	-	-	497.26	497.26
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>497.26</b>	<b>497.26</b>

#### Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2023

	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Financial investments at FVPL</b>				
Unquoted Equity Investments	-	-	3.72	3.72
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>3.72</b>	<b>3.72</b>

#### Assets and liabilities which are measured at amortised cost for which fair value are disclosed as at March 31, 2023

	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Other financial assets</b>				
Security deposits	-	-	0.03	0.03
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>0.03</b>	<b>0.03</b>
<b>Financial liabilities</b>				
Borrowings (includes interest accrued and current maturities of long-term debt)	-	-	463.82	463.82
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>463.82</b>	<b>463.82</b>



## Notes forming part of the financial statements as at and for the year ended March 31, 2024

Financial instruments that are measured subsequent to initial recognition at fair value are grouped into Level 1 to Level 3, as described below

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Company has classified unquoted equity instruments in this category.

Specific valuation techniques used to value financial instruments include:

- the fair value of of unlisted equity instruments are determined using discounted cash flow analysis.

The following table presents the changes in level 3 items for the year ended March 31, 2024 and March 31, 2023:

	Unlisted equity shares
<b>As at April 01, 2022</b>	<b>3.32</b>
Gain/ (loss) recognised in profit or loss	0.40
<b>As at March 31, 2023</b>	<b>3.72</b>
Gain/ (loss) recognised in profit or loss	(1.38)
<b>As at March 31, 2024</b>	<b>2.34</b>
Unrealised gain/ (loss) recognised in profit or loss during the year related to assets held at the end of the reporting period	
Year ended March 31, 2024	(1.38)
Year ended March 31, 2023	0.40

	Fair value		Significant unobservable inputs	Probability weighted average		Sensitivity
	As at March 31, 2024	As at March 31, 2023		As at March 31, 2024	As at March 31, 2023	
Unquoted equity shares	2.34	3.72	Risk adjusted discount rate	14.00%	14.50%	The estimated fair value would not be material on account of increase/ (decrease) if -Discount rate were lower/ (higher)

The fair value of unlisted equity instruments are determined using discounted cash flow analysis by independent valuer.

	As at March 31, 2024		As at March 31, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial liabilities</b>				
Borrowings (includes interest accrued and current maturities of long-term borrowings)	497.26	497.26	463.82	463.82
<b>Financial assets</b>				
Security Deposits	0.03	0.03	0.03	0.03
<b>Total</b>	<b>497.29</b>	<b>497.29</b>	<b>463.85</b>	<b>463.85</b>

a) The carrying amounts of trade payables, cash and cash equivalents and trade receivables are considered to be the same as their fair values, due to their short-term nature.

b) The fair values and carrying value of borrowings and security deposits are materially the same.

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Interest income at amortised cost:</b>		
Fixed deposits	1.00	2.53
<b>Other interest income</b>		
Income tax refund	0.02	



#### 34 Financial risk management

The Company's principal financial liabilities represents borrowings and payables to creditors. The main purpose of these financial liabilities is to pay for the Concrete Weight Coating (CWC) plant set-up in Anjar, Gujarat, India. The Company's principal financial assets consists of cash and cash equivalents, trade receivables and other financial assets. The Company also holds FVPL investments.

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

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, Cash and cash equivalents	Ageing analysis	Diversification of bank deposits, credit limits
Liquidity risk	Borrowings and other financial liabilities	Borrowings maturity and cash flow forecasts	Availability of financial support and borrowing facilities
Market risk – foreign currency risk	Recognised financial assets and liabilities not denominated in INR	Sensitivity analysis	Borrowings from Shareholders
Market risk – security prices risk	Investments in equity instruments	Sensitivity analysis	Portfolio diversification

##### (A) Credit risk

Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (trade receivables) and from its financing activities (deposits with bank).

##### a) Trade receivables

The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved annually. The Company has trade receivables as at March 31, 2024 as NIL (Rs. 0.25 million March 31, 2023).

##### b) Other financial assets

The Company maintains exposure majority in cash and cash equivalents and term deposits with banks. The Company has diversified portfolio of investment with various number of counterparties which have good credit ratings, good reputation and hence the risk is reduced. Individual risk limits are set for each counterparty based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company.

##### (B) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate borrowing facilities (comprising the undrawn borrowing facilities below), by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company also has financial assistance from its shareholders.

##### (i) Financing arrangements

The Company had access to the following undrawn borrowing facilities for working capital at the end of the reporting period:

	As at March 31, 2024	As at March 31, 2023
Floating rate		
Expiring within one year (fund based)	20.00	20.00
Total	20.00	20.00

##### (ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

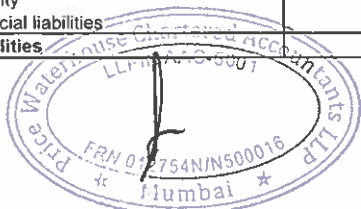
The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

##### As at March 31, 2024

Contractual maturities of financial liabilities	< 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total	Carrying value
Borrowings (includes interest accrued and current maturities of long-term borrowings)	395.59	163.92	-	-	559.51	497.26
Trade payables	15.65	-	-	-	15.65	15.65
Lease liability	11.65	17.80	17.80	162.08	209.33	88.76
Other financial liabilities	-	-	-	-	-	-
Total Liabilities	422.89	181.72	17.80	162.08	784.49	601.67

##### As at March 31, 2023

Contractual maturities of financial liabilities	< 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total	Carrying value
Borrowings (includes interest accrued and current maturities of long-term borrowings)	184.12	336.08	-	-	520.20	463.82
Trade payables	6.76	-	-	-	6.76	6.76
Lease liability	8.90	17.80	17.80	170.97	215.47	87.02
Other financial liabilities	-	-	-	-	-	-
Total Liabilities	199.78	353.88	17.80	170.97	742.43	557.60



**Welspun Wasco Coatings Private Limited**
**Notes forming part of the financial statements as at and for the year ended March 31, 2024**
*(All amounts in Rupees (Rs.) million, unless otherwise stated)*
**34 Financial risk management (Contd...)**
**(C) Market risk**

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

**(a) Foreign currency risk**

Foreign currency risk is the risk that the future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates to the borrowings taken.

**(i) Foreign currency risk exposure**

The Company's exposure to foreign currency risk at the end of the reporting period expressed in equivalent in INR Rupees is as follows:

	As at March 31, 2024	As at March 31, 2023
	USD	USD
<b>Financial liabilities</b>		
Borrowing	255.93	252.12
<b>Total Net exposure to foreign currency risk</b>	<b>255.93</b>	<b>252.12</b>

(ii) As at the balance sheet date, following foreign currency exposure (including non financial assets and liabilities) is not hedged by a derivative instrument or otherwise:

	Amount in Rs. Million		Equivalent amount in USD (in Million)	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Liabilities</b>				
Borrowing	255.93	252.12	3.07	3.07
<b>Net unhedged foreign currency exposure</b>	<b>255.93</b>	<b>252.12</b>	<b>3.07</b>	<b>3.07</b>

**(iii) Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

	Net impact on profit before tax		Net impact on other reserve	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>USD sensitivity</b>				
INR/USD - Increase by 1% (March 31, 2023 - 1%)#	2.56	2.52	-	-
INR/USD - Decrease by 1% (March 31, 2023 - 1%)#	(2.56)	(2.52)	-	-

# Holding all other variables constant for which foreign fluctuation may occur

**(b) Security prices**
**i) Exposure**

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

**ii) Sensitivity**

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

	Impact on profit before tax	
Particulars	As at March 31, 2024	As at March 31, 2023
Increase in rate 1% (March 31, 2023 - 1% )	(0.02)	(0.04)
Decrease in rate 1% (March 31, 2023 - 1% )	0.02	0.04





**Welspun Wasco Coatings Private Limited****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in Rupees (Rs.) million, unless otherwise stated)***35 Capital management****(I) 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.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital on the basis of the following gearing ratio:

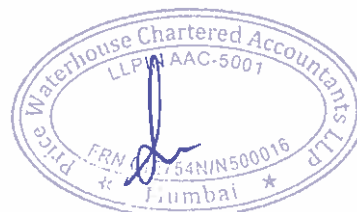
	As at March 31, 2024	As at March 31, 2023
Net debt (total borrowings (including current maturities and interest accrued) and lease liabilities net of cash and cash equivalents, other bank balances and current investments)	578.79	507.38
Total equity	(506.88)	(430.38)
<b>Net debt equity ratio</b>	<b>(1.14)</b>	<b>(1.18)</b>

**Loan covenants**

The Company has borrowings as at the end of the reporting period, however there are no covenants attached to the borrowings.

**(II) Dividend**

The Company has not declared dividends in the current reporting year as well as in the previous year.



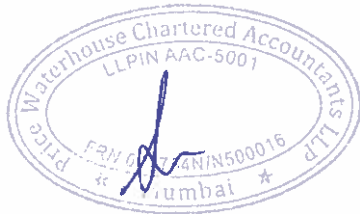
36 Segment information

- (i) Description of segments and principal activities  
The Company's chief operating decision maker is Board of Director of the Company who examines the Company's performance only from the product perspective and has accordingly, identified only one reportable segment which is manufacturing, processing and dealing in coating works.
- (ii) The chief operating decision maker primarily uses a measure of profit / (loss) before tax as included in the internal management report to assess the performance of the operating segment which is measured consistently with profit or loss in the financial statements.

(iii) Revenue from major external customers is as follows:

For the year ended	Number of	Amount	% to revenue from operations
March 31, 2024	-	-	-
March 31, 2023	1	125.68	100%

- (iv) The Company is domiciled in India. The entire amount of its revenue from operations is from India for the year ended March 31, 2024 and March 31, 2023.
- (v) The total of the assets are located only in India as at March 31, 2024 and March 31, 2023.





**Welspun Wasco Coatings Private Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) million, unless otherwise stated)

**37 Related party transactions**

**a) Joint Ventures:**

Relationships	Principal place of business	Effective proportion of ownership interest (%)	
		As at March 31, 2024	As at March 31, 2023
Welspun Corp Limited	India	51.00%	51.00%
Wasco Coatings Limited	Malaysia	49.00%	49.00%

**b) Key management personnel**

Name	Nature of relationship
Mr. Godfrey John	Whole-time Director
Mr. Ramanathan Singaram	Nominee Director
Mr. Percy Birdy	Director
Mr. Martyn John Wilmott	Director
Mr. Gaurav Merchant	Chief Financial Officer
Mr. Dharmesh Pardiwala	Company Secretary - resigned w.e.f. October 31, 2023
Mr. Pradeep Joshi	Company Secretary - appointed on November 01, 2023 and resigned w.e.f. April 21, 2024
Ms. Dipti Modi	Company Secretary - w.e.f. April 24, 2024

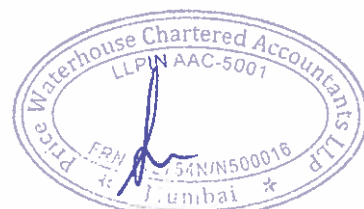
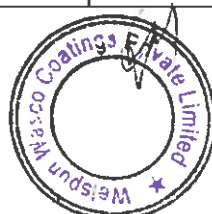
**c) List of Others entities over which key management personnel or relatives of such personnel exercise significant influence or control and with whom transaction have taken place during the current year and previous year and other related parties:**

Welspun Captive Power Generation Limited
Welspun Corp Limited
Wasco Coatings Limited
Welspun Tranformations Private Limited
Welspun Global Services Limited
Welassure Private Limited

**d) Transactions with related parties**

The following transactions occurred with related parties:

	Transactions	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>Transactions with Welspun Corp Limited</b>		
Sale of Services	-	125.68
Sale of Scrap	0.08	0.14
Purchase of machinery / Stores spare, other consumables	0.07	0.25
Purchase of subcontracting Services	-	6.87
Interest Expenses on Loan	22.82	26.22
Rent Paid	6.14	8.90
Reimbursement of Expenses to WCL	9.36	12.11
<b>Total</b>	<b>38.47</b>	<b>180.17</b>
<b>2) Transactions with Wasco Coatings Limited</b>		
Interest Expense on Loan	9.61	10.88
<b>Total</b>	<b>9.61</b>	<b>10.88</b>
<b>3) Transactions with Welspun Captive Power Generation Limited</b>		
Purchase of Goods	1.56	2.13
Dividend Income	0.12	-
<b>Total</b>	<b>1.68</b>	<b>2.13</b>
<b>4) Transactions with Welspun Global Services Limited</b>		
Purchase of Services	-	0.21
<b>Total</b>	<b>-</b>	<b>0.21</b>
<b>5) Transactions with Welassure Private Limited</b>		
Purchase of Services	1.21	1.49
<b>Total</b>	<b>1.21</b>	<b>1.49</b>
<b>6) Transactions with Welspun Tranformations Private Limited</b>		
Purchase of Services	0.46	0.51
<b>Total</b>	<b>0.46</b>	<b>0.51</b>
<b>7) Sitting Fees Paid</b>		
Mr K H Vishwanathan	-	0.02
<b>Total</b>	<b>-</b>	<b>0.02</b>



e) Disclosure of significant closing balances:

	As at March 31, 2024	As at March 31, 2023
<b>1) Trade payables</b>		
Welspun Corp Limited	11.09	0.12
Welspun Captive Power Generation Limited	0.64	0.12
Welassure Private Limited	0.09	0.11
Welspun Transformations Private Limited	0.05	0.27
<b>Total trade and other payables</b>	<b>11.87</b>	<b>0.62</b>
<b>2) Trade receivables</b>		
Welspun Corp Limited	-	0.25
<b>Total trade receivables</b>	<b>-</b>	<b>0.25</b>
<b>3) Non-current investments</b>		
Welspun Captive Power Generation Limited (Investments in equity shares)	2.34	3.72
<b>Total non-current investments</b>	<b>2.34</b>	<b>3.72</b>
<b>4) Other current liabilities (trade advances)</b>		
Welspun Corp Limited	4.50	-
<b>Total Other current liabilities (trade advances)</b>	<b>4.50</b>	<b>-</b>
<b>5) Lease rent payable (included in current lease liabilities)</b>		
Welspun Corp Limited	2.76	-
<b>Total Lease rent payable</b>	<b>2.76</b>	<b>-</b>
<b>6) Borrowings</b>		
Welspun Corp Limited	211.70	211.70
Wasco Coatings Limited	255.93	252.12
<b>Total Borrowings</b>	<b>467.63</b>	<b>463.82</b>

(f) Terms and conditions

All outstanding balances are unsecured and are repayable in cash.

Directors of the Company are also employed by the other entities of Welspun Corp Limited group and they have not been paid remuneration accordingly

- 38 Pursuant to the Supreme Court Judgment in the case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952, and subsequent dismissal of the review petition filed against the Judgement, the Company has assessed the impact and on conservative basis made provision (presented under Non-current) of Rs 0.56 (March 31, 2023: Rs. 0.56). The Company had also determined and discharged the provident fund liability from September 1, 2019 considering the impact of the judgement.

The Company had changed its salary structure in the month of June 2020 w.e.f April 01, 2020 to comply with above judgement. The Company had borne the employee's contribution to provident fund for the period September 01, 2019 to March 31, 2020 aggregating to Rs. 0.06.

39 Capital and other commitments

There are no capital or other commitments as at the March 31, 2024 and March 31, 2023, respectively.



**Welspun Wasco Coatings Private Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) million, unless otherwise stated)

**40 Micro, Small and Medium Enterprises Development Act, 2016**

Disclosure of amount due to suppliers under "The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)" is as

	As at March 31, 2024	As at March 31, 2023
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.09	0.04
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
	0.09	0.04
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	0.34	0.10
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
Interest accrued and remaining unpaid at the end of each accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-
Total outstanding dues of micro and small enterprises	0.09	0.04

\*Amount is below the rounding norms adopted by the Company.



**Welspun Wasco Coatings Private Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

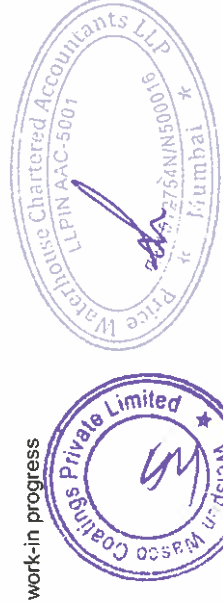
(All amounts in Rupees (Rs.) million, unless otherwise stated)

**41 Key Financial Ratio with explanations**

Sr.no	Ratio	Numerator	Denominator	Year ended March 31, 2024	Year ended March 31, 2023	Variance in %	Reason for variance
1	Current ratio (times)	Current assets	Current liabilities	0.12	0.42	-72%	Decrease in current ratio is mainly on account of decrease in Cash and cash equivalents which are utilised to meet expenses with no revenue from operations.
2	Debt-equity ratio (times)	Total debt	Total Equity	(0.92)	(1.08)	-14%	Variance less than 25%
3	Debt service coverage ratio (times)	Earnings available for debt service	Debt service	(0.73)	0.26	-381%	The ratio has significantly decreased as the Company had no operations during the year resulting in losses.
4	Return on equity (%)	Loss/ (profit) for the year	Average shareholders equity	16.32%	5.55%	194%	The Company had no operations during the year resulting in losses and further negative net worth.
5	Inventory turnover ratio (times)	Cost of goods sold	Average inventory	0.01	2.20	-99%	There is decrease in the ratio as during the current year the cost of goods sold has reduced in line with minimal operations.
6	Trade receivables turnover ratio (times)	Revenue from operations	Average trade receivables	21.98	1,022.65	-98%	There is decrease in the ratio as during the current year there was minimal revenue from operations.
7	Trade payable turnover ratio (times)	Purchases and Other expenses	Average trade payables	2.23	15.69	-86%	There is decrease in the ratio as during the current year the cost of goods sold and other expenses has reduced in line with no operations.
8	Net capital turnover ratio (times)	Revenue from operations	Closing Working capital	(0.01)	(1.32)	-99%	There is decrease in the ratio as during the current year there was minimal revenue from operations.
9	Net Profit ratio (%)	Loss/ (profit) for the year	Revenue from operations	-2768.66%	-18.08%	15211%	During the current year there was minimal revenue from operations leading to lower net profit ratio.
10	Return on capital employed (%)	Earnings before interest and tax	Capital employed	87.07%	88.63%	-2%	Variance less than 25%
11	Return on investment (%)	Earnings before interest and tax	Closing Total Assets	-27.58%	19.13%	-244%	The ratio has significantly decreased as the Company had minimal operations during the year resulting in losses.

Notes:

- 1 Total debt = Non-current borrowings and Current borrowings
- 2 Earning for debt service = Loss/(profit) for the year + Non-cash operating expenses like depreciation and other amortisations + Interest
- 3 Debt service = Interest and principal repayments including lease payments
- 4 Cost of Goods Sold = Cost of material consumed + Purchases of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and work-in progress
- 5 Working capital = Current assets (-) Current liabilities
- 6 Capital employed = Total Equity + Total debt



**42 Additional regulatory requirements under Schedule III**

**(i) Details of Benami Property held**

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

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

The Company has sanctioned borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts. However, the Company has not drawn the limits in March 31, 2024 and March 31, 2023.

**(iii) Wilful defaulter**

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

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

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

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

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

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

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**(vii) Utilisation of borrowed funds and share premium**

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

- (i) 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
- (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (i) 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
- (ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

**(viii) Undisclosed income**

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

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

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

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

The Company has not revalued its property, plant and equipment (including Right-of-Use assets) or intangible assets or both during the current or previous year.

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

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 3 (a) to the financial statements, are held in the name of the Company.

**(xii) Registration of Charges or satisfaction with Registrar of Companies (ROC)**

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

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

The Company has not availed any borrowings from any banks or financial institutions. However, the term loan received from related parties has been applied for the purpose which it has been taken.



**Welspun Wasco Coatings Private Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) million, unless otherwise stated)

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

	Year ended March 31, 2024	Year ended March 31, 2023
Nominal value of an equity share	10.00	10.00
Loss after tax attributable to the equity holders of the Company	(76.46)	(23.24)
<b>Basic earnings/ (loss) per share:</b>		
Weighted average number of equity shares used as denominator for calculating basic EPS	49,931,400	49,931,400
Basic earnings per share (Rs.)	(1.53)	(0.47)
<b>Diluted earnings/ (loss) per share:</b>		
Loss after tax attributable to the equity holders of the Company	(76.46)	(23.24)
Weighted average number of equity shares used as denominator for calculating diluted EPS	49,931,400	49,931,400
Diluted earnings per share (Rs.)	(1.53)	(0.47)
<b>Reconciliation of weighted average number of shares outstanding</b>		
Weighted Average number of equity shares used as denominator for calculating basic EPS	49,931,400	49,931,400
Total weighted average potential equity shares	-	-
Weighted average number of equity shares used as denominator for calculating diluted EPS	49,931,400	49,931,400

**44 Contingent Liability**

There are no contingent liabilities as at March 31, 2024 and March 31, 2023.

**45 Going Concern**

The net worth of the Company as on March 31, 2024 has been fully eroded due to losses incurred in the earlier years (including impairment of property, plant and equipment and right of use assets). Having regard to approved business plans, cash flow projections and the commitment from its shareholders Welspun Corp Limited and Wasco Coatings Limited to provide financial support to the Company to meet its financial obligations as and when they fall due for a period of not less than twelve months from the date of signing the financial statements for the year ended March 31, 2024, the financial statements have been prepared on going concern basis and no adjustments have been made in the financial statements.

**46 Core Investment Companies (CIC)**

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





**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) millions, unless otherwise stated)*

**Note 47. Summary of other accounting policies**

**A) Segment reporting**

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

**B) 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 are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation 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 provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

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

**iii) Post-employment obligations**

The Company operates the following post-employment schemes:

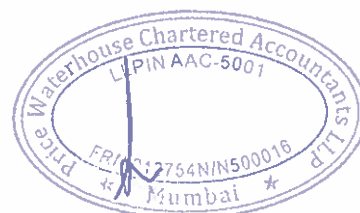
- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund and employee's pension scheme.

**Defined benefit plans**

**Gratuity obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuary using the projected unit credit method. Gratuity liability is wholly unfunded.

The present value of the defined benefit obligation denominated in Rupees is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.



**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) millions, unless otherwise stated)*

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

**Defined contribution plans**

**Provident fund and employee pension scheme**

The Company pays provident fund and employee pension scheme contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

**C) Provisions, contingent liabilities and contingent assets**

**i) Provisions**

Provisions for legal claims are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

**(ii) Contingent liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**(iii) Contingent Assets**

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

**D) 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.





**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) millions, unless otherwise stated)*

**E) Earnings per share**

**(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

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

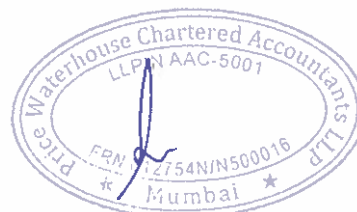
**(ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**F) Cash Flow Statement**

Cash flows are reported using the indirect method set out in Ind AS 7 'Statement of Cash Flows', whereby net loss/profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and items of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.



**Welspun Wasco Coatings Private Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

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

48 The figures for the previous year have been regrouped wherever necessary.

**As per our attached report of even date**

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration No: 012754N / N500016



**Ali Akbar**

Partner

Membership No.117839

**For and on behalf of the Board**



**Godfrey John**

Whole-time Director

DIN No.03602725



**Percy Birdy**

Director

DIN No.07634795



**Gaurav Merchant**

Chief Financial Officer



**Dipi Modi**

Company Secretary

ACS No.25460

Place: Mumbai

Date: April 24, 2024

Place: Mumbai

Date: April 24, 2024