Welspun INDIA

WIL/SEC/2023 August 31, 2023

To

Bombay Stock Exchange Limited Department of Corporate Services, SP. J. Towers, Dalal Street, Mumbai – 400 001 **(Scrip Code-514162)**	**National Stock Exchange of India Limited** ListingCompliance Department Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 **(Symbol: WELSPUNIND)**

Dear Sir / Madam,

Sub.: Submission of Annual Report of the Company for the financial year 2022-23 along with the Notice of the 38th Annual General Meeting.

In compliance with Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the Annual Report of the Company for the financial year 2022-23 along with the Notice of the 38th Annual General Meeting ("AGM"), dispatched to the members on August 31, 2023. The Annual General Meeting of the Company is scheduled to be held on Friday, September 22, 2023 at 11.00 a.m. IST through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") without the physical presence of the Members.

Please be informed that the Company is providing e-voting facility to its shareholders in respect of resolutions to be passed at the AGM. The Company has engaged the services of National Securities Depository Limited (NSDL) as the authorized agency to provide remote e-voting facility. The remote e-voting facility shall be kept open from **Tuesday, September 19, 2023 at 9:00 am to Thursday, September 21, 2023 at 5:00 pm** for shareholders to cast their votes electronically. The cut-off date for voting (including remote e-voting) shall be **Friday, September 15, 2023**. The detailed instructions with respect to voting have been mentioned in the Notice of AGM.

Pursuant to General Circular dated May 5, 2020, read with other relevant circulars issued subsequently from time to time, latest being circular dated December 28, 2022 issued by the Ministry of Corporate Affairs ("MCA") (collectively referred to as 'MCA Circulars') and SEBI Circular no. SEBI/HO /CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 read with other relevant circulars issued subsequently from time to time, latest being Circular dated January 5, 2023 (collectively referred to as "SEBI Circulars") , it is permitted to hold the AGM through VC / OAVM, without the physical presence of the Members at a common venue. The Annual Report together with the Notice of the AGM is being dispatched only by electronic mode to those Shareholders whose email addresses are registered with the Company/ Depository Participants.

The Annual Report together with the Notice of the AGM can also be accessed from the website of the Company www.welspunindia.com, Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

Please take the same on record.

Thanking you.
For **Welspun India Limited**

SHASHIKANT BHAUSAHEB THORAT Digitally signed by SHASHIKANT BHAUSAHEB THORAT Date: 2023.08.31 20:35:11 +05'30'

Shashikant Thorat
Company Secretary
FCS – 6505
Encl: As above

Welspun India Limited
Welspun House, 6th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, India.
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E-mail : companysecretary_wil@welspun.com Website : www.welspunindia.com
Registered Address: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370 110, India.
T : +91 2836 661 111 F : +91 2836 279 010
Works: Survey No. 76, Village Morai, Vapi, District Valsad, Gujarat 396 191, India.
T : +91 260 2437437 F: +91 260 22437088
Corporate Identity Number: L17110GJ1985PLC033271

WELSPUN INDIA LIMITED
CIN : L17110GJ1985PLC033271
Registered Office : Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat, Pin – 370110, India. Board No.: +91 2836 661111, Fax No. + 91 2836 279010,
Email : Companysecretary_WIL@welspun.com Website: www.welspunindia.com
Corporate Office : Welspun House, 6th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013. Board : +91 -22-66136000 Fax: +91-22-2490 8020

NOTICE

NOTICE is hereby given that the 38th Annual General Meeting ("AGM") of Welspun India Limited will be held on Friday, September 22, 2023 via video-conference or other audio-visual means at 11:00 a.m. to transact the businesses mentioned below.

The proceedings of the 38th Annual General Meeting ("AGM") shall be deemed to be conducted at the Registered Office of the Company at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat – 370110 which shall be the deemed venue of the AGM.

ORDINARY BUSINESS:

1) To consider and adopt the audited financial statements, on standalone and consolidated basis, for the financial year ended March 31, 2023 and the reports of the Board of Directors and the Auditors thereon.

2) To declare dividend of Re. 0.10 per share on Equity Shares for the financial year 2022-23.

3) To appoint a Director in place of Mr. Balkrishan Goenka, holding Director Identification Number (DIN 00270175), who retires by rotation, and being eligible, offers himself for re-appointment and he is proposed to be appointed as a director not liable to retire by rotation.

   "**RESOLVED THAT** pursuant to the provisions of sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to provisions of SEBI (Listing Regulation and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") and subject Regulation 17(1D) of LODR Regulations, Mr. Balkrishan Goenka (DIN: 00270175), who is liable to retire by rotation at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director under section 160 of the Act, be and is hereby appointed as a Director of the Company, not liable to retire by rotation."

SPECIAL BUSINESS:

4) To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force), M/s. Kiran J. Mehta & Co., Cost Accountants (Firm Registration No. 000025), be and is hereby appointed as the Cost Auditors of the Company by the Board of Directors on the recommendation of the Audit Committee of the Board, to conduct the cost audit for the financial year ending March 31, 2024, be paid a remuneration of Rs. 4,25,000/- (Rupees Four Lakhs and Twenty Five Thousand Only) and such travelling and out-of-pocket expenses, at actual incurred, if any, in connection with the audit, as may be authorized by the Board."

5) To consider, and if thought fit, to pass the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to Section 197 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to all permissions, sanctions and approvals as may be necessary, approval of the members be and is hereby accorded for the payment of remuneration by way of commission at the rate of 1% of the consolidated profit as computed in the manner given in Section 198 of the Companies Act, 2013, based on consolidated financial statement for that financial year as computed under Section 198 of the Companies Act, 2013 for the financial year 2022-23 to Mr. Balkrishan Goenka, Non-Executive Chairman."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board and/or Nomination and Remuneration Committee constituted by the Board be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.

6) To consider, and if thought fit, to pass the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 13(2), Section 14 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force) and subject to approval of Central Government (Registrar of Companies), consent of the shareholders by way of special resolution be and is hereby accorded to change the name of the Company from 'Welspun India Limited' to 'Welspun Living Limited' and consequently the Memorandum of Association of the Company be and is hereby altered by substituting the following Clause for existing Clause I thereof:

I. The name of the Company is WELSPUN LIVING LIMITED

RESOLVED FURTHER THAT the name "Welspun India Limited" wherever appearing in Memorandum and Articles of Association and other documents and papers of the Company be substituted by the name "Welspun Living Limited" upon approval of the same by the Ministry of Corporate Affairs, Government of India.

RESOLVED FURTHER THAT Ms. Dipali Goenka (DIN: 00007199), Managing Director & CEO of the Company, Mr. Altaf Jiwani (DIN: 05166241), Whole-time Director of the Company, Mr. Shashikant Thorat, Company Secretary of the Company be and are hereby, severally, authorized to make application to the Ministry of Corporate Affairs for obtaining approval for change in name of the Company and to sign and file forms and other documents with the Ministry of Corporate Affairs and do all other acts, deeds ,things and matters as are necessary to give effect to the above said resolution and to agree to such modifications, terms & conditions as me be directed by the Registrar of Companies and to modify the same accordingly as are necessary or expedient in this regard."

RESOLVED FURTHER THAT any Director or the Company Secretary of the Company be and is hereby authorized to issue a certified copy of resolution to the concerned parties including the the Ministry of Corporate Affairs or the Registrar of Companies, Gujarat."

By Order of the Board

Sd/-
Shashikant Thorat
Company Secretary
FCS-6505

Place: Mumbai
Date: July 31, 2023

Registered Office:
Welspun City, Village Versamedi,
Taluka Anjar, District Kutch,
Gujarat – 370110
Tel. No.: +91 2836 661111, Fax No.: +91 2836 279010
CIN: L17110GJ1985PLC033271
Website: www.welspunindia.com
Email: Companysecretary_WIL@welspun.com

NOTES

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 2/2022 dated May 05, 2022

and Circular No. 10/2022 dated December 28, 2022 ("MCA Circulars") and Circular number SEBI / HO / CFD / CMD1 / CIR / P/2020/79 dated May 12, 2020 as amended by Circular number SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD2/P/CIR/2023/4 dated January 05, 2023 issued by the Securities and Exchange Board of India ("SEBI Circulars") physical attendance of the Members to the General Meeting venue is not required and Annual General Meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing General Meeting through VC/OAVM.

2. Pursuant to the MCA Circulars and the SEBI Circular, the facility to appoint proxy to attend and cast vote for the members is not available for this General Meeting. However, the Body Corporates are entitled to appoint authorized representatives to attend the General Meeting through VC/OAVM and participate thereat and cast their votes through e-voting.

3. A statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") in respect of the business under item numbers 3 to 6 of the Notice is annexed hereto.

4. In terms of Section 152 of the Act, Mr. Balkrishan Goenka (DIN 00270175), Director, retires by rotation at the Meeting and being eligible has offered himself for re-appointment and he is proposed to be appointed as Director not liable to retire by rotation. Details of his directorship, committeeship and shareholding in the Company as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided as Annexure – 1 forming part of the Notice.

5. The Members can join the General Meeting in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

6. Participation of members through VC will be reckoned for the purpose of quorum for the General Meeting as per section 103 of the Companies Act, 2013 ("the Act").

7. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the General Meeting through VC. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution or authorization letter to the Company or upload the same on the VC portal / e- voting portal.

8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the General Meeting. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of General Meeting, i.e. September 22, 2023. Members seeking to inspect such documents can send an email to CompanySecretary_WIL@welspun.com.

9. Members whose shareholding is in electronic mode are requested to direct notifications about change of address and updates about bank account details to their respective depository participants(s) (DP). Members whose shareholding is in physical mode are requested to opt for the Electronic Clearing System (ECS) mode to receive dividend on time in line with the Circulars. We urge members to utilize the ECS for receiving dividends.

10. Members may note that the Board of Directors, in its meeting held on April 27, 2023 has recommended a dividend at 10% (Re. 0.10 per share). The book closure for the purpose of final dividend for fiscal 2023 was Thursday, June 29, 2023 to Friday, June 30, 2023. The dividend, once approved by the members in the ensuing AGM will be paid on or after September 25, 2023, electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent out to their registered addresses once the postal facility is available.

    To avoid delay in receiving the dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company's Registrar and Transfer Agent (RTA) (where shares are held in physical mode) to receive the dividend directly into their bank account on the payout date.

11. Deduction of Tax

As you are aware, as per the provisions of the Income Tax Act, 1961 (Act), as amended by the Finance Act, 2020, dividend paid or distributed by a Company on or after April 1, 2020, shall be taxable at the hands of shareholders. The Company is required to deduct tax at source from dividend paid to the shareholders, if approved at the Annual General Meeting (AGM) of the Company.

This communication provides a brief of the applicable Tax Deduction at Source (TDS) provisions under the Act for Resident and Non-Resident shareholder categories.

I. **For Resident Shareholders:**

Tax is required to be deducted at source under Section 194 of the Act, at the rate of 10% on the amount of dividend where shareholders have registered their valid Permanent Account Number (PAN). In case, shareholders do not have PAN / have not registered their valid PAN details in their account, TDS at the rate of 20% shall be deducted under Section 206AA of the Act.

a. ***Resident Individuals:***

No tax shall be deducted on the dividend payable to resident individuals if:

i. Total dividend amount to be received by them during the Financial Year (FY) 2023-24 does not exceed Rs.5,000/-; or

ii. The shareholder provides Form 15G (applicable to individual) / Form 15H (applicable to an Individual above the age of 60 years), provided that all the required eligibility conditions are met. Please note that all fields are mandatory to be filled up and Company may at its sole discretion reject the form if it does not fulfil the requirement of law. Formats of Form 15G and 15H can be downloaded from the website of the Department of Income Tax.

iii. Exemption certificate is issued by the Income-tax Department, if any.

b. ***Resident Non-Individuals:***

No tax shall be deducted on the dividend payable to the following resident non-individuals where they provide prescribed details and documents**.**

i. **Insurance Companies**: Self declaration that it qualifies as 'Insurer' as per section 2(7A) of the Insurance Act, 1938 and has full beneficial interest with respect to the ordinary shares owned by it along with self-attested copy of PAN card and certificate of registration with Insurance Regulatory and Development Authority (IRDA)/ LIC/ GIC.

ii. **Mutual Funds**: Self-declaration that it is registered with SEBI and is notified under Section 10 (23D) of the Act along with self-attested copy of PAN card and certificate of registration with SEBI.

iii. **Alternative Investment Fund (AIF):** Self-declaration that its income is exempt under Section 10 (23FBA) of the Act, and they are registered with SEBI as Category I or Category II AIF along with self-attested copy of the PAN card and certificate of AIF registration with SEBI.

iv. **New Pension System (NPS) Trust:** Self-declaration that it qualifies as NPS trust and income is eligible for exemption under section 10(44) of the Act and being regulated by the provisions of the Indian Trusts Act, 1882 along with self-attested copy of the PAN card**.**

v. **Other Non-Individual shareholders:** Self-attested copy of documentary evidence supporting the exemption along with self-attested copy of PAN card.

c. *In* case, shareholders (both individuals or non-individuals) provide certificate under Section 197 of the Act, for lower / NIL withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the same.

II. <u>For Non-resident Shareholders</u>:

a. Taxes are required to be withheld in accordance with the provisions of Section 195 of the Act as per the rates as applicable. As per the relevant provisions of the Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them. In case, non-resident shareholders provide a certificate issued under Section 197/195 of the Act, for lower/ Nil withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the same.

b. Further, as per Section 90 of the Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e., to avail Tax Treaty benefit, the non-resident shareholders are required to provide the following:

   i. Self-attested copy of the PAN card allotted by the Indian Income Tax authorities. In case, PAN is not available, the non-resident shareholder shall furnish (a) name, (b) email id, (c) contact number, (d) address in residency country, (e) Tax Identification Number of the residency country.

   ii. Self-attested copy of Tax Residency Certificate (TRC) (for financial year April 1, 2023 to March 31, 2024) obtained from the tax authorities of the country of which the shareholder is a resident.

   iii. Self-declaration in Form 10F.

   iv. Self-declaration by shareholder of meeting treaty eligibility requirement and satisfying beneficial ownership requirement. (for financial year April 1, 2023 to March 31, 2024).

   v. In case of Foreign Institutional Investors and Foreign Portfolio Investors, copy of SEBI registration certificate.

   vi. In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidences demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA).

   It is recommended that shareholders should independently satisfy their eligibility to claim DTAA benefit including meeting of all conditions laid down by DTAA.

   Kindly note that the Company is not obligated to apply beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial rate as per DTAA for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.

c. In case of Global Depositary Receipt (GDR) holders, taxes shall be withheld at 10% plus applicable surcharge and cess in accordance with provisions of Section 196C of the Act, only if they provide self-attested copy of the PAN Card. In case, no PAN details are made available, tax will be deducted at 20% plus applicable surcharge and cess.

Accordingly, in order to enable us to determine the appropriate withholding tax rate applicable, **we request you to provide these details and documents as mentioned, above, on or before September 15, 2023 (cut off period).** Any documents submitted after cut-off period will be accepted at sole discretion of the Company.

III. <u>TDS to be deducted at higher rate in case of non-filers of Return of Income</u>

The provisions of Section 206AB require the deductor to deduct tax at higher of the following rates from amount paid/ credited to specified person:

i. At twice the rate specified in the relevant provision of the Act; or
ii. At twice the rates or rates in force; or
iii. At the rate of 5%

As per Central Board of Direct Taxes vide Circular No. 11 of 2021 dated June 21, 2021, for determining TDS rate on Dividend, the Company will be using functionality of the Income-tax department to determine the applicability of Section 206AB of the Act.

The non-resident who does not have the permanent establishment is excluded from the scope of a specified person.

PAYMENT OF DIVIDEND

The dividend on Equity Shares for FY 2022-23, once approved by the shareholders of the Company at the AGM, will be paid after deducting the tax at source as under:

A. FOR RESIDENT SHAREHOLDERS:

- Nil withholding in case the total dividend paid is up to Rs.5,000/-.

- Nil withholding for resident shareholders in case Form 15G/Form 15H (as applicable) is submitted along with self-attested copy of the PAN linked to Aadhar. (*Please note that the duly filled up forms submitted through your registered email ID will be accepted)*

- NIL/ Lower withholding tax rate on submission of self-attested copy of the certificate issued under Section 197 of the Act.

- 10% for resident shareholders in case PAN is provided / available.

- 20% for resident shareholders if copy of PAN is not provided / not available or resident shareholder is specified person under section 206AB as per compliance check utility of income tax department.

B. FOR NON-RESIDENT SHAREHOLDERS:

- Tax treaty rate (based on tax treaty with India) for beneficial non-resident shareholders, as applicable will be applied on the basis of documents submitted by the non-resident shareholders.
- NIL / Lower withholding tax rate on submission of self-attested copy of the certificate issued under Section 195/197 of the Act.
- 10% plus applicable surcharge and cess for GDR holders if they provide self-attested copy of the PAN card in accordance with provisions of Section 196C of the Act.
- 20% plus applicable surcharge and cess for non-resident shareholders in case the above mentioned documents are not submitted.
- Higher rate as discussed in point III above in case of non-filers of Return of Income, as applicable.

C. FOR SHAREHOLDERS HAVING MULTIPLE ACCOUNTS UNDER DIFFERENT STATUS / CATEGORY:

Shareholders holding Ordinary shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

It is further clarified that in cases where shareholders hold both, Fully Paid-up Ordinary Shares and Partly Paid-up Ordinary Shares of the Company, the total dividend amount will be clubbed on the basis of the PAN of the Shareholder and tax as applicable will be deducted.

In terms of Rule 37BA of the Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration with Company in the manner prescribed in the Rules.

SUBMISSION OF TAX RELATED DOCUMENTS:

Resident Shareholders

The aforesaid documents such as Form 15G/ 15H, documents under section 196, 197A, etc. can be sent by email to CompanySecretary_WIL@welspun.com ; rnt.helpdesk@linkintime.co.in on **or before September 15, 2023** to enable the Company to determine the appropriate TDS / withholding tax rate applicable. **Any communication on the tax determination/deduction received post September 15, 2023 shall not be considered.**

Non-Resident Shareholders

Shareholders are requested to send the scanned copies of the documents mentioned above at the email id CompanySecretary_WIL@welspun.com ; rnt.helpdesk@linkintime.co.in.

Documents sent to any other email ids may lead to non-submission of documents and attract TDS as per the provisions of the Act.

These documents should reach us **on or before September 15, 2023.** In order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication on the tax determination / deduction shall be entertained post **September 15, 2023.** It may be further noted that in case the tax on said dividend is deducted at a higher rate in the absence of receipt of the aforementioned details/documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.

The tax credit can also be viewed in Form 26AS by logging in with your credentials (with valid PAN) at TRACES https://www.tdscpc.gov.in/app/login.xhtml or the e-filing website of the Income Tax department of India https://www.incometaxindiaefiling.gov.in/home

12. Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA as mentioned above, or with the Company Secretary, at the Company's registered office. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to the IEPF as per Section 124 of the Act, read with applicable IEPF rules.

13. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the General Meeting. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the General Meeting will be provided by NSDL. Members who have cast their votes by remote e-voting prior to the General Meeting may participate in the General Meeting but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized

mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice.

14. In line with the Ministry of Corporate Affairs (MCA) Circulars and the SEBI Circulars, the Notice calling the General Meeting has been uploaded on the website of the Company at www.welspunindia.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the General Meeting Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility).

15. In compliance with the Circulars, the Annual Report 2022-23, the Notice of the AGM, instructions for e-voting are being sent only through electronic mode to those members whose email addresses are registered with the Company / depository participant(s).

16. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective depository participants, and members holding shares in physical mode are requested to update their email addresses with the Company's Registrar and Share Registrar and Transfer Agent ("RTA") at rnt.helpdesk@linkintime.co.in, to receive copies of the Annual Report 2022-23 in electronic mode. Members may provide their detail in the sheet annexed to this Notice.

17. All the correspondence pertaining to shareholding, transfer of shares, transmission etc. should be lodged at the Company's RTA : Link Intime India Private Ltd., Unit: Welspun India Limited, C 101, 247 Park, L B S Marg, Vikhroli (West) Mumbai-400083. Tel No: +91 22 49186000, Fax: +91 22 49186060, Email - rnt.helpdesk@linkintime.co.in.

18. Additional information, pursuant to Regulation 36 of the Listing Regulations, in respect of the directors seeking appointment / reappointment at the AGM, forms part of this Notice.

19. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.

20. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the RTA, in case the shares are held in physical form.

21. The members who wish to nominate, any person to whom his securities shall vest in the event of his death may do so by submitting the attached Nomination Form to the Company or the RTA of the Company. A nomination may be cancelled, or varied by nominating any other

person in place of the present nominee, by the holder of securities who has made the nomination, by giving a notice of such cancellation or variation.

22. Since the General Meeting will be held through VC or OAVM in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

23. The e-voting period commences on Tuesday, September 19, 2023 (9:00 a.m. IST) and ends on Thursday, September 21, 2023 (5:00 p.m. IST). During this period, members holding share either in physical or dematerialized form, as on cut-off date, i.e. as on Friday, September 15, 2023 may cast their votes electronically. A person who is not a member as on the Cut-Off Date should treat this Notice for information purpose only. The e-voting module will be disabled by NSDL for voting after conclusion of AGM. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date.

24. The facility for voting during the General Meeting will also be made available. Members present in the General Meeting, through VC or OAVM, and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the General Meeting.

25. Any person who acquires shares of the Company and becomes a member of the Company after sending of the Notice and holding shares as of the cut-off date ie. August 25, 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in . However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.

26. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the Listing Regulations, the Company is pleased to provide to the members, a facility to exercise their right to vote on resolutions proposed to be considered at the General Meeting by electronic means and the business may be transacted through e-Voting Services.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site

	wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will

	authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	**Helpdesk details**
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mansi@jmja.in with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to CompanySecretary_wil@welspun.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to CompanySecretary_wil@welspun.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

27. Members who would like to express their views/ask questions may write an e-mail mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at CompanySecretary_wil@welspun.com between September 01, 2023 (9.00 a.m. IST) and September 15, 2023 (5.00 p.m. IST).

28. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.

29. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

30. Ms. Mansi Damania of M/s. JMJA & Associates, Company Secretaries (e-mail: mansi@jmja.in), has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

31. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

32. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.welspunindia.com, notice board of the Company at the registered office as well as the corporate office and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchanges at which the securities of the Company are listed.

33. The Register of Members and Share Transfer Books of the Company remained closed from Thursday, June 29, 2023 to Friday, June 30, 2023 (both days inclusive).

Notice to the shareholders who have not en-cashed dividend for last seven consecutive years commencing from the unpaid Final Dividend for the Financial Year 2015-2016.
Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016 which have come into effect from September 7, 2016 and amended from time to time, this is to inform to those shareholders who have not en-cashed the dividend or who's dividend remained unclaimed for last seven consecutive years commencing from the Financial Year 2015-2016 then those shares shall be transferred to the "Investor Education and Protection Fund" (IEPF) i.e. a fund constituted by the Government of India under Section 125 of the Companies Act, 2013. The names of such shareholders and their folio number or DP ID - Client ID will be available on the website of the Company at www.welspunindia.com. *To claim unpaid / unclaimed dividend or in case you need any information/clarification, please write to or contact to the Company's Registrars and Transfer Agent or The Company Secretary of the Company at the Registered Office or at the Corporate Office address.*

By Order of the Board

Sd/-
Shashikant Thorat
Company Secretary
FCS-6505

Place: Mumbai
Date: July 31, 2023

Registered Office:
Welspun City, Village Versamedi,
Taluka Anjar, District Kutch,
Gujarat – 370110
Tel. No.: +91 2836 661111 , Fax No.: +91 2836 279010
CIN: L17110GJ1985PLC033271
Website: www.welspunindia.com
Email: Companysecretary_WIL@welspun.com

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013 AND THE INFORMATION AS REQUIRED PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

ITEM NO. 3 – REAPPOINTMENT OF MR. BALKRISHAN GOENKA AS A DIRECTOR NOT LIABLE TO RETIRE BY ROTATION

At present, Mr. Balkrishan Goenka is a director liable to retire by rotation. He is due to retire at this forthcoming AGM and has offered himself for reappointment. It is proposed that he is appointed as a director not liable to retire by rotation. Mr. Goenka is Promoter of the Company and has been with the Company since its inception. Due to technical requirement of the Companies Act existing at that time, he was appointed as a director subject to liable by rotation. Moving from operational roles to advisory and then to mentorship, he has played a pivotal role in growth of the Company. It is only apt that he is appointed as a director not liable to retire by rotation. His permanent association will instill confidence in investors and provide assurance of his presence at the Board level. Details of his other directorships are given in the annexure. The Board recommends the resolution set forth in item No. 3 for the approval of the members.

Mr. Goenka is not disqualified from being appointed as a director in terms of Section 164 of the Companies Act, 2013 or debarred from holding the office of director by virtue of the SEBI order or any other authority.

Except Mr. Balkrishan Goenka and Ms. Dipali Goenka, none of the Directors or the Key Managerial Personnel of the Company or their relatives may be deemed to be concerned or interested in this resolution.

ITEM NO. 4 - RATIFICATION OF REMUNERATION PAYABLE TO THE COST AUDITORS

In pursuance of Section 148 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, the Board based on the recommendation of the Audit Committee of the Board appointed M/s. Kiran J. Mehta & Co., Cost Accountants (Firm Registration No. 000025) as the Cost Auditors of the Company, for the conduct of the Cost Audit of the Company's various manufacturing units for the financial year 2023-24 on a remuneration of Rs. 425,000/- (Rupees Four Lakhs Twenty Five Thousand Only) plus travelling and out of pocket expenses, at actual incurred, if any, in connection with the audit of the Company. Remuneration payable to the Cost Auditors has to be ratified by the shareholders. The Board recommends the resolution set forth in item No. 4 for the approval of the members.

None of the Directors or the Key Managerial Personnel of the Company or their relatives may be deemed to be concerned or interested in this resolution.

ITEM No. 5 – PAYMENT OF REMUNERATION BY WAY OF COMMISSION TO MR. BALKRISHAN GOENKA, NON-EXECUTIVE CHAIRMAN OF THE COMPANY.

Mr. Goenka, the Chairman and a non-executive Director has played pivotal role in ascent of the Company. He has been the visionary in making the Company a global home textile giant. He has been guiding force for the Company's management since its inception. His guidance on strategic matters has seen the Company sail through tough times as well as accelerate when momentum is in favour. The Board and the management considers availing his guidance from time to time and attention in the planning for the growth of the Company. The Board therefore recognizes the need to suitably remunerate him with commission at 1% of the consolidated profit as computed in the manner given in Section 198 of the Companies Act, 2013, based on consolidated financial statement for that financial year or such other limit as may be notified by the Central Government from time to time.

Except Mr. Goenka and his wife Ms. Dipali Goenka, CEO and Managing Director of the Company, both of whom are also member / beneficial owners of the Company, none of the other directors or key managerial personnel of the Company or their relatives may be deemed to be concerned or interested, financially or otherwise, in this resolution.

In terms of Regulation 17 of the SEBI (LODR) Regulations, 2015, the Board recommends passing of the special resolution at item number 4 of the accompanying Notice for approval by the Members of the Company.

Members' approval is sought by way of a special resolution proposed under item number 5 of the accompanying Notice for payment of commission for the financial year 2022-23.

ITEM No. 6 – CHANGE OF NAME OF THE COMPANY TO WELSPUN LIVING LIMITED:

The Company has diversified its product portfolio from home textiles to new categories like flooring solutions and advance textile. It has become imperative to have a name which is more inclusive and having wider perspective.

The Board of Directors deliberated on this and decided to recommend to the shareholders to approve change of name of the Company from Welspun India Limited to Welspun Living Limited. This name effectively encapsulates the Company's present business focus while also allowing the flexibility to incorporate the other broader categories in the future.

The proposed name reflects a more dynamic and inclusive brand image that is driven by a purpose of positioning the Company for growth and adaptability in the evolving market landscape. It indicates the Company's proactive approach to staying relevant and agile in the face of changing market dynamics. The new brand identity, Welspun Living not only reflects the current business verticals, but also offers opportunities for potential expansion into other areas, which may drive further growth and value creation for the Company's stakeholders.

The name ‘Welspun Living Limited’ is consistent with the Company’s brand and this change is expected to enhance its brand value. The name ‘Welspun Living Limited’ is not in any way similar to other Companies. It is not only aligned with the objects of the Company, but also reflects wider spectrum of business in which the Company operates. We confirm that the Company has not changed its name in last one year.

Certificate of compliance in terms of Regulations 45(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 for change of name of Welspun India Limited is reproduced as Annexure – 2 forming part of this Notice.

None of the other directors or key managerial personnel of the Company or their relatives may be deemed to be concerned or interested, financially or otherwise, in this resolution.

In terms of Regulation 17 of the SEBI (LODR) Regulations, 2015, the Board recommends passing of the special resolution at item number 4 of the accompanying Notice for approval by the Members of the Company.

By Order of the Board

Sd/-
Shashikant Thorat
Company Secretary
FCS-6505

Place: Mumbai
Date: July 31, 2023

Registered Office:
Welspun City, Village Versamedi,
Taluka Anjar, District Kutch,
Gujarat – 370110
Tel. No.: +91 2836 661111 , Fax No.: +91 2836 279010
CIN: L17110GJ1985PLC033271
Website: www.welspunindia.com
Email: Companysecretary_WIL@welspun.co

Annexure – 1

Details of directorship /membership of the Committees of the Board held by Mr. Balkrishan Goenka

Director	Directorships
Mr. Balkrishan Goenka	Welspun India Limited, Welspun Corp Limited, Welspun Enterprises Limited, Welspun Steel Limited, Welspun Logistics Limited, Adani Welspun Exploration Limited, Welspun Specialty Solutions Limited, Welspun One Logistics Parks Private Limited, Welspun New Energy Limited, Welspun Advanced Materials (India) Limited, The Associated Chambers of Commerce and Industry of India, (ASSOCHAM), Laxman Gyanpith Foundation, East Pipes Integrated Company for Industry (CJSC)

As per latest disclosure to the Company, he is a member / chairman in the following Committees:
(Note: Statutory Committees as per Companies Act, 2013 and Listing Regulations have been included.)

Company Name	Chairmanship / Membership	Committee Type
Welspun India Limited	Chairman	Finance and Administration Committee
Welspun Steel Limited	Member	Finance Committee
	Member	Corporate Social Responsibility Committee

He is holding 490,660 equity shares in the Company.

Annexure – 2

Certificate of compliance in terms of Regulations 45(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 for change of name of Welspun India Limited.

TO WHOMSOEVER IT MAY CONCERN

We, C.S.Mangal & Co, Chartered Accountants have verified the relevant records and documents of M/s. Welspun India Limited ("the Company") for the purpose of ascertaining its compliance with regulation 45 (1) of Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015) ("Listing Regulations") with respect to its change of name from "Welspun India Limited" to "Welspun Living Limited".

In accordance with the information and explanations given to us and based on our examination of the records and documents of the company, we hereby confirm and certify that the company is in compliance with the following conditions as specified in Regulation 45(1) of the Listing Regulations: -

a) time period of at least one year has elapsed from the last name change – Not Applicable. The Company has not changed its name, ever since year 1995;

b) at least fifty percent of the total revenue in the preceding one year period has been accounted for by the new activity suggested by the new name - There is no change in activity of the Company. The Company has diversified its product portfolio from Home Textiles to new categories like flooring solutions and advance textile. The proposed name reflects a more dynamic and inclusive brand image that is driven by a purpose of positioning the Company for growth and adaptability in the evolving market landscape. It is not only aligned with the objects of the Company, but also reflects wider spectrum of business in which the Company operates. Therefore, the said condition relating to fifty percent of the total revenue in the preceding one year period has been accounted for by the new activity suggested by the new name is not applicable;

c) the amount invested in the new activity/project is at least fifty percent of the assets of the listed entity – The Company has diversified its product portfolio from Home Textiles to new categories like flooring solutions and advance textile. The proposed name reflects a more dynamic and inclusive brand image that is driven by a purpose of positioning the Company for growth and adaptability in the evolving market landscape. It is not only aligned with the objects of the Company, but also reflects wider spectrum of business in which the Company operates. Since there is no change in activity of the

Company, the said condition relating to the amount invested in the new activity/project being at least fifty percent of the assets of the listed entity is not applicable.

Thanking You

For C.S. Mangal & Co.
Chartered Accountants
Sd/-
(C.S. Mangal)
Proprietor
Membership No. 35244
Firm Reg No: 131384W
UDIN: 23035244BGWDLG8290
Place: Mumbai
Date: July 31, 2023

By Order of the Board

Sd/-
Shashikant Thorat
Company Secretary
FCS-6505

Place: Mumbai
Date: July 31, 2023

Registered Office:
Welspun City, Village Versamedi,
Taluka Anjar, District Kutch,
Gujarat – 370110
Tel. No.: +91 2836 661111 , Fax No.: +91 2836 279010
CIN: L17110GJ1985PLC033271
Website: www.welspunindia.com
Email: Companysecretary_WIL@welspun.com

Dear Investors,

The Securities and Exchange Board of India, vide its circular SEBI /HO /MIRSD /MIRSD_RTAMB / P / CIR / 2021 / 655 dated November 03, 2021 as amended vide its circular SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, has notified common and simplified norms for processing investor's service request by the Registrars and Transfer Agents (RTAs) and norms for furnishing Permanent Account Number ("PAN"), Know Your Client ("KYC") details and Nomination.

In terms of the aforesaid circular, all holders of physical securities of the Company are mandatorily required to furnish the following documents / details to the Company's RTA i.e. Link Intime India Private Limited ("Link Intime") along with Form ISR-1 for updating their KYC detail:-

a. PAN
b. Nomination
c. Contact Details
d. Bank Account details
e. Specimen Signature

In case of mismatch in the signature of the holder in the records of Link Intime, the investor shall furnish original cancelled cheque and banker's attestation of the signature as per **Form ISR-2**.

Investors shall continue to use form **SH-13 and SH-14** for declaration of nomination and change in nomination respectively. However, in case investor wants to opt-out of nomination, **Form ISR-3** shall be filed.

Investors are requested to ensure the above details are updated with Link Intime at the earliest. The folios for which the above details are not available thereafter shall be frozen from October 1, 2023.

Relevant Forms are attached herewith for ready reference and the same can also be downloaded from the website of the Company or the Company's Registrar & Transfer Agent viz. M/s Link Intime India Private Limited.

Form No. SH-13

Nomination Form

(Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014)

To,
The Company Secretary,
Welspun India Limited
Welspun City, Village Versamedi,
Taluka Anjar, Dist. Kutch,
Gujarat, Pin – 370110.

I/ We_______________________________________ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1. PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

2. PARTICULARS OF NOMINEE/S —

(a) Name:
(b) Date of Birth:
(c) Father's/Mother's/Spouse's name:
(d) Occupation:
(e) Nationality:
(f) Address:
(g) E-mail id:
(h) Relationship with the security holder:

3. IN CASE NOMINEE IS A MINOR--

(a) Date of birth:
(b) Date of attaining majority
(c) Name of guardian:
(d) Address of guardian:
Name:____________________________________
Address: __________________________________

Name of the Security Holder(s)____
Signatures:____
Witness with name and address:_______________________________________

Welspun INDIA

Form No. SH-14
Cancellation or Variation of Nomination
(Pursuant to sub-section (3) of section 72 of the Companies Act, 2013 and rule 19(9) of the Companies (Share Capital and Debenture) Rules, 2014)

To,
The Company Secretary,
Welspun India Limited
Welspun City, Village Versamedi,
Taluka Anjar, Dist. Kutch,
Gujarat, Pin – 370110.

I/ We ____hereby cancel the nomination(s) made by me / us in favor of ____
____ (name and address of the nominee).

OR

I/We____ hereby nominate the following person in place of____as nominee in respect of the below mentioned securities in whom shall vest all rights in respect of such securities in the event of my/our death.

4. PARTICULARS OF THE SECURITIES (in respect of which nomination is being cancelled / varied)

Nature of securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

5. PARTICULARS OF THE NEW NOMINEE/S —

(i) Name:
(j) Date of Birth:
(k) Father’s/Mother’s/Spouse’s name:
(l) Occupation:
(m) Nationality:
(n) Address:
(o) E-mail id:
(p) Relationship with the security holder:

6. IN CASE NOMINEE IS A MINOR--

(e) Date of birth:
(f) Date of attaining majority
(g) Name of guardian:
(h) Address of guardian:

7. PARTICULARS OF NOMINEE IN CASE MINOR NOMINEE DIES BEFORE ATTAINING AGE OF MAJORITY

(a) Name:
(b) Date of Birth
(c) Father’s/Mother's/Spouse's name:
(d) Occupation:
(e) Nationality:

(f) Address:
(g) E-mail id:
(h) Relationship with the security holder:
(i) Relationship with the minor nominee

Signature ____
Name of the Security Holder(s)___________________________________

Signatures:____
Witness with name and address:___________________________________

Special Window Facility for Senior-Citizens of age 75 Years & above

Investor Education and Protection Fund Authority as a part of Azadi Ka Amrit Mahotsav (AKAM) has launched a special window facility for senior citizens of age 75 years & above. As a part of this facility, the claims filed by these claimant with the Investor Education and Protection Fund Authority shall be auto-prioritized in MCA 21 system after receipt of e-verification report from the companies.

For facilitation of these claimants, a dedicated telephone number 011-23441727 and email id “seniorcitizen.iepfa@mca.gov.in” has been established by the Investor Education and Protection Fund Authority.

Welspun INDIA

Sustainability

Rising to build a better world

Annual Report

2022-23

Embrace the new
Embrace the change

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

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

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

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

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

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

WE ARE RISING TO THE
POWER OF **WELSPUN**

Welspun India Limited (WIL) is one of the largest home textile manufacturers in the world. We offer a wide spectrum of home and technical textile products and flooring solutions.

Our Parentage

The Welspun World is one of India's fastest-growing global conglomerates with business interests in line pipes, home textiles, infrastructure, steel, advanced textiles, warehousing, and flooring solutions.

What's inside

Welspun is recognised as

Strong emerging business

- Flooring solutions, disrupting the world of flooring
- Advanced textiles dealing with innovative product applications
- Domestic business, focussing on the high-growth Indian Market
- Brands, leveraging higher shelf space and increasing brand value

Thought leader

Tamper-proof blockchain platform for state-of-the-art transparency for all fibres and product categories

ESG

Proactive sustainability strategy with well-defined principles, roadmap, and targets, including initiatives to achieve those targets and communicating our efforts, progress, and future plans through transparent reporting

Transforming homes with comfort, quality, and love, from every household to every heart.

With a deep commitment to touching the lives of every individual, we aim to bring comfort, quality, and innovation to homes worldwide. From cozy bedding to luxurious bath linens, our products offer a sense of well-being and happiness.

With a strong emphasis on customer centricity, innovation, and technology, we strive to make every house a home, nurturing relationships and leaving a lasting impression on every individual we serve.

We are rapidly moving towards redefining home solutions by persistently focusing on and investing in our domestic consumer business, as well as building our global brands.

A certified women owned business

With ~25% women in a 19,000 strong workforce

Omnichannel retailer

Deliver a seamless and integrated customer experience, allowing customers to interact with the brand through various touchpoints

Making consistent progress

Business highlights

- Achieved a milestone of $1 billion in revenue.
- Emerging businesses (Domestic Consumer business, Brands, Advanced Textiles and Flooring businesses) now contribute almost 1/3rd of the overall business.
- Highest ever branded sales of ₹1,584 crore, 22% of overall revenue in FY23, up from 16% in FY22.
- Our Domestic brands have grown 22% and License brands (Scott Living and Martha Stewart) continue to grow at 65% in FY23. Our global branded business grew by 10% in FY23.
- Extended our reach in the kids' category through Disney + Marvel + Lucas brand license, covering entire UK and EU region.
- Martha Stewart brand store live on Amazon.com since Feb '23.
- Tapping domestic opportunity; share in overall revenue of Domestic Consumer business doubled in 2 years, from 3.7% in FY21 to 7.7% in FY23.
- The Advanced Textiles business witnessed a robust 43% growth in FY23, fuelled by increased capacity of Spunlace in Telangana, commissioned in March last year.
- Domestic Flooring crossed the ₹100 crore mark during the year, with 81% growth in FY23.

Strengthening our presence

9%
INCREASE IN BRAND WELSPUN'S TOTAL AWARENESS SCORE

31%
GROWTH IN DOMESTIC CONSUMER BUSINESS

8%
INCREASE IN BRAND WELSPUN'S EQUITY SCORE, SIGNIFYING TRUST

16%
GROWTH IN BRANDED BUSINESS

Note: All data as of March 31, 2023.

Growing business responsibly

- DJSI ESG rating of 59, among top 5 percentile in the textile sector in third year of assessment.
- Expansion in coverage of Scope 3 Greenhouse Gas (GHG) emissions categories.
- Wel-Trak 2.0 implemented to enhance traceability and transparency in ESG practices.
- GHG emission reduction underway by replacing fossil fuels with Green alternatives in line with SBTi goals.
- Conducted life cycle assessment for our products and verified third party Environment Products Declarations (EPD).
- Published Annual Sustainability Report based on GRI framework; mapping SASB standards and UN SDGs.

Among the top #100

SUSTAINABLE COMPANIES IN INDIA BY ET-FUTURESCAPE

Among the top 5%

OF TEXTILE COMPANIES GLOBALLY AS PER DJSI FOR 2022

Preserving the environment

75%

COTTON USED FROM SUSTAINABLE SOURCES IN FY23

48,11,908 KwH

ELECTRICITY SAVED THROUGH CONSERVATION INITIATIVES

Creating shared value

>24%

WOMEN IN A 18,950 STRONG WORKFORCE

16,545

FARMERS IMPACTED OVER 390+ VILLAGES THROUGH OUR 'BETTER COTTON' INITIATIVE

Good governance

AWARDED

One of the best Managed Companies

IN 2022 BY DELOITTE

50%

INDEPENDENT DIRECTORS

Vision and ambition 2030

Helping to protect and renew natural resources

Minimising our impact on the world's resources, contributing to a future in which they are available for generations to come.

Carbon neutral

We aim to achieve carbon neutrality by increasing the contribution of renewable energy (RE) in our operations.

GOAL 2025
20% RE

GOAL 2030
100% RE

Sustainable cotton

Utilising sustainable cotton in our products – making a minimal environmental impact.

GOAL 2025
50% sustainable cotton

GOAL 2030
100% sustainable cotton

Sustainable supply chain

Partnering with value chain partners to promote ESG throughout our value chain.

GOAL 2025
50% suppliers assessed

GOAL 2030
100% suppliers assessed

Freshwater

Striving to become freshwater positive in our production process.

GOAL 2025
5 KL/MT

GOAL 2030
0 KL/MT

Waste

Delivering zero hazardous waste to Landfill (ETP chemical sludge).

GOAL 2025
0 MT

GOAL 2030
0 MT

Empowering communities

Boosting the well-being of communities and enabling a just transition to regenerative practices.

Impacting lives in CSV

GOAL 2025

Impact 5,00,000 lives

GOAL 2030

Impact 10,00,000 lives

Farmers in Welspun sustainable farming project

GOAL 2025

Impact 20,000 farmers

GOAL 2030

Impact 50,000 farmers

Our vision for the future

Our power brands, 'Welspun' and 'Spaces,' have the widest distribution in the country, present in 500+ towns and 11,170+ retail units, making us the market leaders. We aim to further strengthen the distribution network by increasing the number of retail units to 50,000+ by FY26, thereby capturing a bigger market share in the nation.

B. K. Goenka
Chairman

Dear esteemed stakeholders,

I would like to share with you the Company's performance and operational efficiency against the backdrop of a challenging global environment.

In the economic landscape of 2022–23, countries worldwide experienced headwinds, geopolitical tensions escalated, causing economic uncertainty, including surging energy and food prices, mounting inflation rates, and volatile markets. Organisations faced operational hurdles, such as soaring commodity prices, logistics disruptions, and the impact of the Ukraine-Russia conflict, coupled with rising Fed rates, despite these considerable difficulties, Welspun India Limited (WIL) displayed high resilience and unprecedented commitment to overcome the same while keeping innovation, sustainability and growth at the core of operations during the financial year 2022-23 (FY23).

Demand surge expected

The correction in cotton and container prices will impact margins favourably, while energy basket price remains high. As consumer prices adjust and retailers adjust inventory, demand for Home Textiles is expected to rise. Operational efficiency, lower commodity costs, and increased demand will offset the consumer price revision. This year, the domestic business achieved near break-even EBITDA after substantial investments. Our power brands, 'Welspun' and 'Spaces,' have the widest distribution in the country, present in 500+ towns and 11,170+ retail units, making us the market leaders. We aim to further strengthen the distribution network by increasing the number of retail units to 50,000+ by FY26, thereby capturing a bigger market share in the nation. We would like to capitalise on our global leadership and experience to further penetrate the domestic market.

Encouraging numbers of emerging business!

Our Domestic Consumer Business recorded growth of 31% in FY23 as our power brands viz., 'Welspun' and 'SPACES' emerged as dominant brands, we have achieved the highest-ever revenue of ₹550 crore in FY23, contributing 7.7% share of business vis-à-vis 3.7% in FY21.

Our Emerging businesses, Domestic Consumer Business, Brands, Flooring, and Advanced Textiles continue to perform well contributing 34% to revenues. I have a special call out for our 'Flooring' business. With Flooring, we always believed in doing business - The Right Way. It was never about exploring just another business opportunity but being the disruptor in a category that the world had seen little innovation till then. The Advanced Textiles Business witnessed a robust 43% growth in FY 23 fuelled by the increased capacity of Spunlace in Telangana, commissioned in March last year.

Growth of global brands!

Our global brands, including Martha Stewart, Scott Living, Christy, Spaces, and Welspun, have showcased high resilience and growth. Licensed brands experienced a remarkable 65% growth. Brand contribution to overall revenues increased to 22% in FY23, from 16% in the previous year. With 36 inventions resulting in 200+ patents filed globally, we prioritise innovation as a key driver of value.

Adoption of ESG in every operation

Welspun's commitment to ESG is evident in the way we have expedited our renewable energy transition to achieve the 100% RE goal before our stated target of 2030. The efforts have been recognized by international rating agencies like DJSI, a member of S&P which has placed the Company among the top 5 percentile globally in the segment in its annual Corporate Sustainability Assessment (CSA). The Company has also received multiple ESG awards at national forums of importance.

Cautiously optimistic!

While certain areas, like commodity prices, are easing, persistent and intensifying macro headwinds, such as inflation in Western economies, continue to impact business and consumer sentiment. However, we remain focused on our vision, leveraging trusted brands, innovation, technology, and successful B2C and D2C initiatives globally.

Our shareholders are our strength

Our progression and accomplishments could not have been possible without the sincere support and contribution of all our stakeholders. I express my sincere gratitude to all our customers, shareholders, banks/financial institutions, Board of Directors as well as Welspunites who have stood by us through our journey. I look forward to the future with great optimism.

Warm regards,

B. K. Goenka
Chairman

Transforming home textiles

Welspun India is a pre-eminent global player in the home textile industry, boasting a well-established distribution network that spans over 50 countries.

Our strategy focuses on branding, innovation, and sustainability, solidifying our position as a formidable force in the market.

We take immense pride in our innovative product range, renowned brands, state-of-the-art manufacturing facilities, and value-added services such as supply chain analytics and 'just-in-time' deliveries. Our vertically integrated operations enable an unmatched value proposition, fostering strong stakeholder relationships critical to our success.

Principles

Guide us to create a sustainable future and enhance our positive impact on the natural environment and community where we operate.

- Customer centricity
- Technology and Innovations
- Collaboration
- Inclusive growth

Cultural pillars

LITE

- Learning
- Innovation
- Trust & Transparency
- Endurance

Primary business segments

Home textiles

90,000 MT
BATH LINEN

108 Mn Mtrs
BED LINEN

12 Mn Sq Mtrs
RUGS AND CARPETS

Advanced textiles

27,729 MT
SPUNLACE

100 Mn packs
WET WIPES

3,026 MT
NEEDLEPUNCH

Flooring

18 Mn Sq Mtrs
EFFECTIVE

27 Mn Sq Mtrs
INSTALLED

Revolutionising home textiles with innovation and sustainability

Welspun 2.0: Our evolution

Over the years, we have established ourselves as a trusted and reliable brand in the manufacturing industry, consistently maintaining our position as a market leader. With the advent of Welspun 2.0, we have further expanded our capabilities to leverage emerging market trends and better serve the evolving needs of our customers.

A spirit of continuous improvement and a commitment to excellence has characterised our journey so far. As we look towards the future, we remain steadfast in our vision of delighting our customers, maintaining our position as a global leader in the textile industry, and creating a better world for all.

Phase I
Till 2010

Our journey from being a textile manufacturer to emerging as one of the world's leading integrated home textile manufacturers has been marked by transformation and remarkable growth.

Phase II
2010-2020

Evolving from a traditional manufacturing company to a brand-focused, direct-to-consumer enterprise.

Transforming into a comprehensive solution provider and a vital strategic partner for worldwide retailers, with a strong emphasis on innovation driven by consumer demand.

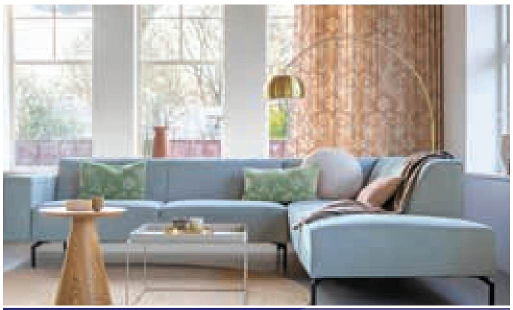
Phase III
Going forward

Evolving to Welspun 2.0 with six key growth drivers and value enablers:

- Domestic retail
- Global brands
- Emerging businesses
- Innovation
- Digitisation
- Mainstream sustainability

Welspun 2.0 embodies our commitment to excellence, defining guiding principles that create shared value for employees, customers, and communities. It expands our capabilities to leverage emerging trends and serve evolving customer needs.

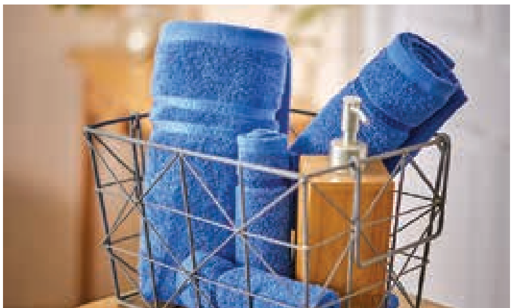
Growth drivers



Domestic retail

Tapping domestic opportunity with power brands SPACES and Welspun.

+ Page 28



Global brands

Portfolio of licensed brand including Martha Stewart and Scott Living and owned brands including the 170 year legacy brand, Christy.

+ Page 32

Emerging businesses

Flooring and Advanced Textiles.

+ Page 36

Value enablers

Innovation

Thought leader in home textiles.

+ Page 42

Digitisation

Organisation-wide transformation.

+ Page 44

Mainstreaming sustainability

Encompassing all stakeholders.

+ Page 46

Driving excellence across the globe

We employ around 19,000 people at over three production sites, serving 50+ countries at leading global retail outlets.

About 85% of our products are sold globally, with more than 61% in the US, 15% in the UK and Europe, and the rest in the Middle East, Australia, New Zealand, and Japan.

In India, we have augmented our online presence through marketplaces such as Myntra, Amazon, etc. and omnichannel presence through our stores and D2C sites to participate in the growing e-commerce retail market.

NORTH AMERICA

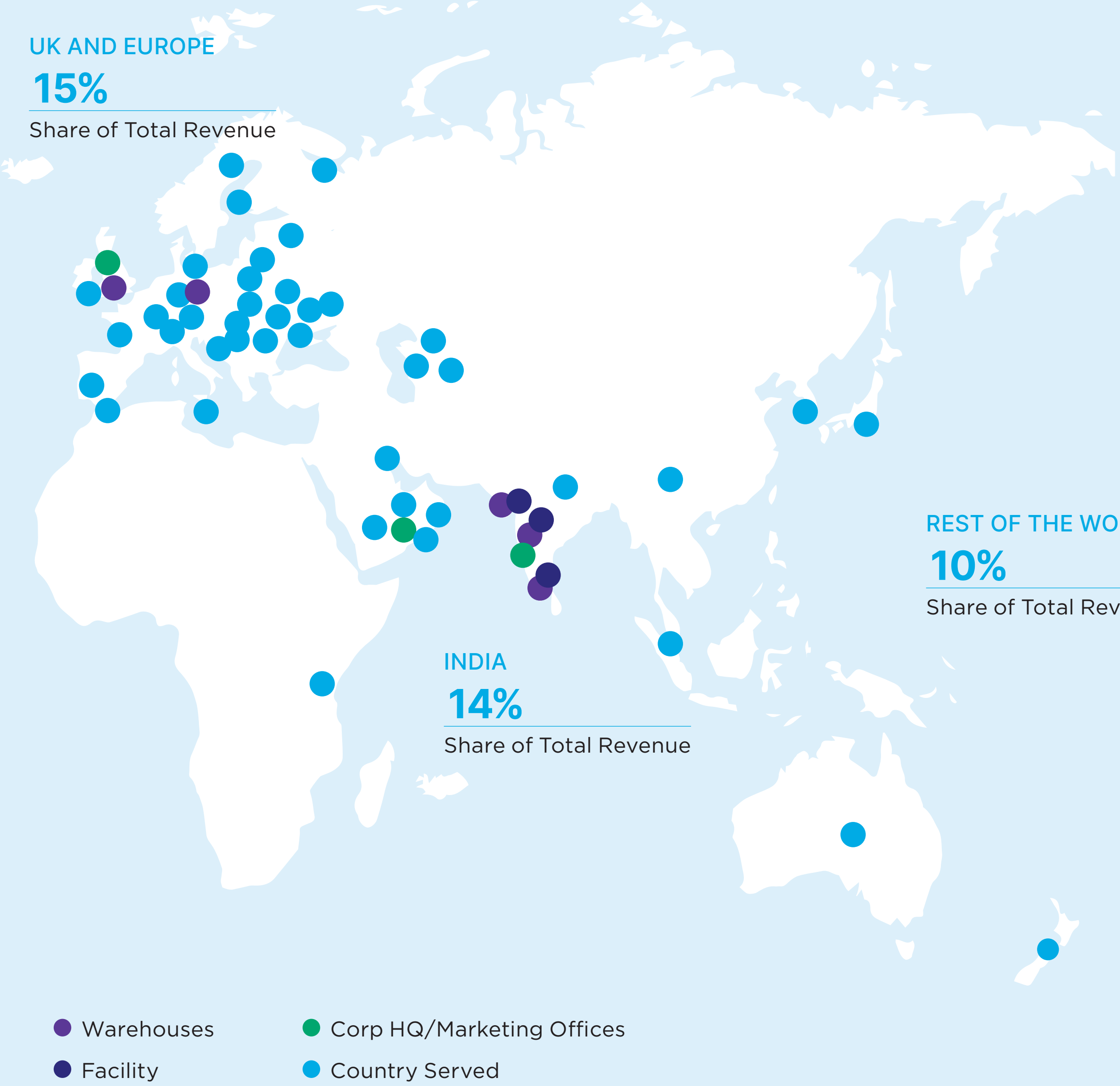
61%

Share of Total Revenue

Key partnerships

North America

Walmart, Costco Wholesale, macy's, Kohl's, Wyndham Hotel Group, T.J.maxx, Sam's Club, amazon.com, Ross Dress for Less, IHG Hotels & Resorts, Marriott Hotels • Resorts • Suites, The Home Depot, Shaw Floors, QVC, JCPenney, MSI, target, Lowe's



UK and Europe

TESCO, John Lewis, Sainsbury's, Auchan, JYSK, ALDI, Dunelm, ASDA, Carrefour, ACTION

India

Shoppers Stop, @home, HomeTown, lifestyle, DMart, Big Bazaar, Myntra, Oberoi Hotels & Resorts, TAJ, Himalaya Since 1930, Unilever, unicharm

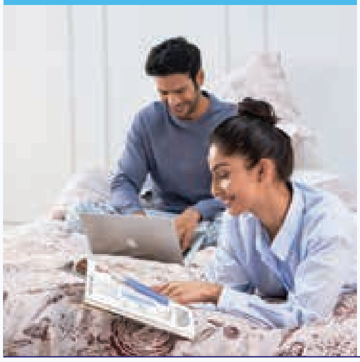
Rest of the world

the warehouse, SHERIDAN EST.1967, homecentre, NITORI, DANUBE HOME Making Your Home, So Easy Now, GFC

How stakeholder considerations shape decision-making

Stakeholders are vital to Welspun, as they help us to deliver value and help identify material issues for sound decision-making.

Stakeholders	How we engage them	Key priorities	Frequency
Employees 	• Skill development programme • Timely internal communication • Daily meetings and briefings	• Professional growth | Work-life balance • Diversity and equal opportunity • Learning and development • Organisational culture/workplace	Continuous process
Investors and shareholders 	• Annual reports • Annual general meetings • Quarterly calls, financial reports, and presentations. • Regular one-on-one/ group meetings with investors	• Economic value/ Sustainable wealth creation • Strategy and risk management • Capital allocation | Financial performance • Business outlook | Minority shareholder interest • Transparency and disclosure	Continuous process
Community 	• Community welfare programmes • CSR partnerships	• Infrastructure development • Education and healthcare • Environmental protection • Employment opportunities	Continuous process

Stakeholders	How we engage them	Key priorities	Frequency
Government and regulatory bodies 	• Member of important industry associations • Statutory compliances filings and meetings • Labour compliances • Senior management meetings	• Compliance and good governance • Suitable practices • Inclusive growth	As needed
Value chain partners 	• Supplier development initiatives • Annual suppliers meet • Supplier feedback surveys throughout the year	• New business opportunities • Business transparency	As needed
Media and analysts 	• Press releases and press conferences, media interviews, e-mail advisories • Media or analyst events • Website management • Social media posts and updates	• Financial news • Information on business development	As needed

Establishing our strategic focus

At Welspun, we strive to have a proactive understanding of key issues that impact our business, which we believe is critical for our long-term success as a responsible and sustainable business.

Material clusters

Financial capital

Manufactured capital

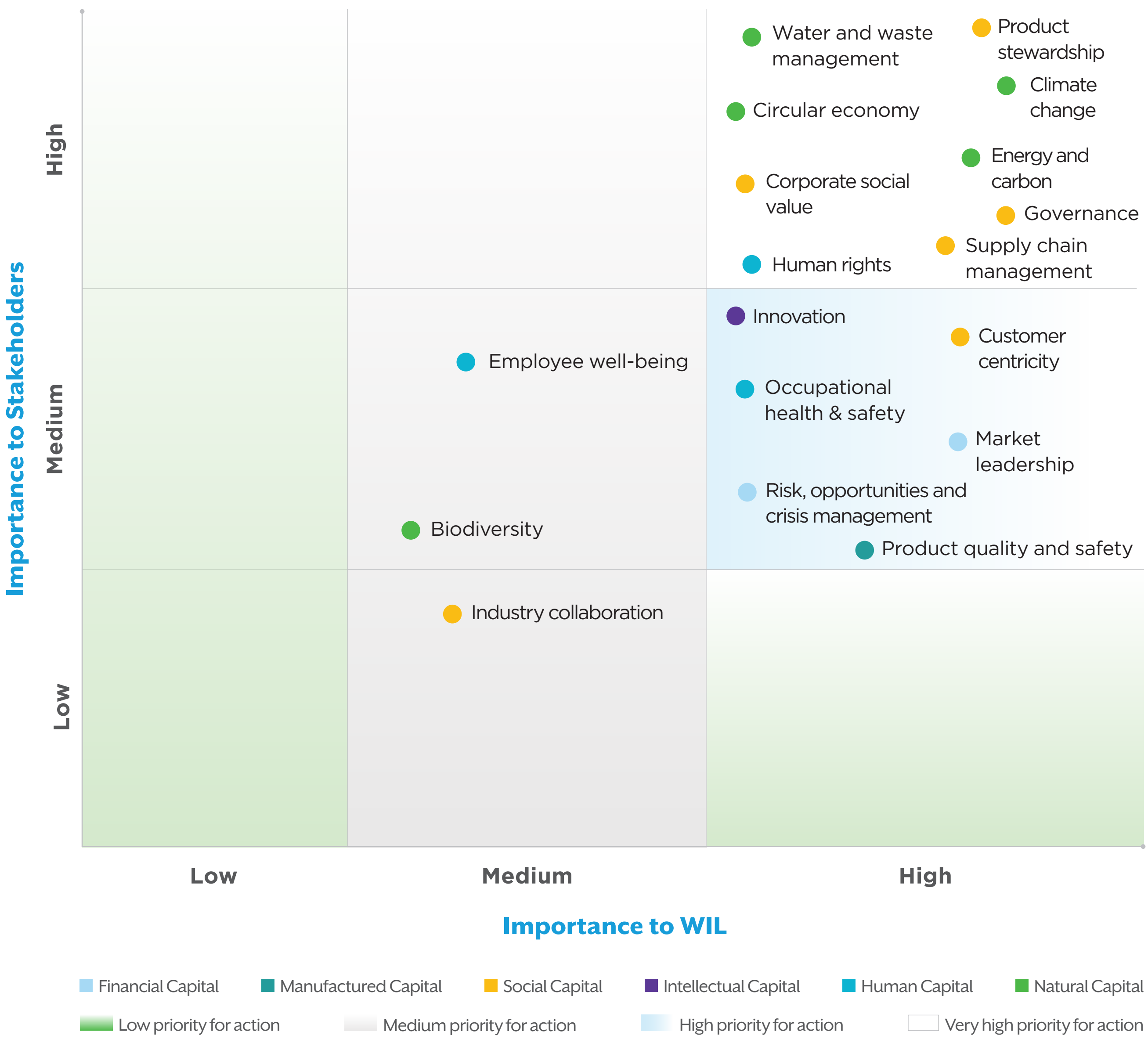
Intellectual capital

Human capital

Social and Relationship capital

Natural capital

Materiality map



Medium	Medium-High	High
1 Industry collaboration	4 Innovation	10 Water and waste management
2 Biodiversity	5 Customer centricity	11 Product stewardship
3 Employee well-being	6 Occupational health and safety	12 Climate change
	7 Market leadership	13 Circular economy
	8 Risk, opportunities, and crisis management	14 Corporate social value
	9 Product quality and safety	15 Governance
		16 Energy and carbon
		17 Human rights
		18 Supply chain management

Creating shared value

Our resources

Financial capital

It includes shareholder equity and internal accruals, deployed to grow the wealth of our stakeholders.

Net Debt	₹1,534.33 Cr	Equity	₹4,087.81 Cr
(reduction of w.r.t. FY22)	₹894.58 Cr	Fixed Assets Net Block	₹3,963.84 Cr
		Working capital	₹2,350.63 Cr

Manufactured capital

It comprises tangible fixed assets, including manufacturing facilities and products we offer our customers.

Domestic manufacturing facilities **3**

Intellectual capital

It comprises our collective knowledge and expertise to offer innovative products with distinct customer value propositions.

Members R&D Strength	56	Patented technologies owned by WIL	36

Human capital

We endeavour to attract the best talent, provide them with a safe and healthy workplace, and recognise their achievements through targeted performance-based rewards.

Total number of employees	18,950	Women Talent across functions	24%

Social and Relationship capital

We build long-standing relationships with our customers, supplier, and employees. As a responsible business, we are also committed to playing an active role in uplifting the communities around us.

Investment in CSR initiatives in FY23 **₹11.7 Cr**

Natural capital

We are proactively working toward reducing our environmental footprint.

Water consumed	42,26,037 KL	Energy consumed	52,84,166 GJ

Our value creation approach

Vision

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

Principles

- Consumer centric
- Collaboration
- Technology and Innovations
- Inclusive Growth

Business activity

- Research and Innovation
- Product Development
- Procurement of Raw Material
- Product manufacturing and packing
- Supply Chain and Logistics
- Consumer Analytics
- End of Life/ Recycling

Growth Drivers

- Domestic Retail
- Emerging Business
- Christy

Enablers

- Innovation
- Digitalisation
- Mainstreaming Sustainability

360° Capabilities from Farm to Shelf

Consumer Research and Innovation

Well-researched innovative offerings backed by deep consumer understanding

Integrated Manufacturing

Vertically integrated facilities with seamless connectivity to global supply chains

Output

Home Textile

90,000 MT
Bath Linen

12 Mn Sq Mtrs
Rugs and Carpets

108 Mn Mtrs
Bed Linen

Advanced Textile

27,729 MT
Spunlace

3,026 MT
Needlepunch

100 Mn
packs Wet Wipes

Flooring Solutions

18 Mn Sq Mtrs
Effective

27 Mn Sq Mtrs
Installed

We Rely upon and Create Value for

- Shareholders
- Customers
- Employees
- Consumers
- Value chain partners
- Community
- Government and Regulators
- Environment

Outcomes

Financial capital

Market Capitalisation	₹6,289 Cr
ROCE (Pre-tax)	5.7%
ROE	4.9%
Dividend payout recommended for FY23	₹9.88 Cr
Total Income	₹8,215.10 Cr
EBITDA	₹873.88 Cr
EBITDA Margin	10.6%
EPS	2.02

Manufactured capital

- Diverse, innovative products and services
- High value created for customers

Intellectual capital

Percentage of Sales in FY23 from Innovation	19%

Human capital

Employees with tenure > 10 years with WIL	1,847

Social and Relationship capital

Lives impacted	5,07,848

Natural capital

Energy intensity	912 GJ per ₹ Cr
GHG Intensity	140 tCO_2e per ₹ Cr
Annual recycling capacity	7 billion ltrs
Sustainable cotton procured	75%

SDG impacted

1 NO POVERTY
2 ZERO HUNGER
3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
10 REDUCED INEQUALITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
17 PARTNERSHIPS FOR THE GOALS

SCM and Warehousing
Global distribution footprint

Sales and Marketing Support
Strengthening brand portfolio and omnichannel capabilities

Environment, Social, Governance (ESG)
Socially responsible, sustainability-focused

Superfactories featuring Welspun Group | Home Textiles, Line Pipes, Flooring | National Geographic

Delighting every home

Committed to aggressive growth, we are scaling our presence across all major cities and towns, increasing brand awareness for our power brands, 'SPACES' and 'Welspun'.

Dipali Goenka
MD & CEO

Dear Stakeholders,

I am happy to share the Annual Report for FY23 which marks another successful year for Welspun India. We have again surpassed $1 billion in revenues, a remarkable milestone that highlights our commitment to deliver superior products and services across the globe.

The previous year witnessed significant shifts in the global industry, including changing consumption patterns and the constant rise of online platforms. Prices of cotton and containers have a great impact on our profitability and they have started correcting, however, the cost of natural and other forms of energy remain steadfast at elevated levels. We have proactively responded to global challenges and commodity costs by embracing our key enablers: innovation, digitisation, and ESG practices. These initiatives have allowed us to harness the opportunities presented by the evolving landscape and propel our growth trajectory. We will continue to make inroads globally across bath, bedding, flooring and advanced materials.

Domestic boost despite global challenges!

India remains the brightest spot of growth. Committed to aggressive growth, we are scaling our presence across all major cities and towns, increasing brand awareness for our power brands, 'SPACES' and 'Welspun'. Currently, we have 11,170+ retail stores pan India spread across 500+ towns making us the No. 1 distributed home textile brand in the country.

For FY24, we remain cautiously optimistic in light of dynamic macro-economic conditions. However, we aim to attain our long-term objectives of profitable growth through continued investments in brands, innovation and ESG.

Emerging businesses: The next big thing

Our emerging businesses have witnessed significant growth over the last few years and is expected to rise further in the coming years. As the current scenario presents itself, emerging businesses are not just growing, but are also contributing significantly to our revenues. In an endeavour to strengthen our emerging businesses, we recently inaugurated a new line for advanced textiles to the existing Flooring and advanced textile facility in Telangana. These state of the art facilities will cater to the ever growing demand from the domestic arena and international markets.

Power packed performance – internationally

We continue to expand into new categories, geographies and channels. Our licensed brands, including Martha Stewart and Scott Living exhibited a robust growth in FY23. We have also ventured into the kids' category through the Disney brand license, covering entire UK and EU region.

ESG stands at the core of our operations!

ESG is an essential part of our DNA and sustainable initiatives take centre stage in the incubation stage of every project. 'Welspun India's Sustainability Case Study' is a part of curriculums across universities in five countries. Our facility at Anjar is freshwater positive and our recent industry-leading score of 59 of DJSI by CSA (Corporate Sustainability Assessment) reaffirms our leadership on the ESG front. Even our customers appreciate our efforts towards sustainability and recognise us for the same. Numerous on-ground initiatives pertaining to education, farming, health etc. have positively touched lives of many, pan-India.

Strong outlook towards the future

For FY24, we remain cautiously optimistic in light of dynamic macro-economic conditions. However, we aim to attain our long-term objectives of profitable growth through continued investments in brands, innovation and ESG. We have utmost confidence in the strength of our business fundamentals, which are bolstered by our fully integrated operations, state-of-the-art technology, and superior product portfolio.

To our shareholders – Thank you!

We are grateful for your unwavering support and look forward to continuing our journey with you. Your confidence in the organisation enables us to take courageous and dynamic decisions and stay ahead of the curve.

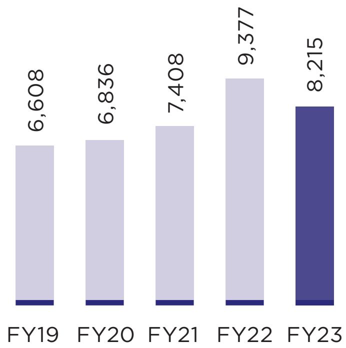
Dipali Goenka
MD & CEO

Tracking our progress

Financial highlights

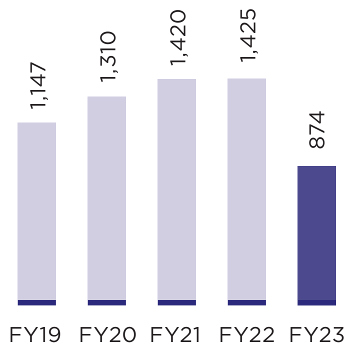
Revenue
(₹ Cr)

8,215



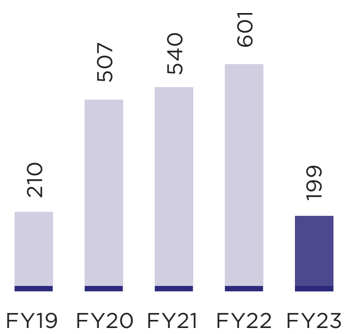
EBITDA
(₹ Cr)

874



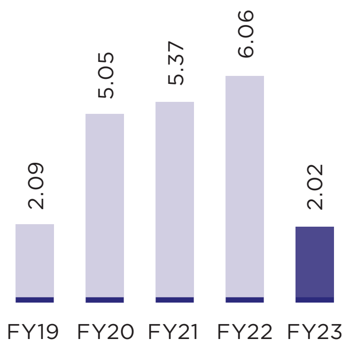
PAT
(₹ Cr)

199



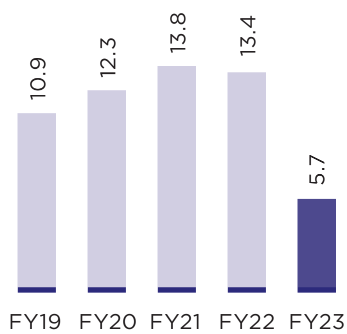
EPS
(₹)

2.02



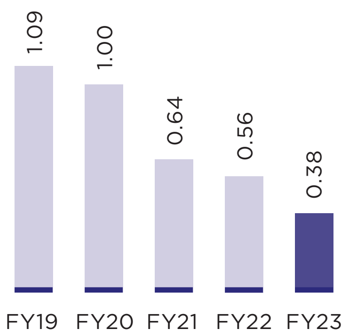
RoCE
(%)

5.7



Debt/Equity
(X)

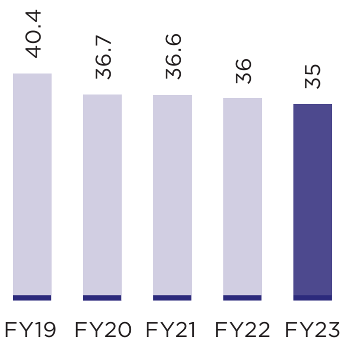
0.38



Non-financial highlights

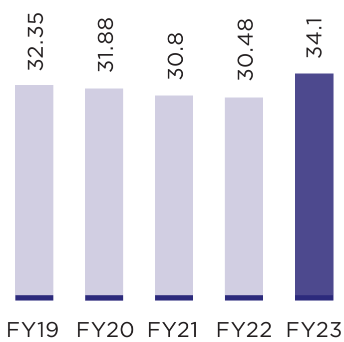
Water intensity
(KL/MT)

35



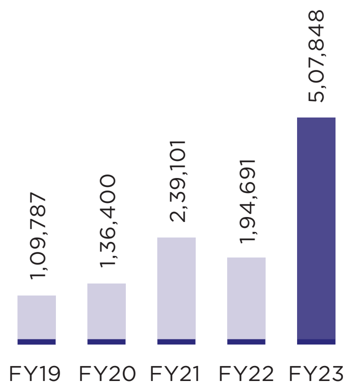
Energy intensity
(GJ/T)

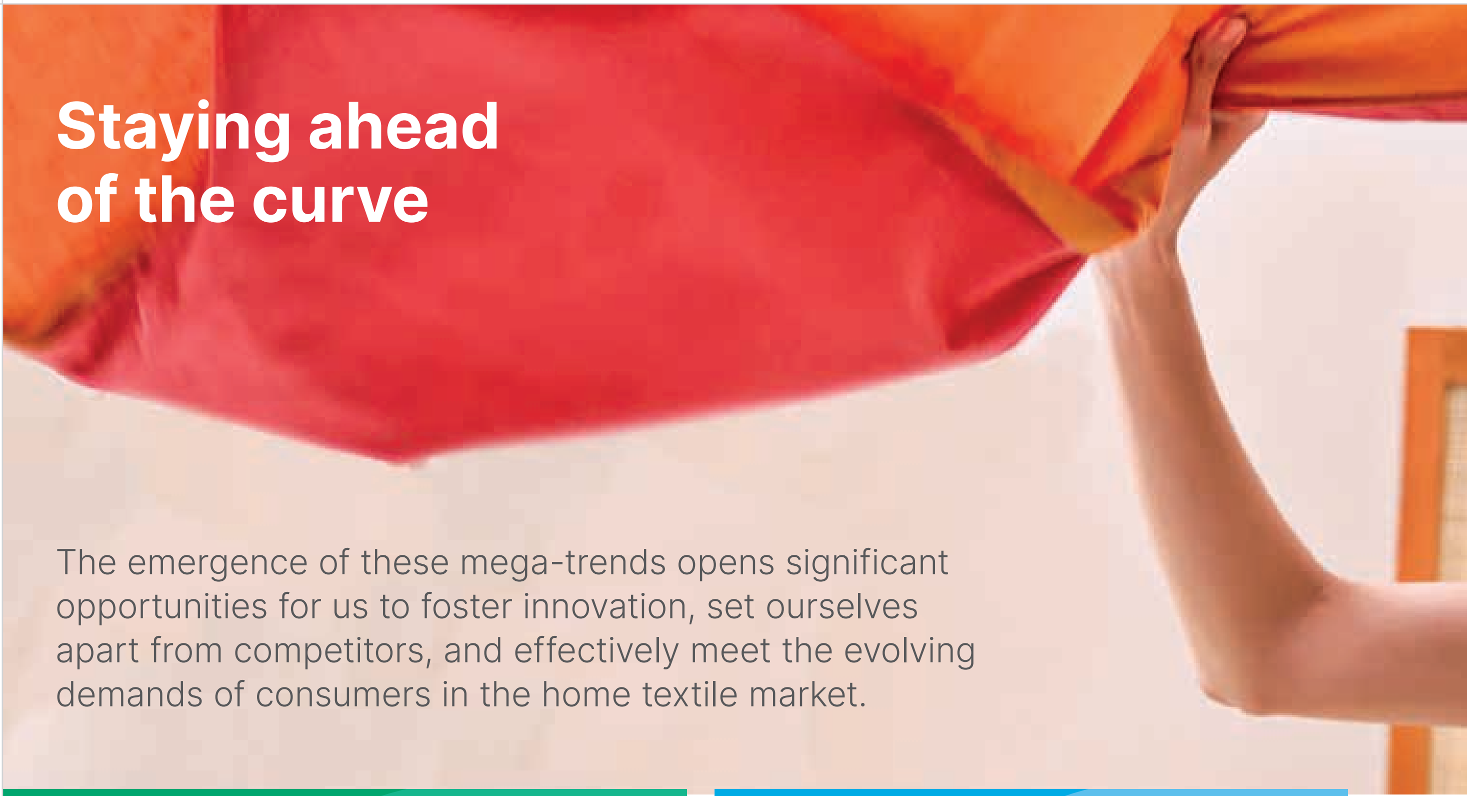
34.1



CSR beneficiaries

5,07,848





Staying ahead of the curve

The emergence of these mega-trends opens significant opportunities for us to foster innovation, set ourselves apart from competitors, and effectively meet the evolving demands of consumers in the home textile market.

Sustainable and eco-friendly products

There is a growing demand for sustainable and environmentally friendly home textile products. Consumers are increasingly concerned about the environmental impact of their purchases and are seeking products made from organic and recycled materials, as well as those manufactured using eco-friendly processes. This trend presents opportunities for companies to develop and market sustainable home textile options.

OUR RESPONSE

Green manufacturing

We use various sustainable production methods to minimise our environmental footprint:

- Usage of recycled materials to create new textile products. We have a social initiative called 'Spun' where women from local villages repurpose factory waste into handmade products. Each month, skilled women at Spun recycle 68 tonnes of waste from the factory to create beautiful handcrafted products
- Usage of organic products to achieve lower energy usage and healthier products. With the consistent increase from 45% to 75% in sources of Better Cotton Initiative (BCI) and Organic Cotton, Welspun India aims to achieve 100% sustainable cotton by 2030
- Through Welspun India's Wel-Trak initiative, customers can trace the journey of the cotton raw materials from the farm to the retail shelf. This ensures transparency and accountability in the supply chain

Customisation and personalisation

Consumers are increasingly seeking personalised and customised home textile products that align with their tastes and preferences. This trend presents opportunities for businesses to offer customisable options in terms of design, colour, fabric, and patterns.

OUR RESPONSE

Customer centricity

- We have a customer-centric and forward looking-approach that allows us to act as 'strategic partners' with our B2B customers, and gain the trust and value of our B2C customers
- We have invested in systems, such as Welspotted, BrainTrust, web scraping, and other focused consumer research for feedback from consumers, and towards making data-driven decisions

Online retail and Direct-to-Consumer (D2C) models

Online retail channels provide wider reach and accessibility for consumers, allowing them to explore a broader range of products. Additionally, the direct-to-consumer (D2C) model enables manufacturers to bypass traditional distribution channels, reducing costs and enhancing profit margins. Capitalising on online retail and D2C trends can help companies thrive in the evolving home textile market.

OUR RESPONSE

Embracing digitisation

- Our world-class technology creates solutions that increase efficiency and add value to our customers. Platforms such as omnichannel, D2C sites, and marketplaces have become central to our business
- We are modernising our systems and training our employees with a focus on 'digital as a new norm.'
- We are developing creative solutions for the evolving needs of our stakeholders

Shift toward branded players

Customers are making more deliberate choices by opting for brands that provide them with value-for-money products. Furthermore, there has been a notable increase in online shopping as it allows consumers to compare prices, quality, convenience, and other factors before making a purchasing decision. Moreover, consumers are actively seeking to support local businesses, prioritise mindful consumption, and embrace thriftiness in their shopping endeavours.

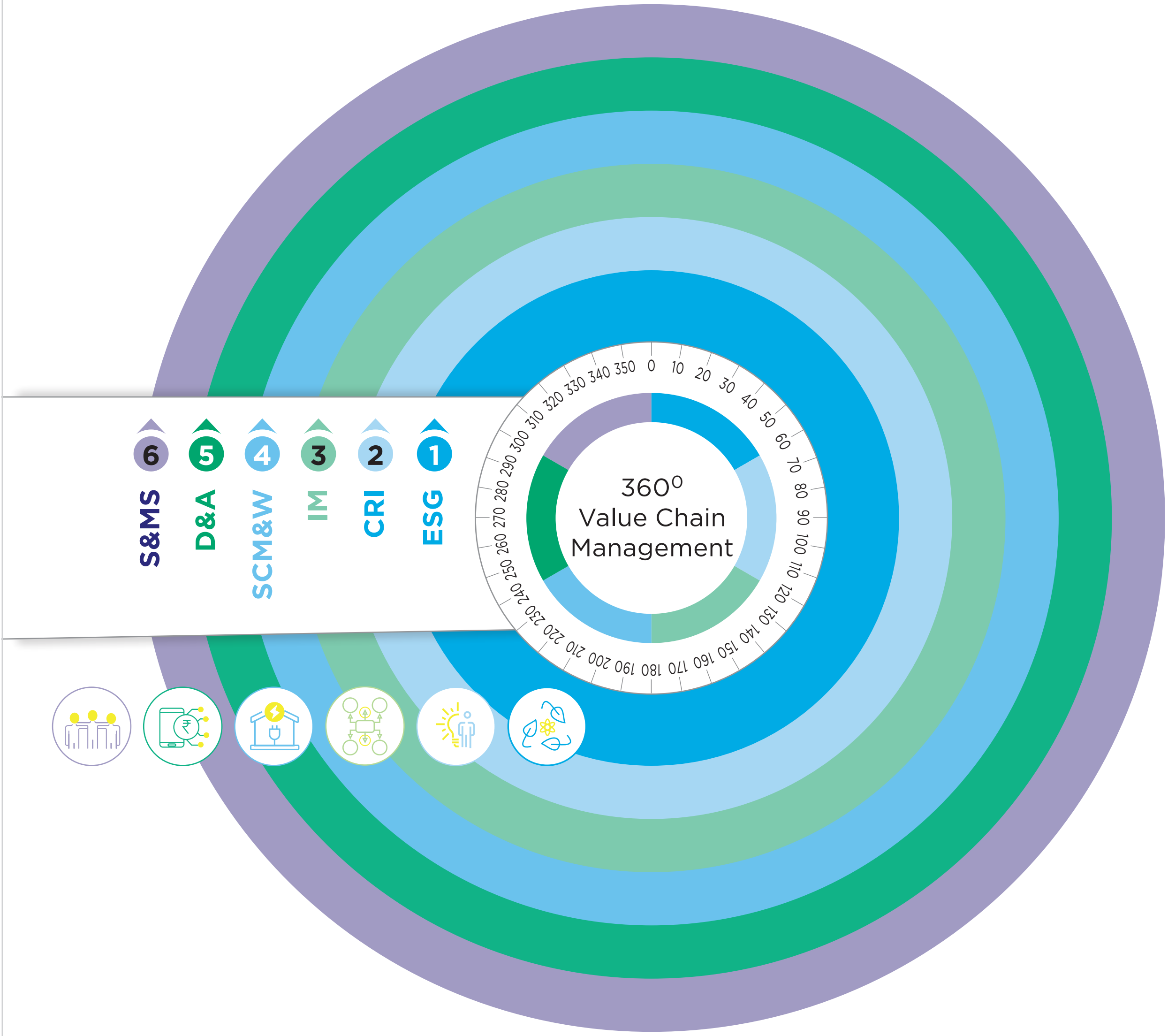
OUR RESPONSE

Strengthening brands

- Our business growth allows us to deepen our connection with various stakeholders across markets and product categories. In recent years, we have focused on growing our B2C business share by promoting specialised strategies for managing different brands across diverse channels and markets
- Our deeper understanding of the market has enabled us to launch Welspun 2.0, driven by our owned and licensed brands, emerging businesses, and e-commerce

Where comfort and style intersect

At the core of our strategy is operational excellence, enabling us to deliver customer excellence and maintain a competitive edge in the market.



1) **Environment, Social, Governance**

2) **Consumer Research and Innovation**

3) **Integrating Manufacturing**

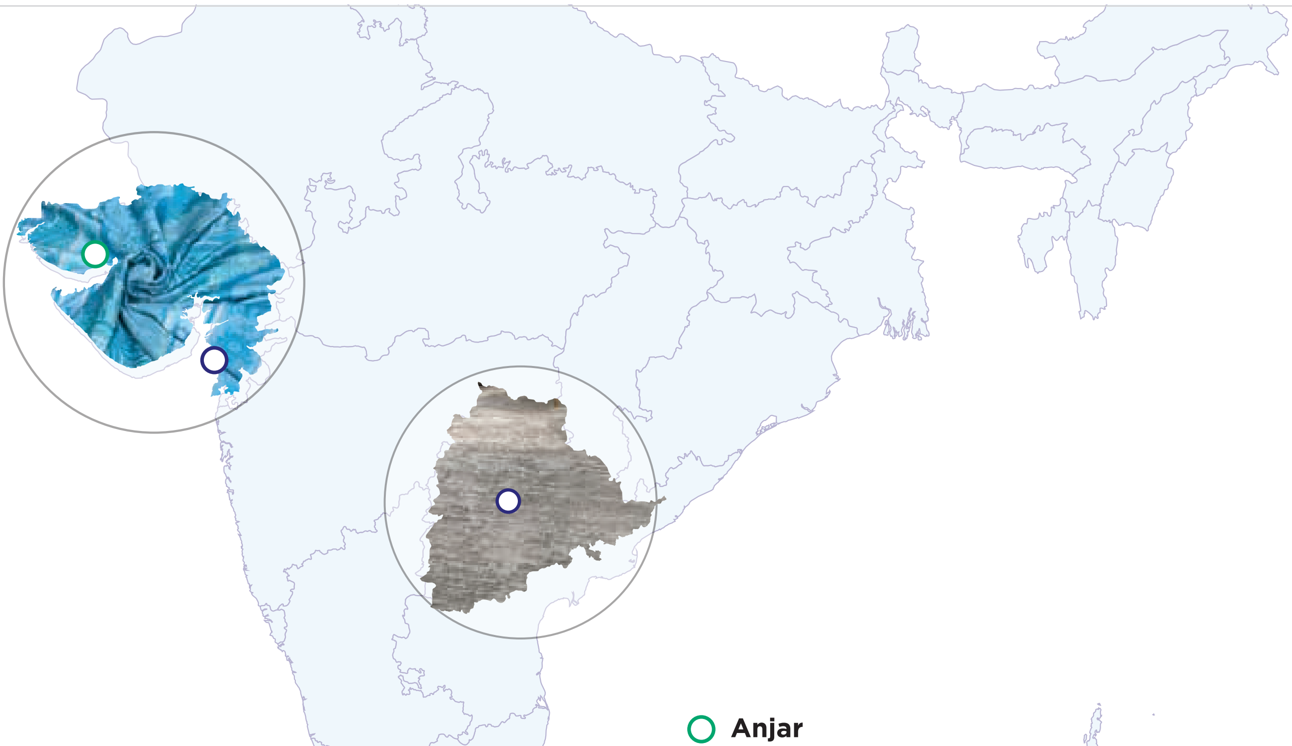
4) **SCM and Warehousing**

5) **Digital and Analytics**

6) **Sales and Marketing Support**

360^0 customer solutions

As the foremost strategic partner and solution provider, we pride ourselves on being the cornerstone of our core business operations. With our comprehensive 360-degree capabilities, we cover the entire spectrum from farm to shelf. Our vertically integrated facilities, including composite mills, a workers' colony near the factory, a cotton warehouse, ancillary vendor units, strategically located near ports, and a global distribution footprint, support our endeavours.



Integrated manufacturing

We have the world's largest, completely vertically integrated facility for home textiles located in Vapi and Anjar, both in Gujarat, along with a flooring facility in Telangana. Our manufacturing facilities consistently demonstrate outstanding performance in environmental indices, highlighting high levels of water and energy efficiency. We are committed to continuous innovation, developing smarter products, and implementing efficient and sustainable processes.

Anjar

Vapi

Telangana

Our products

Bedding solutions

We are a globally renowned premium bed sheet brand, known for our exceptional quality and our commitment to enhancing lives through the provision of plush, luxurious products. Our extensive collection comprises a diverse range of bed linen, bath linen, home textiles, and accessories.

Bath solutions

We provide a wide array of products, including towels, bathrobes, and rugs. Our manufacturing processes are guided by innovation, state-of-the-art technology, and a relentless pursuit of high-quality outcomes, catering to the diverse requirements of our global clientele.

Flooring solutions

Welspun Flooring is a fully integrated division specialising in both soft and hard flooring solutions.

Our comprehensive range of flooring products includes carpet tiles, rugs, and artificial turf. With our unwavering focus, we ensure the manufacturing of top-quality flooring options to meet diverse customer needs.

Consumer research

We prioritise active consumer listening through research and the Welspun Braintrust, informing our decisions regarding product development, consumer marketing, and retail assortment. This approach enables us to create innovative merchandising concepts across different price points, offering a multitude of features ranging from design to execution.

We consistently invest in consumer-centric innovation through various collaborations, employing inventive fibre blends to deliver a diverse range of solutions in sustainability, performance, wellness, fashion, and affordability.

Brands and licenses

As our home and innovation portfolio expands, we continuously strengthen our globally licensed and owned brand portfolio to align with evolving consumer preferences in different regions.

Recently, Welspun announced a brand licensing agreement with The Walt Disney Company for Europe, the Middle East, and Africa. This agreement grants Welspun the rights to design, develop, manufacture, and distribute a complete range of home textile products, leveraging the vast franchises and beloved characters across Disney, Pixar, Marvel, and Lucas brands.

Supply chain and analytics

Our warehouses are equipped with state-of-the-art supply chain management systems, and our dedicated team of professionals ensures robust distribution on both a direct-to-store and pick-and-pack basis.

Additionally, we have strategically located facilities in the US, UK, EU, and the Middle East supported by a strong supply chain management and co-planning team, providing inventory and vendor-managed inventory support. Our warehousing facilities in the USA also cater to e-commerce businesses, facilitating efficient shipments. Presently, we are investing in industry 4.0 technologies and capabilities to enhance supply chain management and plant efficiencies.

Engines of expansion

Catering to evolving consumer preferences globally, we fortify our home and innovation portfolio by continuously building and strengthening our globally licensed and owned brand portfolio. This ensures we stay ahead in meeting diverse market demands across regions.

In FY23, we signed a **brand licensing agreement with Disney** for Europe, the Middle East, and the Africa region, giving Welspun the rights to design, develop, manufacture, and distribute a complete range of home textiles products leveraging Disney's vast franchises and characters across Disney, Pixar, Marvel, and Lucas brands.

Owned brands

SPACES BED • BATH • RUGS

CHRISTY

Welspun FLOORING

Welspun

spun BY WELSPUN

WelHOME BY WELSPUN

KINGSLEY

Licensed brands

The Championships Wimbledon

Martha Stewart

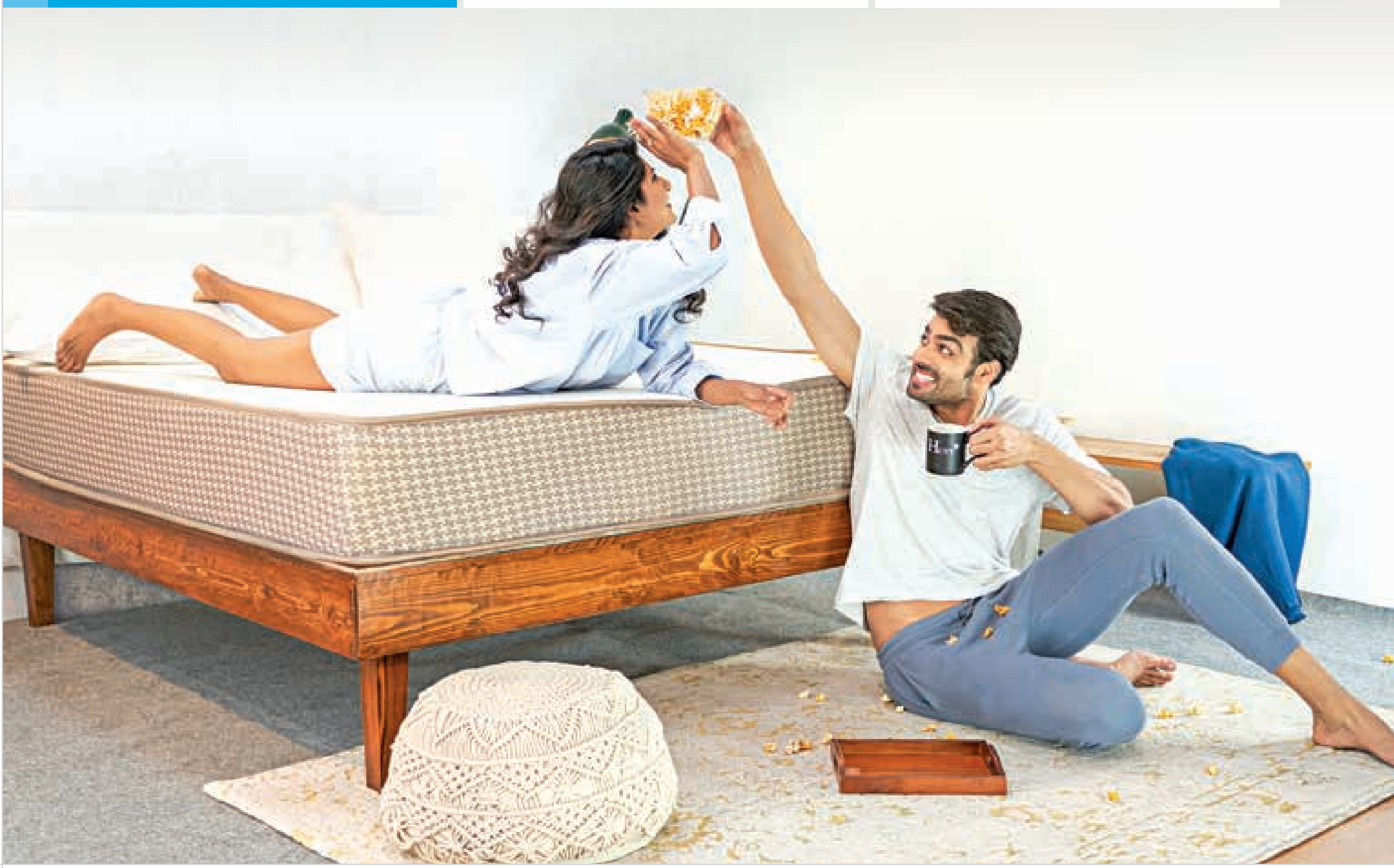
MARVEL

SCOTT LIVING

Despicable ME

Creative CO/Lab

Disney HOME



Owned brands: Domestic

We adopt a dual brand strategy, leveraging the 'Welspun' brand to cater to the mass market segment and the 'SPACES' brand to serve the premium segment. This allows us to effectively address the distinct needs and preferences of diverse customer segments.

Domestic consumer business

7.7%	**11.0%**
FY23	FY26 TARGET

	SPACES BED • BATH • RUGS	Welspun	Welspun FLOORING
Brand positioning	• Premium	• Mass market	• Premium market
Presence	• Top 40 cities focus • Presence in 380 towns • 2,818 outlets • 240 shop-in-shop locations	• Direct presence in 100 towns • 11,170+ outlets	• Top 40 cities • 572+ dealers
Early success	• Leading brand on Myntra in the home category • Improved brand awareness • Top brand in speciality stores • Most engaged Home Textiles Brand • Modern trade • Winner of Femina Power Brands 2022-2023	• Continues to be the #1 distributed brand in the home linen category in the country • Significant improvement in brand awareness • Welspun wins "Prestigious brands of Asia Award 2022-2023"	• D2C launch serving 500+ customers in year 1 • Marquee clients such as L&T Infotech, ICICI Bank, Infosys, Rakuten, Hyatt, Oberoi Hotels, PVR, Broadway Cinemas • Government projects onboarded such as ITPO (Pragati Maidan), IIMS Dehradun, IIT Patna
Target by FY26	• 10 lakh households • Top 70 cities focus • 4,000 Outlets	• 30 lakh households • 600+ towns • 50,000 Outlets	• 10 lakh households • 5,000 Dealers

Aims to be

Leader in the home textiles space in India by 2023.	**Innovative** and quality products available at an arm's length.	**Nationwide** presence in urban and rural, and becoming preferred partners for every modern trade and marketplace retailer.
Inspire affluent consumers to enhance their living spaces driven by comfort, elegance, and sustainability	Make Welspun the "Ubiquitous Brand of Home" in India	Helping consumers effortlessly redecorate their homes, floors up

Marketing our brands in FY23

Welspun

OOH

Delhi
Reaching 0.50 crore commuters in 1 month through Delhi metro branding

Mumbai
Reaching 1 crore consumers in a month through local train branding

Kolkata
10+ sites
0.20 Cr views

Hygiene campaigns

Multiple hygiene campaigns in the early half of the year to drive engagement and reach on platforms to ensure buzz around the brand before the festive season.

1.8 Cr
TOTAL REACH

Building an impact through India's most loved sport

Cricket holds immense significance in India, making it a platform for impactful brand visibility. Welspun made its presence felt during the India vs. Australia and India vs. South Africa tours in September and October '22, by securing perimeter boards and large screens inside the stadiums, ensuring high-impact visibility for the brand.

10+ Cr
TOTAL REACH

Partnering with Akshay Kumar

This year marked a significant milestone as Akshay Kumar became the brand ambassador for Welspun. During the festive season, advertisements featuring Akshay showcased the innovative 2-in-1 reversible bedsheet and Welspun Quikdry towels. This campaign played a pivotal role in building widespread brand awareness and generating the desired consumer pull.

36+ Cr
DIGITAL REACH

Welspun FLOORING

- 3 films launched for the festive campaign leveraging the proposition of 'Step up to Welspun Flooring'
- Focused print insertions in 5 cities: Delhi NCR, Mumbai, Pune, Hyderabad, Bengaluru

Full-funnel digital campaign on

35.4 lakh
VIDEO VIEWS

23.5 lakh
UNIQUE REACH

2.5 lakh
USERS WERE DIRECTED TO THE WEBSITE

SPACES
BED • BATH • RUGS

Chief Style Officer Season 3

Chief Style Officer Season 3 showcased sustainable and modern home décor designs. Style icon Malaika Arora, along with Susanne Khan and Ronita Italia, judged the show, mentored by Kamya Jani. The winner received ₹2 lakh, a Welspun flooring makeover worth ₹1.5 lakh, and the GoodHomes magazine cover page styling.

Festive campaign

360° plan for SPACES hygrocottonTM and air purifying bedsheets – focusing on print and outdoor mediums

70+
BUSES BRANDED

138+
SITES

30+
DAYS

3.34 Cr
READERSHIP (PRINT)

12 Cr+
VIEWS (OUTDOOR)

Licenced brands: Global

Our global brands such as Martha and Disney Home have become synonymous with quality and have been trusted by households for generations. Christy, with its 170-year legacy, stands as a distinguished luxury brand worldwide. As the official towel supplier of The Championships, Wimbledon since 1988, Christy continues to uphold its esteemed reputation.

Furthermore, we are actively diversifying into the digital realm to cater to the millennial demographic and expand accessibility.

CHRISTY growth pillars

Strategic initiatives

Growing brand.com presence	Growing B2B2C channel	Growing exports	Merchandise

FY23 initiatives

Growing brand.com presence
- Revamp UI/UX to build mobile-first website
- Improved product mix
- Built a strong loyalty programme
- More influencer tie-ups

Growing B2B2C channel
- Focus and grow presence in top 7 street retail customers
- Plan merchandise separately for discount retailers

Growing exports
- Re-strategise the Middle East
- Developed relation and sell-out strategy with new distributors in Australia, Canada, and New Zealand

Merchandise
- Towels: Increased penetration in B2B clients
- Bedding: Reviewed sourcing to bring comparable lines
- Develop extension
- Reduce MTO expansion for fashion bedding and export

Forging new frontiers of growth

With our expansion into diverse ventures like flooring solutions, advanced textiles, e-commerce, hospitality, and wellness, we aspire to redefine the home textile industry and establish ground-breaking trends in the flooring segment with our innovative and value-driven products.

Welspun flooring

We take pride in being the sole company to produce both hard and soft flooring solutions in a single LEED-certified plant. Our product range offers hassle-free installation within a day. Located in Telangana, our fully integrated greenfield facility boasts an annual capacity of 27 million sq mt, serving the home, hospitality, and commercial sectors.

Upcoming product lines

- **ResilonX - recycled PET yarn**
- **Lush green**
- **PurGloss - high gloss SPC**
- **Sports turf**
- **MultiStyle (Dryback product)**
- **Eco-friendly backing options in Carpets**

Marquee clients

Hospitality

Commercial

Key business features

600 Acres

Fully integrated greenfield facility in Telangana

120

Distributors nationwide

~1,100

Dealers nationwide

Architects and Interior Designers Connect with **800+ firms across B2B and B2C verticals.**

An **end-to-end service** in a D2C format across five cities for customers to change their flooring from the comfort of their homes.

Agile customer service – First contact with 96% of complaints within 24 hours and 87% complaint resolution within defined SLA.

ADVANCED TEXTILES

Our Advanced textiles business encompasses a wide range of non-woven products and stands out by employing three key technologies: Spunlace, Needlepunch, and Thermobond. With dedicated downstream conversion units for each technology, we can manufacture value-added products tailored to customer specifications.

FY23 Snapshot

₹347.21 Cr

SALES GENERATED

Spunlace

Born from innovation and refined by Hydro Entanglement non-woven technology, Spunlace caters to medical disposables, hygiene, and cosmetic industries.

27,729 MT

ANNUAL CAPACITY IN SPUNLACE SBU

FY23 highlights

- Spunlace recorded annual sales growth of 63%
- Secured prestigious Femcare exclusive contract from Large Multinational
- Launch of SPUN webpage on SPACES.IN (SPUN products are now available in India as well)
- Working across villages of Kutch with 15 centres of SPUN, empowering more than 300 beneficiaries and impacting more than 1200 lives

Wet wipes and Beauty Sheet Mask

Tailor-made wet wipes for end applications like baby care, personal hygiene, cosmetics, industrial use, and home care.

100 Mn packs

ANNUAL CAPACITY IN WET WIPES SBU

FY23 highlights

- Made record sales for SBU in FY23
- New Launches of beauty sheet masks with large global FMCG giant
- Addition of Wet Wipes capacity in the Telangana factory
- Developed in-house formulations for Wet Wipes and Beauty Sheet Mask as part of a quicker GTM strategy for new as well as existing clients

Needlepunch

Needlepunch is engineered for applications like air filtration, engine air filter (EAF), and liquid filtration in the Industrial oil, Fuel, Food and Beverage, Paint, and Pharma sectors.

3,026 MT

ANNUAL CAPACITY IN NEEDLEPUNCH SBU

FY23 highlights

- Won multiple projects with high performance products such as P84, PPS, Meta and Para Aramid, Opan, and under patent Welstrat across segments like Industrial filtration, protective apparel, composites, and auto filters
- Strengthened relationships with key customers in India
- Consolidated the position as a leader in the Indian market in the high-performance Filtration media space
- Made significant progress in multiple business development programmes in new geographies like Europe, the Middle East, and the US
- Initiated business development for new applications in protective apparel, composites, and upholstery

Fuelling growth through e-commerce

E-commerce has emerged as a strategic priority for us, prompting a realignment of our business lines. With a goal to transform into a digitally-driven organisation by 2025, we are dedicated to leveraging e-commerce's potential to steer our growth trajectory.

Our US e-commerce strategy follows a fast-growth model utilising two types of e-marketplaces.

The pureplay approach involves marketplaces such as Amazon and Wayfair, providing us complete control over assortment, programmes, SKU listings, and pricing. The second approach involves retail marketplaces, facilitating direct drop-shipping to customers via vendor-managed inventory.

Our sales strategy focuses on capitalising on high-demand products and timely spike promotions throughout the year.

Value enablers

Best-in-class tech stack

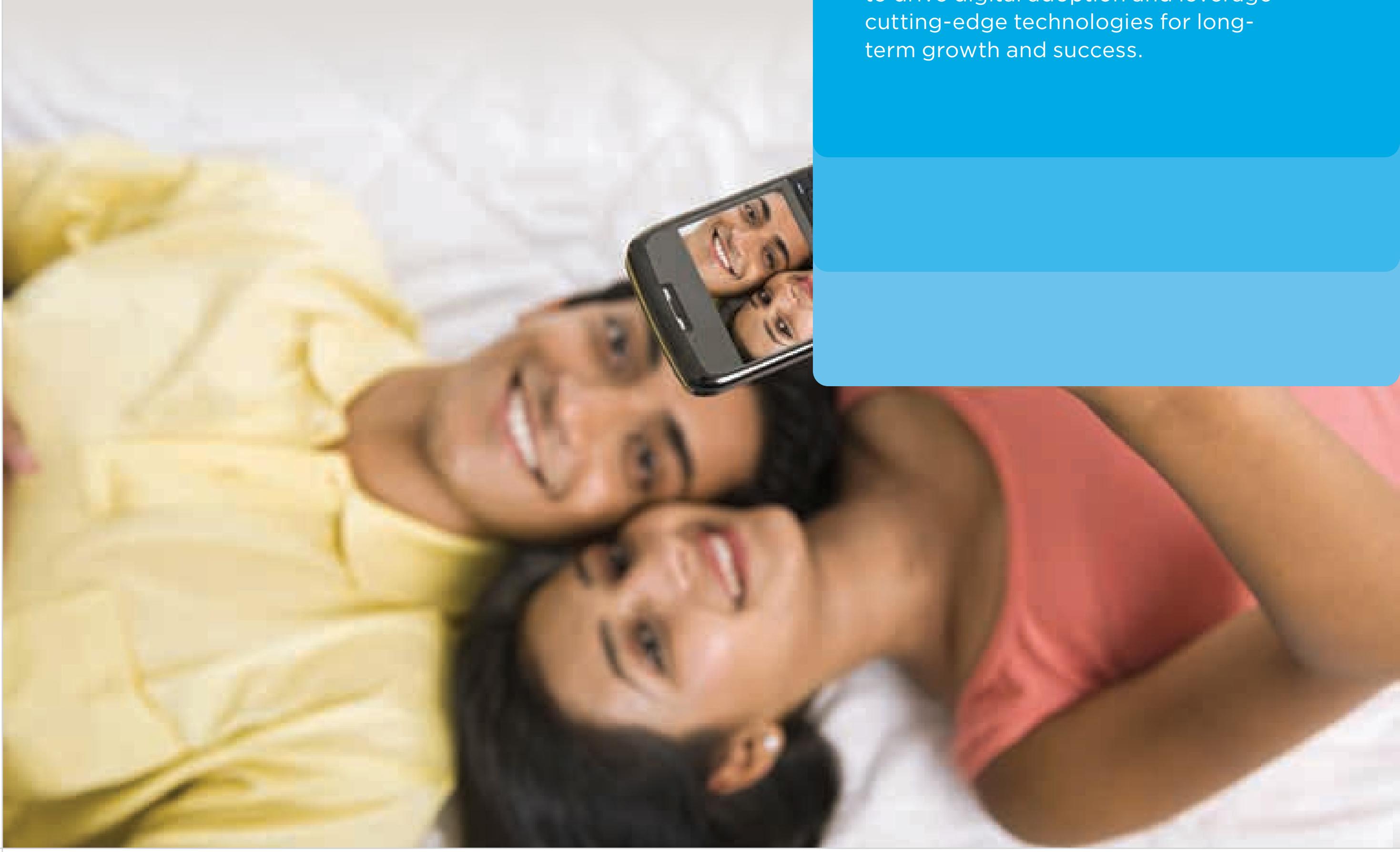
A best-in-class tech stack empowers us to optimise our operations, enhance efficiency, and drive innovation. By leveraging cutting-edge technologies, we can unlock new possibilities, streamline processes, and gain a competitive edge in the market.

Dedicated analytics support for profitable growth

Dedicated analytics support helps us drive profitable growth. By leveraging analytics capabilities, we can gain valuable insights, make data-driven decisions, and identify opportunities for optimisation.

Global platform partnerships

We aim to utilise our profound strategic partnerships with market leaders and technology partners. Through these collaborations, we aim to drive digital adoption and leverage cutting-edge technologies for long-term growth and success.



FY23 highlights

amazon

Martha Stewart on Amazon started in February.

Brands

42%

MIX OF LICENCED BRANDS

2.7x YoY growth

SCOTT LIVING

52x YoY growth

Revenue

$13.7 Mn

FROM ALL BRANDS

$9.5 Mn

FROM OMNICHANNEL

Multipronged strategy to drive growth

To stay competitive in e-commerce, we have crafted a multifaceted strategy, including these aspects:

Focus on three geographies	India	UK	USA
Enhance e-commerce Channel Growth	**Brand.com**	**Marketplace**	**Retailer.com**
Build and Grow Branded Business	**Own Brands**	**Licensed Brands**	
Develop Robust Supply Chain	**Inventory Planning**	**Network Design**	
Focus on Strong Technology Back-end	**Tech-Stack: Middleware PIM**	**Analytics - Global Command and Control Centre**	
Developing Right Organisation	**Centre of Excellence Organisational Model**	**Capability Building**	

Corporate overview Statutory reports Financial statements

Empowering growth through innovation

We persistently develop innovative products to attract new customers, drive business growth, and maintain our market leadership. Our continuous focus on innovation, product development, and research and development enables us to achieve these milestones.

We relentlessly pursue innovative solutions across our major markets and customers in soft home categories such as towels, sheets, rugs, carpets, expand (TOB), and utility bedding. With a holistic approach to wellness and sustainability, we enhance our thought leadership through global collaborations with technology partners and universities.

As a regional partner for the 'Fashion for Good' programme, we contribute to sustainable innovations and participate in initiatives promoting circularity, including the Sustainable Dyestuff Library and Sorting.

36

PATENTS FILED GLOBALLY RESULTING IN 100+ PATENTS GLOBALLY

19%

SALES CONTRIBUTION FROM INNOVATIVE PRODUCTS IN FY23

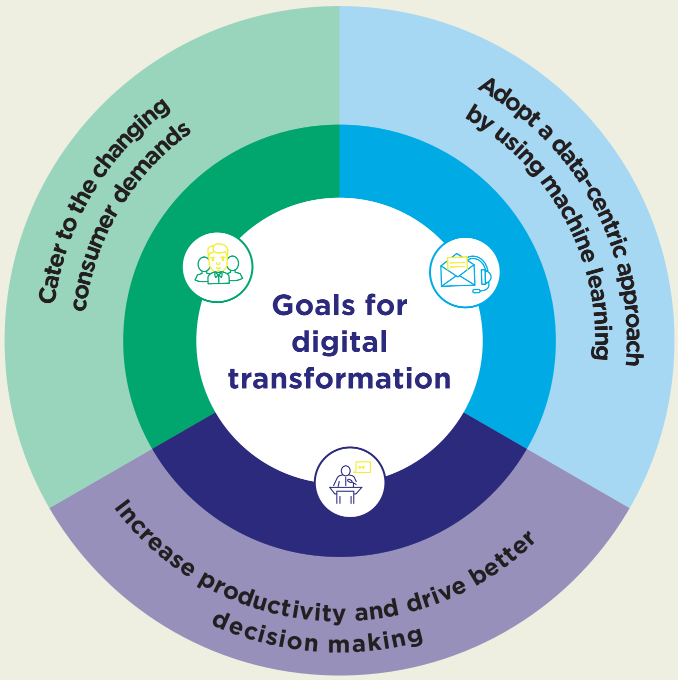
FY23 highlights

- Launched Dreamtec sheet, which is a novel innovation designed to enhance the body's natural cooling system. With attributes like cooling, drying, durability, sustainability, and wrinkle resistance, these sheets outperform traditional cotton percale, as validated by third-party testing.
- Launched Martha Kids, a new line featuring design themes such as travel, world geography, transportation, farming, and camping. This collection extends Martha Stewart's brand into bedding and bath products for elementary school children.
- Unveiled the latest iteration of HygroCotton, their signature product. This innovation marks the introduction of Hygro in a percale construction, overcoming technical challenges associated with hygro yarn.
- Introduced washable area rugs, a ground-breaking addition to their product line-up. These rugs are available in various constructions and patterns, designed for convenience with easy-to-carry packaging, and offered in store-ready Product Display Quarter pallets (PDQs).

- Launched power core cotton range of products launched in bedsheets and towels having high durability and quick drying properties.
- Showcased non-woven personal and surface wipes created by Welspun's Advanced Textiles division.

Embracing the digital era

The advent of digitisation has revolutionised business operations and value generation. Embracing a culture of experimentation, innovation, and constant improvement, we harness technology to propel us into a transformative future.



CASE STUDY

Innovation at its best: Our vision-based AI/ML algorithm

Our successful transformation of towel counting has overcome challenges like production gaps, financial losses, and counting inefficiencies. **Through the implementation of a vision-based AI algorithm, we achieved accuracy rates surpassing 99.8%.** This groundbreaking solution has boosted operational efficiency, minimised financial losses, and elevated OTIF, establishing Welspun as an industry leader in textiles. Also, We received India's most prestigious and prominent award from the National Association of Software and Services Companies (NASSCOM) under the 'Innovator Category' in FY23.

Analytics

- Create descriptive and predictive analytics solutions to help business teams make informed decisions on content listing, pricing, SKU optimisation, and inventory management
- Create a global e-commerce dashboard to view business KPIs across US, UK, and India
- Enabled 500 plus dashboards on our visualisation platform to further the agenda of analytics in the organisation

Finance

SAP treasury module

Foreign currency exposures and hedges are recorded to capture and manage risks related to fluctuations in foreign exchange rates. Additionally, automation is utilised for accounting in this regard.

Inter-unit GIT posting automation

A bot is deployed to extract data from government portals and shipping bills, enabling us to obtain customs revenue recognition dates. Consequently, account entries are automatically posted, ensuring error-free transactions.

Core processes

Process automation

Incubated robotic process automation capabilities to source data from multiple portals and systems to enable single view of key metrics.

Posting of freight provision and automation

Provisions are automatically booked and reversed (approving the service entries) for all the shipments. Automatic mail communication is sent to service providers about their Invoice booking. These automations improved the process and made it more accurate and reliable.

Manufacturing capabilities

Anjar

- Energy management system is being implemented in our plants for real time energy and utility (water and steam) monitoring across all machines enabling man/machine/material/ system integration.
- Real-time production and quality monitoring system is being deployed using IIOT to monitor real time production, productivity, and loss time tracking. Furthermore, digitisation is implemented for finished goods quality data, accompanied by a real-time feedback mechanism to enhance product quality. The system provides operators with real-time visibility of production, downtime, peer performance, and performance trends.
- To have better tracking and traceability further capabilities are built on the blockchain such as supply chain-related documentation, certificate and user management, B2B detailed traceability, and B2C QR code journey. Moreover, a blockchain-based mobile tool for field inspection is implemented for ginners and cotton inspection, featuring geotagging and support for multiple photographs.

Digital CX

- Leading distributor management system is being introduced in our home textile and flooring business. It automates entire sales and distribution process by giving visibility to our primary and secondary sales. Also, it provides mobile application to our field sales staff to get the orders directly from our retail outlets. The application offers a KPI dashboard as well, which provides information on compliance, productivity, and strike rate.
- Implementation of the most modern Shopify platform, which optimises the website's performance and also provides key features like Order status communications via WhatsApp to the customer.
- The same Shopify platform is used to build and host our brands SPACES (India) and Christy (UK) e-commerce website.
- Additionally, we have worked on the back end to enhance the customer experience by automating order fulfilment by integrating with the partner for order management system in India.
- Product information Management tool is introduced globally. Currently, it is being implemented and used by WUSA and WUK.

Cyber security

Security threat hunting

- Specialised exercise was carried out through one of the Big 4 partners for externally published websites and systems at Welspun. The exercise helped in improving Christy and Welspun Flooring Websites with more improved security controls and increased its security robustness.
- Comprehensive tools and process driven through the data protection programme was implemented to safeguard organisation's business critical data from data breach and data thefts. Technologies of data leakage prevention, data classification and documents rights management were deployed covering 10 major departments that included Finance, sales and marketing, design, compliance, operations and more. Project involves strict observation of data flow inside and outside for confidential & sensitive documents/ data/information and take actions such as block as per business need.
- Security threat management: As part of biannual security threat management programme, comprehensive vulnerability assessment and penetration testing was carried out across entire IT landscape and controls were improved resulting into more robustness and mitigate cyber risks and threats.

Balancing people, planet, and profit

Deeply rooted in our business values is a strong dedication to responsibility and the well-being of our stakeholders.

Our approach to sustainability

We have embraced an innovative and all-encompassing ESG approach, which we proudly refer to as 'WELOCITY' - a transformative approach to ESG that emphasises economic growth, environmental conservation, and social empowerment with a focus on acceleration.

With Welocity, our commitment goes beyond the well-being of our stakeholders throughout our business journey. Through unwavering dedication to sustainability and responsible practices, we are driving transformative change for a healthier, happier, and more sustainable world, one step at a time.

Creation of world-class manufacturing facilities	Creation of an enduring brand image	Empower our workforce	Generation of shared value
In our pursuit of environmental excellence, we aim to enhance our world-class manufacturing facilities by conserving resources, maintaining efficiency, and improving product quality.	We are looking for customers who share our commitment to preserving the planet for future generations. By setting a new standard in sustainable business practices, we are pushing the boundaries of what is possible.	Our workplace is inclusive, empowering every team member to bring their unique perspectives and talents to the table. By fostering a culture of empowerment, we are building a skilled and socially conscious workforce with a shared sense of purpose.	Our social responsibility is to create sustainable value for our business and the communities we serve. We empower communities to play an active role in their development, partnering with them to create a more prosperous future for all stakeholders.

Next-Gen Blockchain Innovation for Enhanced Supply Chain Transparency: Welspun's Wel-Trak 2.0

Wel-Trak 2.0 Blockchain is more than just a solution — it is a testament to our values and commitment to creating a better future. By embracing the power of blockchain technology, we are able to bring unprecedented levels of transparency and traceability to the textile industry, setting a new standard for responsible business practices. Wel-Trak 2.0 Blockchain, is paving the way for enhanced supply chain management and accountability like never before.

Our transformation

Sustainability scorecard

We transparently track our progress, identify areas for improvement, and demonstrate our commitment to building a sustainable future for generations to come.

	Carbon neutral	Sustainable cotton	Sustainable supply chain
Metrics	Scope 1 Scope 2	• Percentage of cotton sourced sustainably • Number of farmers enrolled in sustainable farming practices	• Percentage of Tier 1 suppliers assessed ((audited on social and environmental aspects) • Percentage of total suppliers assessed ((audited on social and environmental aspects)
Goals and Targets	**Carbon neutral by 2030**	• **Sourcing 100% sustainable cotton by 2030** • **Engage with farmers to grow BCI as well as organic cotton**	• **100% critical suppliers by 2025 and 100% suppliers by 2030**
FY23 progress	**Scope 1 - 3,14,802 tCO_2e** **Scope 2 - 4,96,417 tCO_2e**	**75%** **16,545 farmers engaged**	**81%**
Status	On track	On track	On track

Freshwater	Waste	Empowering communities
• Total water intake • Fresh water intake	• Hazardous waste sent to landfill	• Lives impacted through CSR
• **Freshwater positive (in production operations) by 2030** • **Reduce current freshwater usage by 50% in 2050**	• **Zero hazardous waste to landfill (ETP chemical sludge) by 2025**	• **Impacting one million lives by 2030**
42,26,037 KL **18,73,702 KL**	**45.6 MT**	**Impacted 5,07,848 Lives**
On track	On track	On track

ESG as a driving force

> Our Board is fully committed to being an active participant in this journey toward achieving these goals. By working together, we can make a meaningful and positive impact on our environment and society.

K. H. Viswanathan
Lead Independent Director

Dear esteemed stakeholders,

It gives me pleasure to communicate with you as Lead Independent Director. I would also like to acknowledge the contributions of Mr. Arun Todarwal, who served as the Lead Independent Director until July 1, 2023. During FY23, the Board's focus has been on raising the bar on governance higher than before.

The Board actively pursued ESG initiatives and internal controls, constantly monitoring and enhancing their effectiveness. Stakeholders are encouraged to review our 2nd Business Responsibility and Sustainability Report (BRSR) to gain insights into the Company's achievements in ethics, sustainability, and governance.

We diligently promoted awareness among stakeholders about the web portal for reporting ethics issues and whistle-blower complaints. By fostering transparency and accountability, we aim to discourage unethical behaviour and create a strong deterrent against such practices.

The Board maintained strong momentum in instilling risk awareness and implementing mitigation activities across all locations. Recognising the importance of such initiatives in every aspect of our organisation, the Board firmly believes that these efforts will yield substantial benefits in the future.

During FY23, the Board of Directors has taken significant steps to enhance our reporting systems, ensuring the smooth operation of internal controls. This proactive approach has enabled us to address and discuss high-risk matters objectively and impartially at the Board level.

Notably, we achieved an impressive score of 59 on the Corporate Sustainability Assessment conducted by Dow Jones Sustainability Index (DJSI), compared to a previous score of 48. This outstanding achievement places us among the top five percentile global textile companies on DJSI's Corporate Sustainability Assessment, further highlighting our commitment to sustainable practices and responsible business operations.

We have made significant strides in its transition to renewable energy by increasing the capacity for the supply of renewable energy across various operational locations.

We firmly believe that achieving higher environmental, social, and governance (ESG) standards, promoting sustainability in our operations, and ensuring transparency in governance are collaborative efforts involving all stakeholders. Our Board is fully committed to being an active participant in this journey toward achieving these goals. By working together, we can make a meaningful and positive impact on our environment and society.

Best regards,

K. H. Viswanathan
Lead Independent Director

Governance structure

Our organisation has a distinctive three-layered governance structure that serves as the foundation for our ESG action plans, guiding us toward a sustainable and prosperous future. This structure sets a clear direction for our journey, ensuring that we prioritise environmental stewardship, social responsibility, and ethical business practices at its core.

Our approach to ESG

Materiality analysis	Maturity assessment	Gap analysis	Roadmap development	Communications and reporting
Identifying Environmental, Social, Governance issues and categorising under priority material themes	Identifying current position, comparison of ESG related systems and processes across peers	Setting of targets such that current gaps and/or improvement areas can be identified	Formulation of a strategic roadmap outlining key actions and strategies	Public reporting and disclosures of ESG performance

Key considerations

Global trends	**Customer goals**	**Peer analysis**	**Global reporting frameworks**	**ESG ratings**

Greenprint for the future

At Welspun, we take a holistic approach, focusing on the impact we have on our surroundings. Embracing a circular model, we prioritise ecosystem restoration and sustainability throughout our operations.

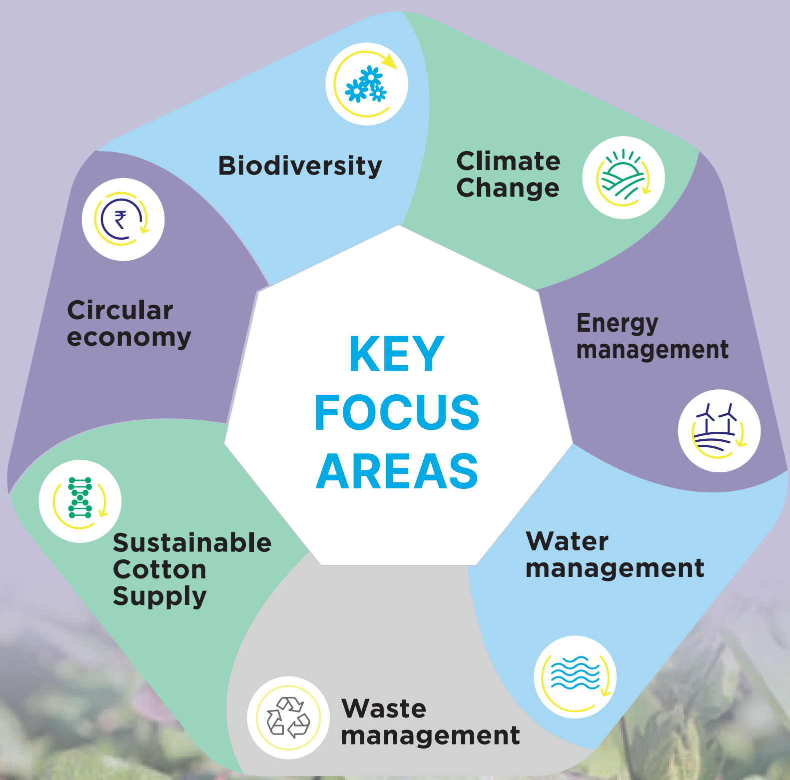
WELOCITY accelerates our journey toward a sustainable future.

Ranked

TOP 100 MOST SUSTAINABLE COMPANIES IN INDIA

Implemented

ISO 14001 ENVIRONMENTAL MANAGEMENT SYSTEMS AT BOTH MANUFACTURING SITES



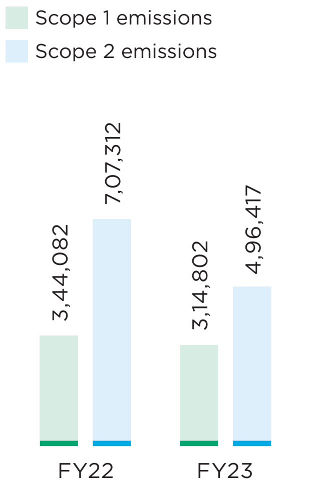
Climate change

We prioritise innovative solutions that reduce greenhouse gas emissions through the adoption of low-carbon technology and process enhancements. By utilising the SBTi methodology, we track our progress, including Scope 3 emissions, and work towards the SBTi Net Zero target to safeguard our business from potential carbon taxes.

With a strong commitment to becoming carbon neutral by 2050, we have implemented circular systems throughout our operations. Our manufacturing facilities in Anjar and Vapi have adopted significant energy conservation measures to mitigate the impact of climate change. Additionally, we proudly hold the esteemed OEKO-TEX® Standard 100 certification, reflecting our dedication to sustainable production.

To address climate risk, we conducted a comprehensive climate risk study based on the Task Force on Climate-related Financial Disclosures (TCFD) framework. This study has provided valuable insights into the physical and transition risks facing our organisation. Since then, we have consistently implemented measures to reduce climate risks, ensuring the resilience of our operations.

GHG footprint
(tCO_2e)



20% RE
2025 TARGET

CASE STUDY

EMBRACING RENEWABLES, PHASING OUT COAL

We are actively working towards eliminating coal from our energy generation methods and embracing renewable alternatives such as solar and wind power. At our Anjar location, we are in the process of establishing a 30 MW solar power plant on our premises. Similarly, at Vapi, the power developer will construct an offsite facility to supply renewable energy. We anticipate that both sites will commence receiving green power during FY24, marking a significant step forward in our transition toward sustainable energy sources.

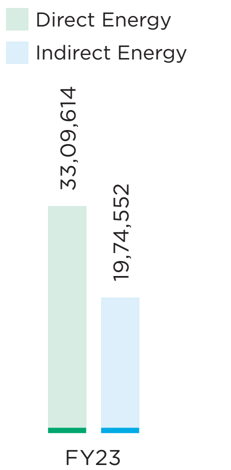
Energy management

To achieve carbon neutrality by 2030, we are taking bold steps to reduce our energy footprint and transition to renewable energy sources. We are implementing energy-efficient devices, optimising our HVAC systems, and integrating VFDs into our operations. By 2025, we aim to increase our use of renewable energy by 20%, with the goal of being 100% reliant on renewable energy by 2030. We are committed to acting now to make a positive impact on the planet for generations to come.

Key features

- Process improvements, heat recovery systems, bringing in new technology, etc.
- Encouraging employees to save energy in offices and using LED lighting
- Use of solar drier for the ETP sludge generated at Anjar for reducing moisture content before firing in the boilers
- Waste to energy – food, as well as horticulture waste, is converted to biogas which is used in our kitchens as fuel for cooking purposes

Source of Energy (GJ)



CASE STUDY

FROM WASTE TO ENERGY

Our bio-gas generation project in Anjar exemplifies our commitment to green energy and efficient food waste management. We have established a Biogas digester with a capacity of 90 metric tonnes to convert food waste into clean energy. Operating at full capacity, this plant produces 4 metric tons of biogas annually, fulfilling the cooking requirements of our staff canteen.

Furthermore, we have plans to set up a larger-scale plant capable of processing 730 metric tonnes of food waste, generating approximately 22 metric tonnes of biogas each year.

INNOVATING FOR A GREENER FUTURE

In our pursuit of cleaner and more sustainable energy solutions, we have successfully harnessed blast furnace waste gas (BFG) as an alternative power source. This innovative endeavour has significantly reduced our reliance on coal for energy generation, effectively transforming waste into a valuable fuel resource. By capturing, purifying, and utilising BFG, we generated an impressive 83,33,819 units (KWH) of electricity during FY23.

Notably, this project has also contributed to the mitigation of greenhouse gas emissions. With a lower emission factor compared to coal, the utilisation of BFG supports our ongoing efforts to combat climate change and promote a more sustainable future.

Water management

We recognise that water is a valuable but scarce resource, which presents a significant challenge to industries, including our own. To address this issue, we are taking steps to reduce our freshwater consumption, maximise recycling, and promote water efficiency. Our goal is to minimise our water footprint and reduce our water intensity to 5KL/MT by 2025.

Additionally, we are committed to ensuring the sustainability of local water sources in all locations where we operate. As an example, we have partnered with the State Government to support initiatives like the Sujalam Sufalam Abhiyan, which focuses on conserving water bodies in Gujarat.

5KL/MT

TARGET 2025: REDUCTION IN WATER INTENSITY

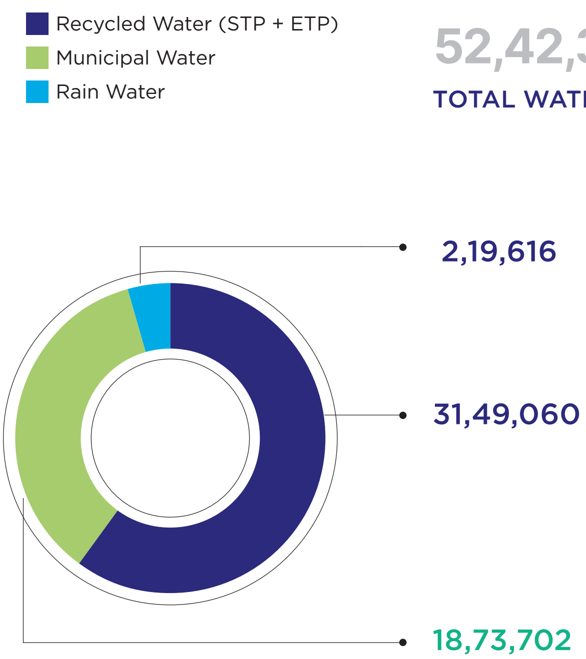
Flowing towards sustainability: Water management at Anjar

Anjar's dedication to sustainability is evident through our ground-breaking water management project. Collaborating with local municipal bodies, we established a robust sewage treatment plant, efficiently collecting and processing public sewage. By utilising treated water for operations, we achieve significant water savings, surpassing industry standards and contributing to a healthier planet.

Water withdrawal by source
(In KL)

52,42,379

TOTAL WATER INTAKE



Waste management

Embracing a proactive approach, we continuously identify areas for improvement to push the boundaries of sustainability, aiming for a waste-free future by 2030. Our comprehensive waste management practices encompass waste segregation, textile waste recycling and upcycling, responsible disposal of hazardous waste, and waste reduction at the source.

We strictly adhere to applicable laws and regulations enforced by State Pollution Control Board, emphasising our commitment to environmental responsibility. By segregating and managing hazardous and non-hazardous waste accordingly, we strive to minimise landfill waste, sending plastic and paper waste to recyclers whenever possible.

Key Features

- Sustainable Packaging - usage of FSC-certified paper packaging and introduced LDPE packaging containing 30-50% of r-LDPE content (recovered from plastic packaging scrap generated in-house)
- Metal waste from Welspun India Limited factory is sent to a Group Company
- Paper waste from the facility is sent for recycling
- Waste cuttings from bedsheets and towels are recycled to make cotton fibres used in stuffing pillows
- ETP sludge from the Anjar factory is now being used as a source of fuel which will substitute the use of fossil fuels and will also lead to zero hazardous waste sent to landfills

Zero

HAZARDOUS WASTE TO LANDFILL TARGET 2030

Sustainable cotton supply

At Welspun, we are committed to a sustainable and resilient supply chain. Our Supplier Code of Conduct sets expectations for our partners, and we assess suppliers to identify those who share our values.

We are working with raw material suppliers to reduce carbon emissions and support a low-carbon economy. We are also mitigating GHG impacts with our logistics partners through options like fuel switching and route optimisation.

Sustainable cotton sourcing and farming

In line with our objective to attain 100% Sustainable cotton by 2030, we have been progressively adopting the Better Cotton Initiative (BCI). Our team actively promotes sustainable cotton farming practices, collaborating with farmers in Gujarat, Maharashtra, and Telangana. Through the use of natural fertilisers and pesticides, we enhance soil health, increase carbon content, and improve fertility and crop productivity.

1,65,000+

ACRES LANDBANK OF SUSTAINABLE COTTON FARMING

16,545

FARMERS TRAINED IN GOOD AGRICULTURAL PRACTICES.

Circular economy

The shift from linear to circular systems is crucial at Welspun. Thus, to prioritise pre and post-customer waste management, we recycle LDPE instead of virgin polyester and utilise the textile waste for packaging to reduce our plastic consumption. We process our horticulture and kitchen waste in biogas plants to produce compost and energy, making waste a valuable resource.

76%

SUSTAINABLE PACKAGING

Course of Action

Conducted
Life Cycle Assessments (LCA) of our product to identify opportunities for further reducing our environmental impact throughout the value chain.

Compliance with
Organic Textile Standard (GOTS) and OEKO-TEX® Standard 100.

Adopted
ZDHC (Zero Discharge of Hazardous Chemicals)

SA 8000 certified
Factories

Operations based on
SMETA (Sedex Members Ethical Trade Audit) ethical audit formats (4 Pillar)

Scored 95% **on Higgs Index**

*Score is **2.5 points higher** compared to the previous year.

At Welspun, we are committed to manufacturing our products in an economically sound manner that is socially responsible and environmentally sustainable.

Certifications

Biodiversity

Our focus is on reducing our ecological footprint and minimising our environmental impact. To achieve this, we have undertaken initiatives such as afforestation and native tree plantations in Anjar. These efforts have created a flourishing ecosystem that has positively impacted local wildlife. Additionally, we have established two lagoons in the region, providing neighbouring communities with access to clean water.

We undertook extensive tree plantation, planting 5,51,031 trees and 5,53,559 shrubs, to embody the concept of being a 'factory in a garden.'

5,50,000+

TREES PLANTED FOR IMPROVING GREEN COVER

Promoting sustainable living

At Welspun Flooring Limited, our vision is to harmoniously blend all elements of the biosphere and empower individuals to reimagine their lives through sustainable growth.

We strive to achieve this by seamlessly integrating sustainable practices into our operations, systems, and processes, ensuring that we stay in equilibrium with the triple bottom line.

Our focus

Zero waste

- Embracing a regenerative economy and circularity as a cornerstone
- Adopted Zero waste to disposal
- SCS Global Services has awarded us certification under the Zero Waste Programme, demonstrating our dedication to waste reduction

Reduce, Reuse, Re-Produce, and Recycle (4R)

- We prioritise the 4Rs - Reduce, Reuse, Recycle, and Recover
- We have a closed-loop system that recycles and reuses all liquids, achieving zero liquid discharge

Zero emissions

- Regular assessment of energy consumption and emissions levels to identify areas for improvement
- Our operations are powered by bio waste and other biogenic fuel sources
- Shared transportation for employee travel

Zero non-renewable energy

- 30% share of renewable energy
- 100% renewable by 2030

Energy from Agri-Waste

From the outset, Welspun Flooring has used environment friendly energy source to generate steam for its operations. We have established rice husk based boiler for generation of steam. This has helped the site to reduce its scope 1 GHG emission. In the last financial year, the site utilised 5,364 MT of rice husk in its boilers. This has helped the site to avoid burning of coal or other fossil fuel.

The project saved 8,672 TCO_2e from being emitted to the environment.

FY23 highlights

81,249 KL
WASTEWATER REUSED IN GARDENING

11,88,886 KWH
ELECTRICITY SAVED BY ENERGY INITIATIVES

6,802 trees
PLANTED AT PRODUCTION FACILITIES

6.2
MJ/KG ENERGY INTENSITY

1,464 MT
YARNS MANUFACTURED FROM R-NYLON AND RESILON X PLASTIC CHIPS

32%
GREEN COVER AT PRODUCTION FACILITIES

100%
CARTON USED FOR PACKAGING IS MADE UP OF RECYCLED PAPER

30%
SHARE OF RENEWABLE ENERGY

Our Green product and facility certifications

Product certifications

- **Green Pro** certification for all products, ensuring they are environmentally friendly throughout their life cycle
- Third-party verified **LCA** and **EPD** for our products, evaluating and quantifying their environmental impact
- **CE certification** for SPC, PET, and Nylon carpet tile and wall to wall products, meeting environmental, health, safety, and protection standards in the EEA
- **GREENGUARD GOLD** certificate for all products, meeting the world's highest standard for low chemical emissions
- **CRI GLP certification** for BCF and POY yarns, ensuring low chemical emissions for carpet, adhesive, and cushion products
- **Global Recycling certification** for recycled products in soft flooring
- **CRI GLP and Indoor Advantage Gold certification** for higher standards of indoor air quality, assuring that the carpet product meets the most stringent criteria for low VOC
- **SGBP certification** for Click N lock tiles and Nylon carpet tiles, with 3 ticks as excellent
- **NSF/ANSI 140 Gold rating** for wall to wall and carpet tile products, meeting EPA and GSA procurement requirements
- **FloorScore certification** for SPC, ensuring VOC content is less than 0.5 mg/m3
- **OEKO-TEX® certification** for BCF and POY yarns, certifying they are free from harmful levels of more than 100 substances known to be harmful to human health

Facility certifications

- **STeP**-Sustainable Textile Product level 2 certification for sustainable textile production
- **IGBC platinum certification** for manufacturing facilities
- **Zero Waste Standard certification,** with 98% diversion from landfills during a 12-month review period1
- **Certified integrated Management System** (ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018)
- **LEED BD and CV4 certification** by US Green Building Council for manufacturing facilities

Building bridges of trust

Our business is built on collaboration, empathy, and inclusive dialogue. Together, we can construct a world where equality, justice, and compassion are the pillars of society.

We proactively respond to the urgent global need for sustainable practices, fostering a strong connection with our surrounding communities.

With an unwavering dedication to education, empowerment, environment, and health, we collaborate closely with neighbouring villages to positively impact and enhance their quality of life. Our commitment to sustainable development is embedded in everything we undertake, ensuring a harmonious balance between present and future needs.

People

People lie at the core of our organisation at Welspun. We foster a unified and supportive environment, considering ourselves as one family. Our success is intertwined with employee's development, and we are committed to upholding human rights, embracing diversity, fostering inclusivity, and providing equal opportunities for professional growth and advancement.

Diversity and inclusion

At Welspun, equality and opportunity are fundamental values. We nurture an inclusive environment that celebrates diversity, conducting business practices without bias or discrimination. As an equal opportunity employer, we maintain a diverse workplace, welcoming individuals from all backgrounds.

25%

WOMEN ACROSS ALL LEVELS

Employee engagement

Employee engagement is a top priority at Welspun. We actively involve our employees through effective communication, recognition programmes, and a supportive work environment. By valuing their input and creating a sense of belonging, we cultivate a highly engaged workforce that drives our success.

Key features

- Employee communications – We believe in transparent two-way communications with our employees using multiple channels throughout the year.
- Leader Connect – Quarterly connect with Leaders and APEX across BU of WIL catering to various on-going agendas/ developments/concerns, if any.
- Festivities and Celebrations – Bringing the element of Fun and Togetherness with Festivities and Celebrations.

- Culture Feed – Reiterating the culture pillars of LITE through various communications, workshops, connects, etc.
- Global Townhall – Showcasing financial Performance of the last Quarter and insights on various agendas/frameworks. Conversations with business leaders of WIL, enlightening the employees regarding strategic projects and new trends in the industry.

Learning and development

At Welspun, we foster a culture of continuous learning and development. Through targeted programmes and resources, we empower our employees to enhance their skills, expand their knowledge, and grow both personally and professionally.

Key features

- NowledgeHub Coursera – We have partnered with "Coursera" as an e-Learning Platform providing industry wide courses across levels with Global Certification and Accreditations
- DigiSmart is our Associate Development Programme to up skill them on various aspects pertaining to Technology, Automation and Industry 4.0. Over 4300 Associates trained.
- Creating Value by driving Innovation through our Flagship programme "Manthan" – With this initiative we promote employees and associates to contribute ideas that have a business impact and once implemented get rewarded too. A total of 39 ideas have been implemented and achieved a savings of 25 Crore.
- WeAspire: We believe in nurturing high potential employees as a part to build our Leadership and Succession Pipeline through effective career planning and coaching.
- WCAP (Welspun Career Acceleration Programme) – Focuses on grooming talent at the entry level hired through Top ranking Engineering and Business schools.

Health and safety

We take proactive measures to ensure the health and safety of our workforce. Upholding human rights is a fundamental pillar at Welspun, and we strive to align our practices with internationally recognised standards across all regions.

92,103 hours

HOURS OF SAFETY TRAININGS

Community

Education

WelShiksha

To enrich the teaching and learning experience for both teachers and students, we have embarked on an initiative to digitilise government primary school classrooms, creating a more conducive learning environment. Additionally, community-driven initiatives have been implemented to foster a comprehensive understanding of education's significance and garner support for these initiatives across the entire community

500+

CLASSROOM INSTALLATIONS

1,00,000

STUDENTS REACHED

Empowerment

WelNetrutva

We strive to empower individuals in targeted locations, promoting sustainable livelihoods. This project focuses on generating sustainable agricultural and non-farm livelihood opportunities for women, farmers, and Self-Help Group members.

41,000+

BENEFICIARIES

9,360

FAMILIES GOT A DIRECT BENEFIT OF ₹152 LAKH THROUGH CONVERGENCE + 81 ARTISAN CARDS

Welspun Super Sports Women programme

Our mission is to empower female athletes hailing from challenging backgrounds, enabling them to achieve their sporting aspirations and become ambassadors of change. Through our support, we strive to uplift these individuals, providing them with opportunities to excel and make a positive impact in the world of sports.

32

ATHLETES

166

MEDALS

21

SPORTS

Health

WelSwasthya

Our objective is to enhance both preventive and curative health services for adolescent girls, women, and the broader community. We are dedicated to improving healthcare access, promoting wellness, and addressing the specific health needs of these individuals, ensuring a healthier and thriving community overall.

1,50,000+

BENEFICIARIES

1,428

BENEFICIARIES IMPACTED THROUGH THE CONVERGENCE OF ₹7,140 LAKHS

We Volunteer

We Volunteer is a programme that actively supports and encourages its employees to contribute to the community for mutual benefit. By fostering a culture of volunteering, we empower our employees to make a positive impact, benefiting both the community and their personal growth.

4,499

EMPLOYEES ENGAGED

5,700+

VOLUNTEERING HOURS

WelSuraksha

The programme aims to decrease road accidents and enhance emergency response services for accident cases. It achieves this by conducting road safety awareness campaigns and providing certified training to communities residing near highways. By promoting safety and building necessary skills, we strive to create a safer environment for all.

74,000+

COMMUNITY MEMBERS REACHED

Environment

WelKrishi

Through the WelKrishi programme, our teams collaborate with the farming community, employing an integrated approach. We assist farmers in cultivating superior crops, guide them in accessing government schemes, and provide support through dedicated and experienced individuals in the field. Our goal is to empower farmers and promote agricultural prosperity.

1,01,000

BENEFICIARIES

WelPrakruti

Welspun's commitment to environmental sustainability is encompassed within the WelPrakruti programme. This initiative encompasses all activities aimed at preserving and nurturing nature. Through this programme, we prioritise green initiatives that promote a harmonious relationship with the environment and contribute to the overall well-being of our planet.

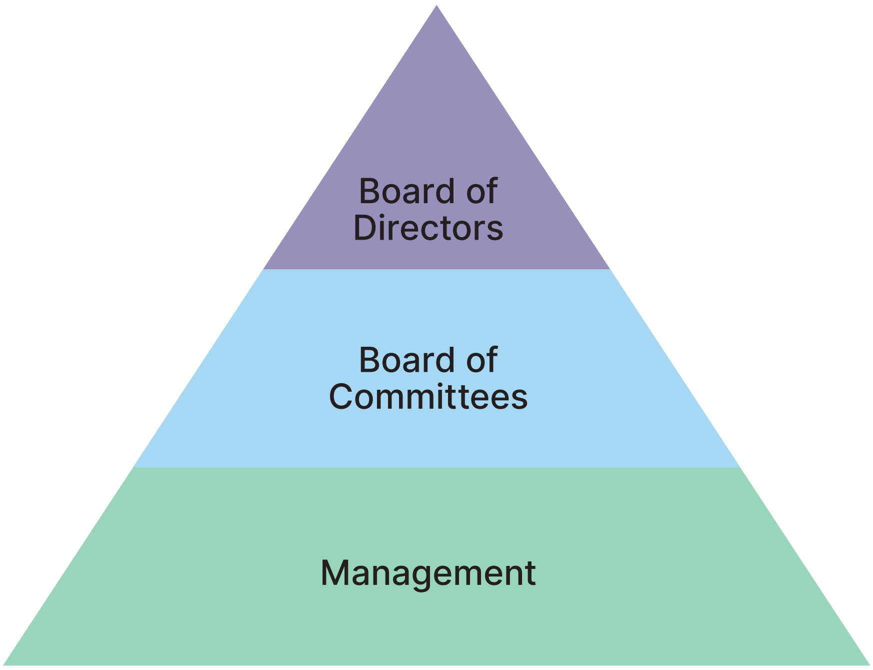
9,505

TREES PLANTED

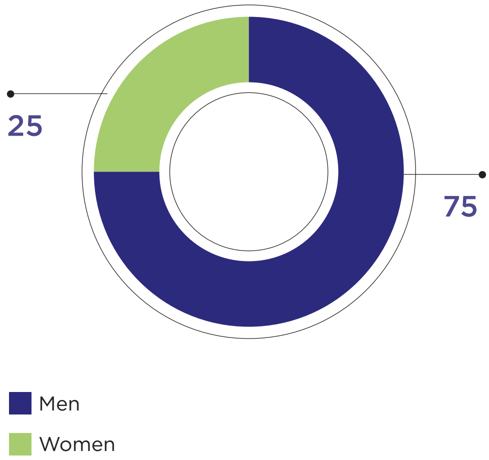
Harmonising progress and accountability

Upholding the principles of Corporate Governance, we emphasise transparency, accountability, and integrity to foster investor trust and achieve the highest standard of governance practice.

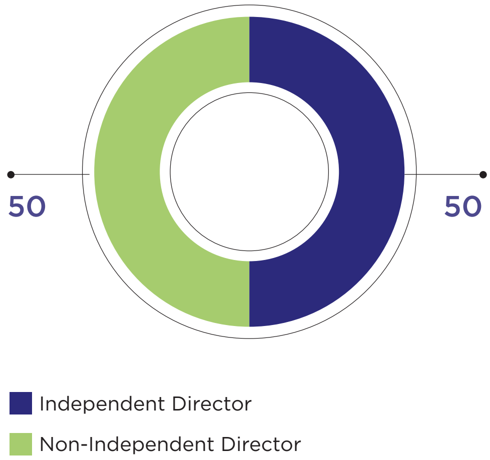
A balanced governance structure



Board diversity
(%)



Board independence
(%)



Board committees at the helm

Board Committees aid in discharging duties by providing valuable insights, enhancing governance policies, and submitting periodic reports. Minutes are shared with all Board members to ensure transparency and an equitable view of the decision-making process.

Board of Directors

Chaired by Independent Director

8

NO. OF MEMBERS

50%

INDEPENDENCE

Audit Committee

Chaired by Independent Director

3

NO. OF MEMBERS

100%

INDEPENDENCE

Nomination and Remuneration Committee

Chaired by Independent Director

3

NO. OF MEMBERS

100%

INDEPENDENCE

Stakeholder Relationship, Share Transfer, and Investors' Grievance Committee

Chaired by Independent Director

3

NO. OF MEMBERS

100%

INDEPENDENCE

ESG & CSR Committee

Chaired by Independent Director

3

NO. OF MEMBERS

67%

INDEPENDENCE

Risk Management Committee

Chaired by Independent Director

5

NO. OF MEMBERS

40%

INDEPENDENCE

Compliance

Our Compliance function ensures smooth business operations by conducting risk-based compliance evaluations and ensuring timely adherence to regulations. We leverage a digital tool to monitor compliance status and promptly alert compliance owners for timely action, ensuring a proactive approach to compliance management.

Code of conduct

We have implemented a comprehensive code of conduct that applies to our Directors, senior management, employees, and business partners. These policies offer explicit guidelines on acceptable behaviours, encompassing honest, fair, and ethical business practices, equality and non-discrimination, health and safety, environmental stewardship, transparent business dealings, responsible asset usage, data protection, respect for human rights, dignity, privacy, and compliance with Company policies, rules, and regulations. These standards align with our vision and values, fostering a culture of integrity and responsible conduct.

Experience at the helm

Mr. Balkrishan Goenka
Chairman

Mr. Rajesh Mandawewala
Executive Vice Chairman

Mr. K. H. Viswanathan
Lead Independent Director

Mr. Arvind Singhal
Independent Director

Mr. Pradeep Poddar
Independent Director

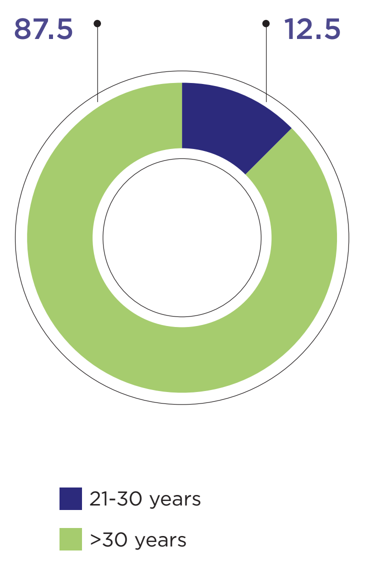
Ms. Anisha Motwani
Independent Director

Ms. Dipali Goenka
Managing Director & CEO

Mr. Altaf Jiwani
Wholetime Director &
Chief Operating Officer

Key Board metrics

Experience
(%)



60 years
AVERAGE AGE

88.10%
BOARD ATTENDANCE

Areas of expertise

	Sales and marketing	International business	Leadership	Financial and risk management	Specialised knowledge
Mr. Balkrishan Goenka	✓	✓	✓	✓	✓
Ms. Dipali Goenka	✓	✓	✓	✓	✓
Mr. Rajesh Mandawewala	✓	✓	✓	✓	✓
Mr. K. H. Viswanathan	✓	✓	✓	✓	✓
Mr. Altaf Jiwani	✓	✓	✓	✓	✓
Ms. Anisha Motwani	✓	✓	✓	✓	✓
Mr. Pradeep Poddar	✓	✓	✓	✓	✓
Mr. Arvind Singhal	✓	✓	✓	✓	✓

Awards and recognition

- **Best Performing Textile Company** for the second consecutive year by Dun & Bradstreet
- Received the **Innovative Product Development Award** by Nitori, Japan
- Recognised with **Platinum Trophy** for Highest Global Exports by Texprocll for the 12^{th} year in a row
- **Gold Trophy** for Special Achievement in Madeup's for Sustainability Initiatives by Texprocll
- Received **Gold Award** in 'Energy Efficiency Category' in Textile Sector
- **Platinum Award** in the 'Sustainability' category at the Apex Green Leaf Awards 2022
- Won Big **Foxglove Award** for our Campaign 'Happily parted' for MATCHRESS (1 Gold, 2 Silvers and 1 Bronze for Best Use of Visual and Text in National and Regional categories)
- Received Telangana **Best Employer Brand Awards 22-23** at the 17^{th} Employer Branding Awards 2022
- SPACES won **ET Ascent Star Industry Award** in the 'Best Use of Social Media Marketing" category for the Chief Style Officer 3.0 campaign
- Awarded **Excellence in Supply Chain and Logistics** in Textiles Category by CII at their SCALE Awards 2022
- Received a **Certificate of Merit** by Ministry of Power, GOI for 'Energy Conservation in Textile Sector'.
- Welspun Super Sport Women – World No. 1 para shuttler Manasi Joshi and boxer Nikhat Zareen made it to the list of **prestigious Arjuna awardees**
- Awarded as a **'Platinum Tier' partner** by leading retailer Kohl's
- Recognised as **one of the Best Managed Companies** in 2022 by Deloitte Private Limited
- Recognised by Walmart as a **trusted partner for 20 years**
- Awarded for **Artificial Intelligence for Towel Counting and Defect Detection** by NASSCOM in 2022
- Received the **Community Sustainable Award** for ESG efforts by TESCO in 2022
- **Amongst the Top 100 Companies** in India by Futurescape under Sustainability and CSR category.
- **Platinum Award** for Highest Global Exports by Texprocil in High Exports category for 2010-2021
- Received **Platinum Award** in 'Sustainability' category at the FAME National Awards
- Won **Prestigious Brand of Asia Award 2022-23** (Textile category)
- Recognised with **LACP Vision Awards 2021-22 GOLD Award** for Excellence in the Art and Method of Annual Report Communications
- Received the **Platinum Award** in the 'Sustainability; category at the Apex Green Leaf Awards 2022

Statutory Reports and Financial Statements

Management Discussion and Analysis

Economic review

Global economic review and outlook

Amidst a year filled with overlapping challenges such as the Russia-Ukraine conflict, lockdowns in China, high inflation, and monetary policy tightening, the global economy demonstrated remarkable resilience and positive signs of recovery. In 2022, global real GDP experienced robust growth of 3.4%, surpassing expectations.

Growth in several major economies was stronger than anticipated, with the reopening of the economy in China and resilient consumption in the US. The driving forces behind this growth were robust private consumption expenditure and fiscal support offered by governments around the world.

On the supply side, the easing of supply chain bottlenecks, the fall in transportation costs, and the reopening of China's economy created favourable conditions for key sectors of the global economy to rebound. The supply chain shocks in energy and food markets caused by the Russia-Ukraine conflict are receding. Simultaneously, the synchronous tightening of monetary policy by most central banks is starting to bear fruit, with inflation moving back toward targeted levels. Inflation has already reached its peak in the United States and Europe in early 2023, and it has started to decline in other significant economies, such as Japan, China, and India.

Looking ahead, the global economy is likely to grow at 2.8% and 3.0% in 2023 and 2024 respectively as per the IMF. As the economic shocks that have shaped growth over the last few years recede, the overall economic scenario has started to converge toward the pre-pandemic growth path in many economies. A notable factor that is expected to shape growth in 2023 is the trend of governments worldwide taking a more proactive approach to industrial policy that seeks to give the state renewed prominence in national and global economic development.

Overview of the world economic outlook projections* (%)

	Year over Year		
		Projections	
	2022	2023	2024
World Output	3.4	2.8	3.0
Advanced Economies	2.7	1.3	1.4
United States	2.1	1.6	1.1
Euro Area	3.5	0.8	1.4
Germany	1.8	(0.1)	1.1
France	2.6	0.7	1.3
Italy	3.7	0.7	0.8
Spain	5.5	1.5	2.0
Japan	1.1	1.3	1.0
United Kingdom	4.0	(0.3)	1.0
Canada	3.4	1.5	1.5
Other Advanced Economies#	2.6	1.8	2.2
Emerging Market and Developing Economies	4.0	3.9	4.2
Emerging and Developing Asia	4.4	5.3	5.1
China	3.0	5.2	4.5
India^	6.8	5.9	6.3
Emerging and Developing Europe	0.8	1.2	2.5
Russia	(2.1)	0.7	1.3
Latin America and the Caribbean	4.0	1.6	2.2
Brazil	2.9	0.9	1.5
Mexico	3.1	1.8	1.6
Middle East and Central Asia	5.3	2.9	3.5
Saudi Arabia	8.7	3.1	3.1
Sub-Saharan Africa	3.9	3.6	4.2
Nigeria	3.3	3.2	3.0
South Africa	2.0	0.1	1.8
Memorandum			
World Growth based on Market Export Rates	3.0	2.4	2.4
European Union	3.7	0.7	1.6
ASEAN-5	5.5	4.5	4.6
Middle East and North Africa	5.3	3.1	3.4
Emerging Market and Middle-Income Economies	3.9	3.9	4.0
Low-Income Developing Countries	5.0	4.7	5.4
World Trade Volume (goods and services)	**5.1**	**2.4**	**3.5**
Imports			
Advanced Economies	6.6	1.8	2.7
Emerging Market and Developing Economies	3.5	3.3	5.1
Exports			
Advanced Economies	5.2	3.0	3.1
Emerging Market and Developing Economies	4.1	1.6	4.3
Commodity Prices (US Dollars)			
Oil	39.2	(24.1)	(5.8)
Nonfuel (average based on world commodity import weights)	7.4	(2.8)	(1.0)
World Consumer Prices	**8.7**	**7.0**	**4.9**
Advanced Economies	7.3	4.7	2.6
Emerging Market and Developing Economies	9.8	8.6	6.5

Source: IMF staff estimates.

Note: Real effective exchange rates are assumed to remain constant at the levels prevailing during February 15, 2023–March 15, 2023. Economies are listed on the basis of economic size. The aggregated quarterly data are seasonally adjusted. WEO = World Economic Outlook.

* Difference based on rounded figures for the current, January 2023 WEO Update, and October 2022 WEO forecasts.

Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and Euro area countries.

^ For India, data and forecasts are presented on a fiscal year basis, and GDP from 2011 onward is based on GDP at market prices with FY12 as a base year. Quarterly data are non-seasonally adjusted and differences from the January 2023 WEO Update and October 2022 WEO are not available. 4Indonesia, Malaysia, Philippines, Singapore, Thailand.

Review of macro-economic factors

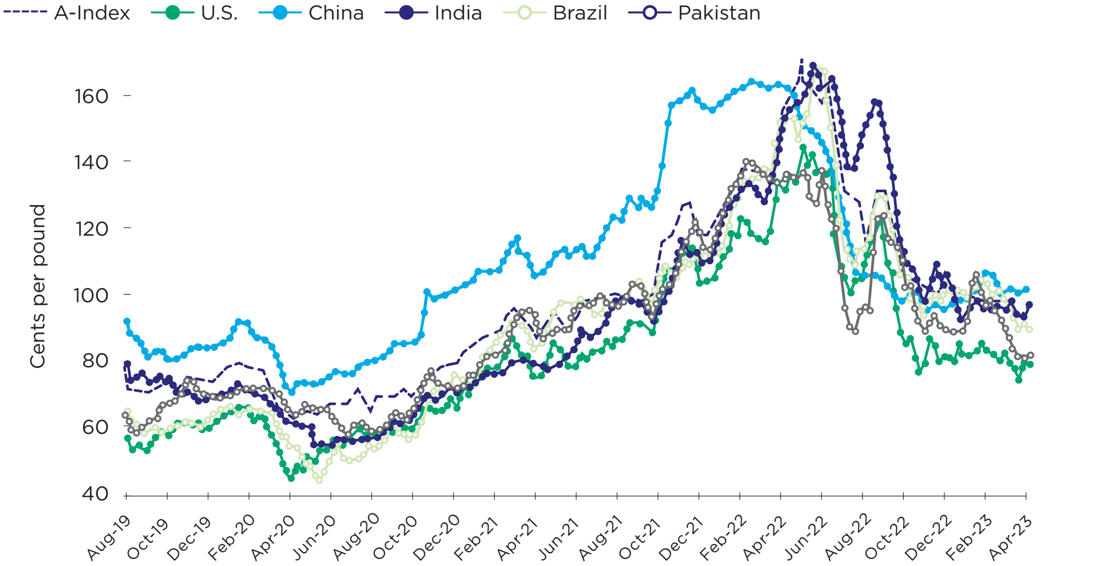
Global cotton production, demand, and prices

As per a recent report by the International Cotton Advisory Committee (ICAC), global cotton consumption is estimated to fall below production levels for the year 2022/23. Recent projections indicate a decline in both cotton production and consumption, with the latter expected to experience a more substantial decrease.

In terms of supply, global cotton production is estimated to decrease to 24.55 MMT for the year 2022/23, a drop from the 25.18 MMT recorded for the year 2021/22. As for the demand side, global cotton usage is estimated to reach 23.79 MMT for the year 2022/23, a decline compared to the 25.81 MMT consumed for the year 2021/22.

As the gap between consumption and production widened, the cotton market experienced an oversupply, which exerted downward pressure on prices, as illustrated in the figure below. This decline in prices can be attributed to the reduction in global cotton usage, combined with a decrease in production levels.

Weekly global cotton spot prices



Source: USDA

Note: A-Index is the average of the five cheapest quotations (quality being Middling 11/8) for Cost and Freight (CFR) at a Far Eastern Port

U.S. is the simple average of spot quotations reported by the Agricultural Marketing Service.

China is the reported China Cotton Price Index (i.e. CCIndex 3128B) and reflects the national weighted average of cotton (3128B grade) delivered to more than 200 enterprises in China

India is the Shankar-6 (grade 29- 3.8-76) spot price

Brazil is the delivered price in São Paulo city (grade strict low middling)

Pakistan is the ex-gin price in Karachi.

Indian economic review and outlook

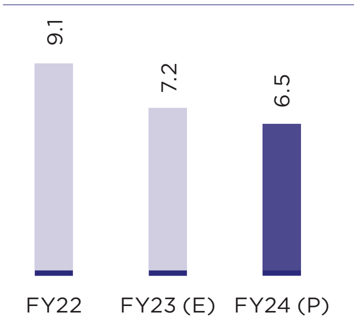
FY23 was a landmark year for the Indian economy, as it become the fifth-largest economy in the world. Unlike other emerging and developed economies, India's resilience was not entirely dependent on fiscal stimulus but led by structural interventions by the Government of India such as the PLI scheme, and stronger than anticipated private consumption.

Amidst an uncertain global economic scenario, the Indian economy is estimated to have grown by 7.2%, in FY23. This growth was broad-based and strong across sectors, with manufacturing and services showcasing a strong recovery. High-frequency indicators such as the IIP, GST collection, and the RBI's most recent survey of consumer confidence also reflect the resilience and growth of the Indian economy, which has made a swift recovery from the pandemic.

Throughout the year, inflation remained beyond the RBI's tolerance limit. Mean headline inflation stood at 6.7% in FY23, resulting from higher commodity prices and adverse weather conditions. After reaching a peak in April 2022, inflation has eased with improvement in supply chain conditions and the strategic and agile approach of the RBI. Notably, the RBI was successful in combatting inflation by raising the repo rate by 250 basis points from May 2022 to February 2023.

Going forward, India will continue to remain a bright spot in the global economic landscape. The country is projected to be the fastest-growing major economy in the world. According to the economic survey, real GDP growth is forecasted to reach 6.5% in FY24, driven by a progressive regulatory environment, a strong industrial policy (through PLI), a de-leveraged private sector, and increased capital expenditure, especially on large-scale infrastructure projects.

India Growth Trend
(%)



Source: MOSPI, Government of India; Note: E stands for estimates and P stands for projections

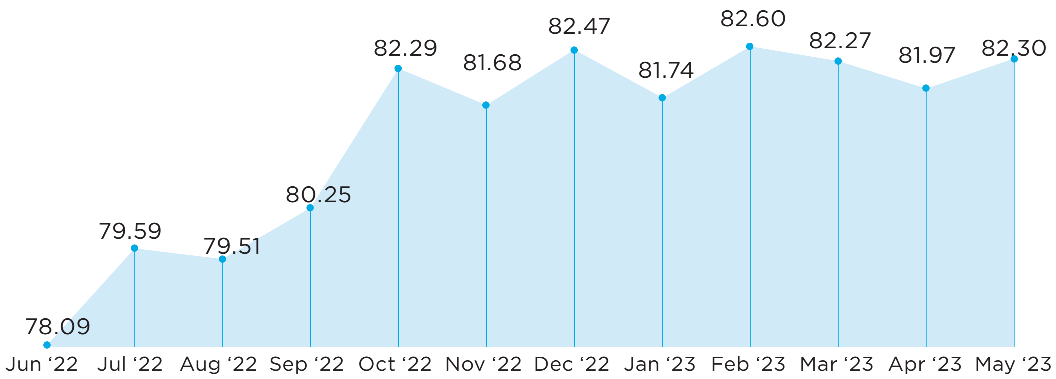
Review of macro-economic factors

Foreign exchange

During FY23, the Indian rupee, as well as other regional currencies, such as the Japanese Yen, experienced a decline due to the US Federal Reserve Bank's implementation of one of the most rigorous monetary tightening policies in decades. The Indian rupee was further impacted by the Russia-Ukraine conflict's oil price rally, which led to a record-high current account deficit in nominal terms.

In the near-term, interest rate differentials, primarily driven by the US dollar, will play a critical role.

INR/USD exchange rate, Monthly average
(%)



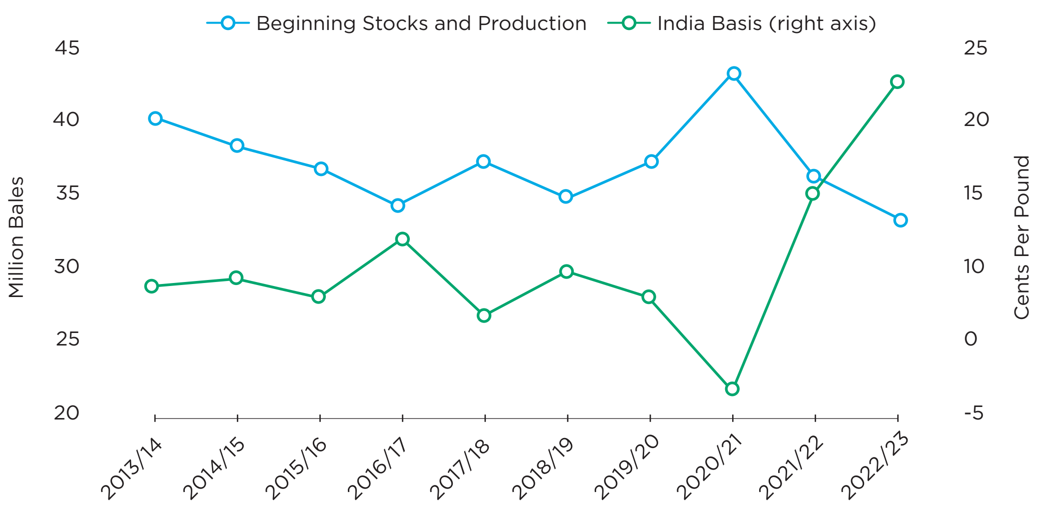
Source: CIEC data

Indian cotton production, demand, and prices

India's cotton production is expected to fall to 30.3 million bales, down by 3.2% for the year 2022/23. India's cotton exports are projected to reduce to 2.5 million bales, roughly equal to India's cotton imports. Lower domestic supplies, increased demand for foreign long and extra-long staple grades, and the Australia-India Economic Cooperation and Trade Agreement (ECTA) have all supported this recent dynamic.

The combined figure for beginning stocks and production is projected to reach 33.1 million bales for the year 2022/23, exerting pressure on exports. Furthermore, Indian spot prices surged earlier in the year compared to global prices, mainly due to reduced cotton supplies, which subsequently led to a slowdown in shipments to major markets, including China.

India exportable supplies and Indian spot price of cotton



Source: USDA

Note: India basis is the marketing year average of the following computation: India spot price minus the U.S. Intercontinental Exchange nearby contract for cotton.

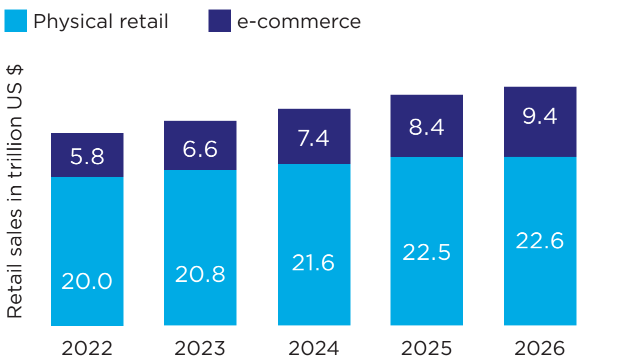
Industry review

Global retail industry

The global retail industry recorded sales of $25.8 trillion in 2022 and is projected to reach $32 trillion by 2026, driven primarily by rising customer spending in emerging economies like India and China. The COVID-19 pandemic's impact on online shopping habits has also contributed to additional market growth.

The United States continues to hold the title of the world's largest retail market, home to the three largest retail companies globally. However, other regions such as China and India, due to their increasing GDP growth, are poised to play an increasingly significant role in the global retail industry.

Value of In-store and E-commerce retail sales, 2022 – 2026



Source: Statista

Despite the retail industry's continued reliance on in-store or physical retail, e-commerce channels are playing an increasingly crucial role in many global markets. Consequently, many retailers have adopted an omnichannel model to integrate offline and online channels seamlessly. Other trends, such as the growing adoption of smartphones, are expected to increase traffic on e-commerce websites.

Mega-trends and opportunities

- Emerging technologies reinventing the store experience
- Sustainability in retail
- Turn to omnichannel to remain intact
- Focus on growing last-in-mile capabilities
- Greater focus on workforce development
- Emerging and developed countries to be growth engines for global retail
- Extending sustainability to the supply chain
- Digital revolution to lower costs

Read about Welspun's mega-trends and opportunities on Page 26

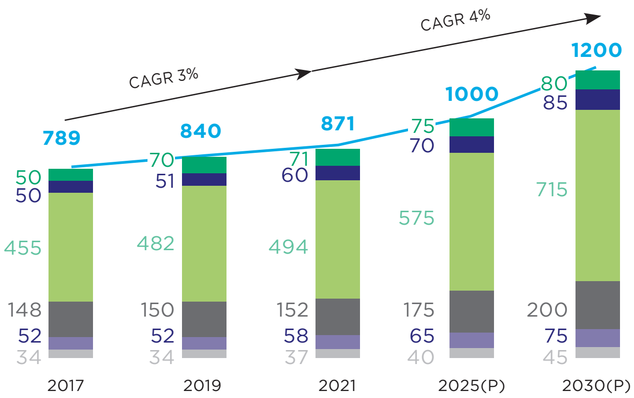
Textile and apparel industry

Global textile and apparel industry

As per a report by Wazir Advisors, the global textile and apparel trade amounted to $871 billion in 2021, showcasing a consistent growth rate of around 3% since 2017. Projections indicate that this industry is poised to expand further and is anticipated to reach $1.2 trillion by 2030, with a CAGR of 4%.

In 2022, the textile and apparel demand remained subdued, particularly in the latter half, due to the prevalence of high inflationary conditions and recessionary trends in key regions such as the US and EU. Additionally, China's share in global textile and apparel exports continued to decline, primarily due to increasing manufacturing costs and geopolitical shifts. However, amidst this transition, Bangladesh and Vietnam emerged as the highest gainers, successfully meeting the demands of global fashion buyers seeking to diversify their supply base.

Global textile and apparel market
($ billion)



Source: Wazir Advisors

Growth in the textile and apparel industry is expected to be driven by the demand for online shopping, where textile and apparel companies can increase their customer base geographically at low costs. Additionally, rising purchasing power in emerging and developed economies is expected to add to the industry's growth prospects. In countries such as India, for instance, e-commerce portals have boosted the sales of traditional garments by giving larger exposure to producers who were confined to one geography.

Other growth drivers include a rise in the millennial and Gen Z population. For example, according to Forbes, millennials in the United States spend $600 billion annually and are projected to make up 35% of spending by 2030.

Rise of the environmentally-conscious consumption

Sustainable practices are becoming a crucial factor in the global apparel industry. For example, according to McKinsey, 67% of consumers consider sustainable materials when making a purchase, and 63% value brands that promote sustainability.

Notably, in March 2022, the European Commission unveiled the 'EU Strategy for Sustainable and Circular Textiles,' aiming to achieve sustainable production, distribution, and consumption of textile and apparel products by 2030. Complying with this legislation will be crucial for manufacturers and brands alike, ensuring they stay competitive and stay ahead in the industry.

This shift presents a significant opportunity for companies such as Welspun to cater to the emerging market of eco-conscious consumers. By adopting sustainable practices, companies can differentiate themselves and meet the growing demand for sustainable products.

According to ITMF, the global textile industry has shown an average capacity utilisation rate stagnating at 74% since the beginning of 2023. The main factor in keeping the rate up is the improved situation in China, where domestic consumption is picking up pace slowly.

In the near term, despite challenges from inflation and higher interest rates, customer expectations have improved toward the beginning of 2023, and further economic normalisation is expected to bode well for the industry.

Indian textile and apparel industry

The Indian textile and apparel market was valued at $125 billion in FY23, with the domestic market contributing 76% and exports accounting for 24% of the market size. Within the domestic market, apparel accounted for a 74% share of the market size. This was followed by technical textiles which accounted for a 20% share of the market size.

The Indian textile and apparel market is expected to reach a size of $250 billion at a CAGR of 10% by FY31. Moreover, the market shows promising growth prospects, buoyed by its expanding domestic market and support from government schemes such as the PLI and PM MITRA scheme. As India's economy continues to grow, the demand for textile and apparel products is expected to rise, creating significant opportunities for local players to increase their market share and expand globally.

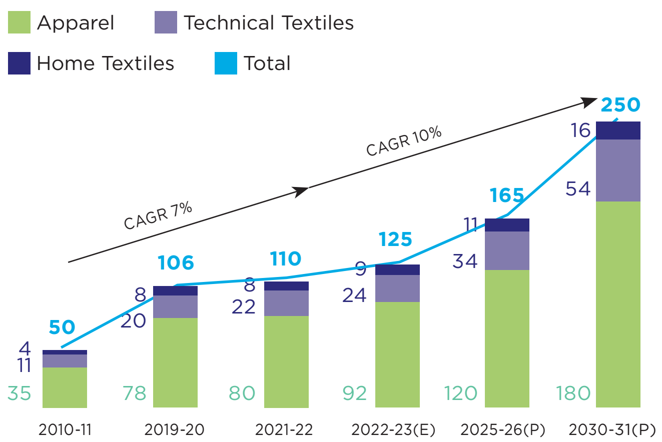
The Indian government approved 64 projects in the man-made value chain, encompassing fabrics, garments, and technical textiles, under the PLI Scheme. These projects involve a combined investment of approximately $2.5 billion. Furthermore, in 2022, the National Textile Technology Mission (NTTM) sanctioned 63 new projects, with a total project cost of around $20 million.

With the government's continued support and initiatives to promote growth in the industry, India is poised to emerge as a significant player in the global textile and apparel trade.

Highlights of Union Budget 2022-23

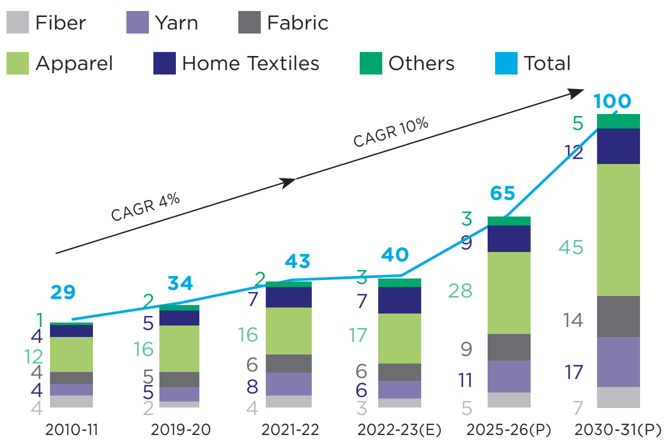
The Government of India released a forward-looking, growth-oriented budget during the year. Notably, there was a 20% increase in budgetary grants for the textile industry. A grant of ₹2000 million was kept for the PM MITRA scheme, while ₹50 million was kept for the PLI scheme.

India's domestic textile and apparel market size
($ billion)



Source: DGCI&S, Wazir Analysis

India's textile and apparel exports
($ billion)



Source: DGCI&S, Wazir Analysis

Home textiles industry

Global home textiles industry

The global home textiles industry reached a size of $119.09 billion in 2022 and is projected to grow at a CAGR of 5.7% to reach $174.14 billion by 2028. Advancements in technology in high-performance textiles with added functionalities and improved durability are predicted to drive demand for home textiles in the years to come, creating significant growth opportunities for companies in the industry.

With a market share of over 45% in 2021, Asia-Pacific dominated the global market for home textiles. The region is poised for strong growth in the years ahead, driven by a rise in real estate investment and a growing demand for affordable housing.

Bed linen and bed spreads

According to a research study conducted by Global Market Insights Inc., the bed linen market is projected to exceed $35.81 billion by 2028. Additionally, changing consumer preferences and lifestyle trends are also contributing to market growth as people now recognise the significance of comfortable bedding and are willing to invest in high-quality products.

Bath and toilet linen

The global bath linen market is expected to grow at a CAGR of 8.3% to reach a size of $18.57 billion by 2028. Advanced Economies such as the US, UK, and other countries in the EU remain significant markets for companies across the world. The bathroom linen market is poised for significant growth due to various factors, with the bath towels segment leading the charge.

Unlike other bathroom accessories, bath towels are essential and always in high demand. This demand is expected to be further fuelled by the increasing popularity of online sales channels and innovative product offerings by manufacturers. Furthermore, the market is set to witness a key trend of personalised towel offerings, which will cater to the growing demand for customised bathroom products.

Indian home textiles industry

Home textiles have always been an integral part of home decor, adding a touch of comfort and style to living rooms, bedrooms, kitchens, and bathrooms. In India, the home textile industry is one of the most important categories in which the country has a competitive edge, second only to cotton yarn.

India remains dominant in the bed sheet segment, with a 57% market share in exports to the US. Additionally, India holds a 43% share in terry towel exports to the US, indicating the country's significant contribution to the global home textile market.

Looking ahead, innovation and technology are poised to transform the way textiles are produced, designed, and used, and are shaping the future of the textile manufacturing industry. Additionally, the industry is focusing on sustainability and eco-friendly practices, with the widespread adoption of sustainable fibres and energy-saving technologies, among others.

Mega-trends and opportunities

- Focus on health and hygiene driven by pandemic
- China plus one strategy
- Robust demand from the large domestic market

Read about Welspun's mega-trends and opportunities on Page 26

Technical textile industry

Global technical textile industry

The global technical textiles market size was $188.81 billion in 2022 and is expected to grow at a CAGR of 4.7% from 2023 to 2030. Increased awareness regarding the benefits of technical textiles in various end-user industries is expected to drive the market.

Increasing consumer preferences for protective clothing coupled with emerging fashion trends are creating an opportunity for new engineering technologies such as smart textiles and nanotechnology.

The Asia-Pacific region accounted for more than 46.8% share of global revenue in 2022. The growth of Chinese economy coupled with favourable government policies to support the overall textile market in India are expected to add to the growth prospects in the region.

Indian technical textile industry

India is emerging as a major player in the field of technical textiles. The country's rapid economic growth, coupled with increased disposable income and infrastructure development, has led to a surge in demand for technical textile products.

The size of the Indian technical textile industry is estimated to be $22 billion in FY23. India's cost-effective and innovative manufacturing processes, along with supportive government policies, have provided the industry with a competitive edge and a promising outlook for future growth.

The Indian government has set an ambitious target for the technical textile industry, with expectations for it to reach a size of $50 billion within the next five years. This target is achievable due to India's strengths in the industry, including its abundant supply of raw materials, skilled workforce, and advanced technology.

Flooring industry

Global flooring industry

The global flooring industry reached an impressive size of $266.48 billion in 2022 and is expected to maintain a healthy CAGR of 5.2% from 2023 to 2030. The increasing demand for aesthetically pleasing, durable, and high-quality flooring solutions, as well as changing consumer preferences in floor design, have been significant drivers of growth for the industry in recent years. Moreover, the expansion of offices and workspaces, improving consumer lifestyles, and rapid urbanisation are all factors that have contributed to the market's growth.

As the industry continues to evolve, new and innovative flooring solutions are emerging, meeting the demands of both commercial and residential consumers. Eco-friendly and sustainable flooring solutions are also gaining traction, reflecting the industry's commitment to sustainable and responsible practices.

Indian flooring industry

The Indian flooring industry has undergone significant transformations, experiencing a surge in innovations, technology integration, and contemporary designs in recent times. The introduction of numerous cutting-edge technologies and the heightened utilisation of specialised machinery have reshaped the terrain of the flooring sector. Particularly in the realm of industrial and commercial flooring, there has been a substantial escalation in project scales.

As the Indian economy continues to grow, the flooring industry is well-poised for growth, driven by factors such as rapid industrialisation and a thriving urban infrastructure landscape.

Company review

Welspun India Limited, part of the Welspun Group, is one of the largest home textiles manufacturers in the world. We offer a broad spectrum of home and advanced/technical textiles products and flooring solutions. With a distribution network in over 50 countries, we are the largest exporter of home textiles products from India.

We are the trusted partner and preferred supplier to top global retail giants and hospitality players and supplies from its world-class manufacturing facilities at Anjar and Vapi, both in the state of Gujarat in India.

Key business and operational highlights

We delivered a strong performance in FY23, attributable to our highly differentiated and unique value proposition. Despite a challenging year, we recorded revenues of ₹8,215 crore.

Among the notable highlights, our domestic consumer business achieved record revenues, growing at a YoY rate of 34% in FY23. During the year, we consolidated our leadership position and increased our reach to 11,170+ stores in 500+ towns in India. Our global branded business, likewise, has bucked the international business trend and reached the ₹1,078 crore mark. With the signing of the licensing agreement with Disney for UK+EU markets, we are further strengthening our brand portfolio and increasing our footprint across global consumers.

This growth-led performance was enabled by both the core business as well as the Emerging Businesses of Brands, E-commerce, Flooring, and Advanced Textiles. Notably, the Advanced Textiles business witnessed a robust 43% growth YoY in FY23 on the back of the increased capacity of Spunlace in Telangana commissioned in March this year.

Flooring clocked a revenue of ₹706 crore in FY23, growing at 7% YoY. Big ticket buyers of the USA and UK are bringing back the business despite the slowdown in both geographies. The institutional/commercial segment has also shown phenomenal growth, both in the US and UK. The ME continues to strengthen and we have been able to make inroads into the Australian market.

On the domestic market front in flooring, we are continuing to see substantial growth and good demand build-up in commercial and institutional segments. The residential segment has also started picking up. Domestic Flooring hit its highest quarterly revenue crossing the ₹100 crore mark during the last quarter of the year and overall 81% growth in FY23.

Summary of business-wise sales highlights

(in ₹ crore)

Revenue	Home Textiles				Flooring	
	B2B	Branded	E-Commerce	Advanced Textiles	B2B	Branded
FY23	4,731	1,064	395	347	484	124
FY22	6,189	857	436	267	526	72
Growth %	(24%)	24%	(9%)	30%	(8%)	74%
Sales Contribution FY23	66%	15%	6%	5%	7%	2%
Sales Contribution FY22	74%	10%	5%	3%	6%	1%

Summary of channel-wise sale highlights

(in ₹ crore)

Revenue	B2B			Branded#			
	Global*		Domestic	Global*		Domestic	
	Innovation	Others		Online	Offline	Online	Offline
FY23	1,324	3,742	497	384	694	11	495
FY22	2,047	4,506	430	418	566	18	363
Growth (%)	(35%)	(17%)	16%	(8%)	23%	(39%)	36%
Sales Contribution FY23	19%	52%	7%	5%	10%	0%	7%
Sales Contribution FY22	25%	54%	5%	5%	7%	0%	4%

Note:
*Non-Domestic
#Includes Innovation
Revenue excludes Other Operating Income

Summary of performance highlights

Home Textiles						
	Unit	Annual Capacity	FY23	Utilisation	FY22	Utilisation
Bath Linen	MT	90,000	56,397	63%	71,695	84%
Bed Linen	Mn mtrs	108	55.2	51%	83.5	93%
Rugs & Carpets	Mn sq mtrs	12	7.2	60%	9.2	77%

Advanced Textiles						
	Unit	Annual Capacity	FY23	Utilisation	FY22	Utilisation
Spunlace*	MT	27,729	10,199	37%	7,140	65%
Needle Punch	MT	3,026	1,109	37%	1,355	54%
Wet Wipes	Mn Packs	100	22	22%	22	35%

* Additional Capacity of 17,729, commenced effective 12th March 2022

Flooring						
	Unit	Annual Capacity	FY23	Utilisation	FY22	Utilisation
Flooring	Mn sq mtrs	Installed: 27 Effective: 18	5.7	34%	5.5	34%

Corporate overview Statutory reports Financial statements

ESG

For Welspun, Environment, Social, and Governance (ESG) is a way of life with sustainability embedded in its DNA. We focus on all aspects, which we consider as integral to our business strategy. Our ESG Committee is engaged in reviewing and overseeing all activities pertaining to ESG and provides appropriate directions and guidance to the management in this regard.

As a reflection of our commitment to ESG issues, we have set ambitious goals and implemented strategies to make progress on the same. We are rated as "Low Risk" on ESG factors by one of the top ESG rating agencies, is conducting a gap assessment study to identify measures to move to the "Negligible Risk" rating. WIL's sustainability journey is now a case study on the Ivey publishing website.

FY23 ESG highlights

- Set up a facility for utilising blast furnace waste gas for power and steam generation at Anjar, helping us achieve 29% renewable energy adoption in FY23.
- Setting up a 30 MW solar plant at Anjar.
- Entered into PPA with CleanMax for supplying 2 MW of hybrid renewable energy power to Vapi, which will be operational in FY24.
- Achieved the recognition of being the 'Best Managed Companies 2022' in India in an initiative organised by Deloitte Private India.
- Received the Platinum Award for Environment Protection at the National Fame Awards 2022 for our efforts towards sustainability and controlling GHG emissions.
- Engaged with Cotton Farmers to train and enable them grow sustainable forms of Cotton (Better Cotton Initiative and Organic Cotton) in an initiative spread over 350 villages, impacting 16,500+ farmers.
- Launched ESG Compass - an integrated ESG digital platform with automated data dashboards covering over 90 indicators and extending to all sites, locations and subsidiaries in India.

ESG goals

+ Page 6

Environment

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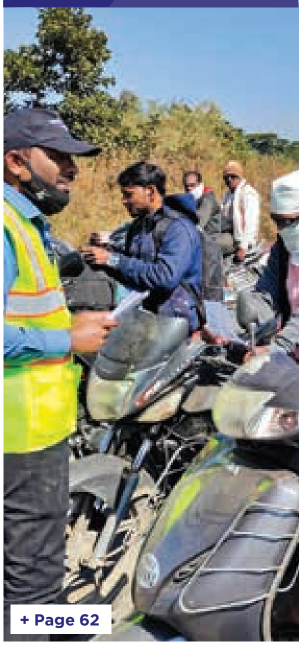
Social



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Governance

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Financial review

P&L statement

Key financial numbers

(₹ in crore)

Particulars	FY23	% of Total Income	FY22	% of Total Income
Revenue from Operations (Net)	8,093.76	98.52	9,311.47	99.30
Other Income	121.34	1.48	65.84	0.70
Total Income	8,215.10	100.00	9377.31	100.00
Cost of Material	4,514.03	54.95	5,094.07	54.32
Manufacturing Expenses	1,052.33	12.81	1,043.25	11.13
Employee Cost	794.35	9.67	866.70	9.24
Selling Administration and Other Expenses	980.51	11.94	948.73	10.12
EBITDA	873.88	10.64	1,424.56	15.19
Finance Costs	129.88	1.58	131.25	1.40
Depreciation and Amortisation Expense	442.14	5.38	420.47	4.48
Taxes	99.40	1.21	266.26	2.84
Profit Before Extraordinary Items	202.51	2.47	606.71	6.47
Minority's Share of Profit/(Loss) in Certain Subsidiary Companies	3.68	0.04	5.54	0.06
Net Profit/(Loss)	198.83	2.42	601.17	6.41
EPS (Basic and Diluted)	2.02		6.06	

Revenue

a. Revenue from Operations

For FY23, Revenue from Operations was ₹8,093.76 crore versus ₹9,311.47 crore in FY22 down by 13.08%.

b. Other income

Income from other sources was ₹121.34 crore in FY23 vis-à-vis ₹65.84 in FY22.

Expenditure

a. Cost of Materials

Consumption of raw materials stood at ₹4,514.03 crore during the year. This accounts for 54.95% of the total income for FY23. As a percent of total income, the material cost in FY22 was 54.32% of total income.

b. Manufacturing Expenses

Manufacturing expense was ₹1,052.33 crore in FY23 compared to ₹1,043.25 crore in FY22. The manufacturing expense includes power, fuel, and water charges of ₹463.25 crore, dyes and chemicals of ₹251.00 crore, and contract labour and job work charges of ₹84.57 crore. As a percent of total income,manufacturing expenses stood at 12.81% in FY23 compared to 11.13% in FY22.

c. Employee Cost

Employee cost stood at ₹794.35 crore in FY23 compared to ₹866.70 crore in FY22. As a percent of total income, it was 9.67% in FY23 compared to 9.24% last year.

d. Selling, Administration, and Other Expenses

Selling, administration, and other expenses were reported at ₹980.51 crore in FY23 vis-à-vis ₹948.73 crore FY22. The increase was primarily because of higher logistics expenses during the year.

e. Finance Costs

Finance costs in FY23 were ₹129.88 crore. The corresponding figure in FY22 was ₹131.25 crore. Finance cost was almost the same level as compared to last year despite the reduction in debt, mainly because of increase in the rate of interest.

f. Depreciation and Amortisation Expense

Depreciation was reported at ₹442.14 crore in FY23 vis-à-vis ₹420.47 crore in FY22.

Profitability

a. EBITDA

EBITDA in FY23 is reported at 873.88 crore implying an EBITDA margin of 10.64%.

B. Profit After Tax

Profit after Tax post minority interest stood at ₹198.83 crore in FY23 vis-à-vis ₹601.17 crore in FY22. Net profit margin stood at 2.42% as opposed to 6.41% in FY22.

Earnings Per Share (Basic)

Earnings per share for the year ending March 31, 2023 stood at ₹2.02 per share compared to ₹6.06 per share at the end of March 31, 2022

Balance Sheet

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
ASSETS		
Non-current Assets		
Property, Plant and Equipment	3,611.34	3,696.03
Capital work-in-progress	45.68	161.73
Goodwill on Consolidation	186.13	183.16
Other Intangible assets	21.03	21.45
Right-of-use assets	99.38	104.70
Intangible assets Under Development	0.28	4.22
Financial assets		
- Investments	6.83	3.88
- Loans	0.28	1.90
- Other financial assets	69.00	192.18
Non-current tax assets (net)	40.51	40.34
Deferred tax assets (net)	122.65	125.06
Other non-current assets	28.87	52.30
Total non-current assets	**4,231.98**	**4,586.95**
Current Assets		
Inventories	1,969.83	1,977.87
Financial assets		
- Investments	634.68	693.94
- Trade receivables	960.46	999.29
- Cash & cash equivalents	146.12	231.81
- Bank balances other than cash and cash equivalents above	35.25	33.72
- Loans	2.10	0.60
- Other financial assets	318.75	233.22
Current tax assets (net)	6.13	2.84
Other current assets	344.78	676.61
Total current assets	**4,418.10**	**4,849.90**
Total assets	**8,650.08**	**9,436.85**
EQUITY AND LIABILITIES		
Equity		
Equity Share capital	98.81	98.81
Other Equity		
- Reserves and surplus	3,974.85	3,862.03
- Other reserves	14.15	10.84
Equity attributable to owners of Welspun India Limited	4,087.81	3,971.68
Non-controlling Interests	108.22	104.57
Total Equity	**4,196.03**	**4,076.25**
LIABILITIES		
Non-current liabilities		
Financials liabilities		
- Borrowings	971.95	1,053.61
- Lease liabilities	81.34	90.42
- Other financial liabilities	9.03	7.34
Non-current tax liabilities (net)	221.03	222.90
Provisions	0.32	2.88
Deferred tax liabilities (net)	323.87	298.03
Other non-current liabilities	179.52	144.18
Total non-current liabilities	**1,787.06**	**1,819.36**

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Current liabilities		
Financials liabilities		
- Borrowings	1,378.45	2,134.77
- Lease liabilities	30.08	25.15
- Trade payables		
(a) Total outstanding dues of micro-enterprises and small enterprises	64.75	58.04
(b) Total outstanding dues of creditors other than micro-enterprises and small enterprises	804.95	872.50
- Other financial liabilities	52.86	84.09
Employee benefit obligations	145.70	154.41
Current Tax Liabilities (net)	50.87	66.96
Other Current Liabilities	139.33	145.32
Total current liabilities	**2,666.99**	**3,541.24**
Total liabilities	**4,454.05**	**5,360.60**
Total Equity and Liabilities	**8,650.08**	**9,436.85**

Net worth

Net worth of the Company stands at ₹4,087.81 crore as at March 31, 2023 against ₹3,971.68 crore as at March 31,2022.

Book value of equity shares stands at 41.37 per equity share as at March 31, 2023 which was 40.20 per equity share on March 31, 2022.

The details of movement under various heads for Net Worth are as follows:

a. Share Capital

The issued, subscribed, and paid-up share capital as of March 31, 2023 stands at ₹98.81 crore.

b. Reserves and Surplus

- **Securities Premium Account:** The Securities Premium account stands at 123.81 crore at end of FY23 same as last year.
- **Capital Redemption Reserve:** The balance as of March 31, 2023 amounted to ₹162.43 crore, same as last year.
- **Capital Reserve:** The balance as of March 31, 2023 amounted to ₹147.53 crore, same as last year.
- Foreign exchange translation reserve as of March 31, 2023 stands at ₹13.99 crore.
- **Profit and Loss Account:** The balance in the Profit and Loss Account as on March 31, 2023 was ₹3,518.27 crore vis-à-vis ₹3,332.54 crore as on March 31, 2022.

Loan Funds

- Gross debt as on March 31, 2023 stands at ₹2,350.40 crore compared to ₹3,188.38 crore at the end of FY22. The long-term debt stands at ₹1,116.20 crore vis-à-vis ₹1,214.18 crore at the end of FY22.
- Cash and cash equivalents of the Company in FY23 stands at ₹816.05 crore vis-à-vis ₹959.42 crore in the previous year.
- Net debt as on March 31, 2023 stands at ₹1,534.33 crore.
- Net debt to Equity stands at 0.38x in FY23 (vis-à-vis 0.56x in FY22) while Net debt/EBITDA stands at 1.76x in FY23 (1.56x in FY22).

Fixed Assets

Net block (including Capital Work in Progress) stood at ₹3,657.02 crore in FY23 vis-à-vis ₹3857.76 crore in FY22.

Inventory

Inventory as on March 31, 2023 stood at ₹1,969.83 crore vis-à- vis ₹1,977.87 crore in FY22. The inventory days were 89 days in FY23 compared to 78 days in FY22. The Inventory turnover ratio stands at 4.11x in FY23 vis-à-vis 4.67x at the end of FY22.

Trade Receivables

Sundry debtors on March 31, 2023 were at ₹960.46 crore vis-à-vis ₹999.29 crore at the end of FY22. Receivable days/debtor days is 43 days in FY23 compared to 39 days in FY22. Debtors turnover ratio stands at 8.43x in FY23 vis-à-vis 9.22x at the end of FY22.

Trade Payables

Trade payables stood at ₹869.70 crore as of March 31, 2023 vis-à-vis ₹930.54 crore in FY22.

Buy Back & Dividend

The Company has a stated policy, according to which the Board will endeavour to achieve distribution of 25% of PAT for a financial year, on consolidated basis, with equity shareholders. The Company had made an offer for buy-back of fully paid-up equity shares of ₹1 each of the Company, not exceeding 16,250,000 equity shares (representing approximately 1.64% of the total number of equity shares in the issued, subscribed and paid up equity capital) at a price of ₹120 per equity share, not exceeding ₹195 crore on a proportionate basis by way of tender offer in accordance with the provisions of Companies Act, 2013 and SEBI (Buy-Back of Securities) Regulations, 2018. The tendering period for the buyback offer opened on May 16, 2023 and closed on May 22, 2023. Total 16,250,000 equity shares were bought back at a price of ₹120 per equity share and the total amount utilised in buy-back was ₹195 crore The settlement of bids by the Clearing Corporation on the stock exchange was completed on May 30, 2023.

Key financial indicators

Particulars	As at March 31, 2023	As at March 31, 2022
Total Income (₹ in crore)	8,215.10	9,377.31
EBITDA (₹ in crore)	873.88	1,424.56
EBIT (₹ in crore)	431.74	1,004.09
Net Profit after Tax (₹ in crore)	198.83	601.17
Net Worth (₹ in crore)	4,087.81	3,971.68
Net Debt (₹ in crore)	1,534.33	2,228.78
Net Debt/Equity (in times)	0.38	0.56
Net Debt/EBITDA (in times)	1.76	1.56
Net Sales/Net Worth (in times)	2.01	2.36
Interest Coverage Ratio (in times)	3.32	7.65
Current Ratio (in times)	1.66	1.37
Pre-tax ROCE (in %)	5.7	13.4
ROE (in %)	4.9	15.8
Inventory Days (in days)	89	78
Receivable Days (in days)	43	39
Payable Days (in days)	39	36
Net Operating Cycle i.e. Inventory Days + Receivable Days - Payable Days (in days)	93	80
Book value per share (₹)	41.37	40.20

Note: The days outstanding are calculated on the basis of the closing numbers

Key financial indicators

Ratios	As at March 31, 2023	As at March 31, 2022	Remarks
Debtors Turnover	8.43	9.22	Reflect impact of lower volume
Inventory Turnover	4.11	4.66	Reflect impact of lower volume
Interest Coverage Ratio	3.32	7.65	Reflects impact of lower Margin
Current Ratio	1.66	1.37	Reflects impact of reduced short term borrowings
Debt Equity Ratio	0.38	0.56	Reflects reduced net debt
Operating Profit Margin (%)	10.6	15.2	Reflects impact of higher input cost
Net Profit Margin (%)	2.4	6.6	Reflects impact of higher input cost
Return on Average Equity (%)	4.9	15.8	Reflects impact of Lower Net Profit Margin

Risk management

Some of the key strategic and business risks we are actively managing are summarised as under:

Risks	Mitigation strategies
Increased demand for sustainably manufactured products, resulting from changing consumer mindsets.	We consistently work towards innovation in manufacturing sustainable products, including recycling of plastic and use of recycled raw materials. In line with our journey towards carbon neutrality, we are planning to establish a 30MW Solar Power plant at our Anjar facility.
Concentration risk, with heavy dependence on few geographies and customers	We are developing additional markets and channels for our future growth, including a focus on licensed and own brands in the overseas markets. Additional focus is being given for India market with a plan to reach ~ 50,000 retail outlets by FY26.
Impact on profitability and cash flows due to withdrawal of rebate in taxes	This risk will impact the entire Textile industry, if it fructifies. We will have to route this issue through an industry forum like ASSOCHAM to make formal presentations to the Government.
Risk related to Foreign Exchange fluctuation	There is a robust FOREX policy in place to govern the FOREX fluctuations. Hedge positions are reviewed continuously to take timely corrective actions.
Inability to attract and retain talent	We work towards upskilling to achieve higher productivity, and takes appropriate measures to retain high skilled workers. Further, We have succession planning in place for all critical management positions.
Volatility in cotton prices may impact profitability adversely Non-availability of Key Raw Materials resulting in supply chain issues	There is a continuous monitoring in place for local and international cotton price and availability movements to take timely actions. Within India, we plan to tap the organic farming practices in Maharashtra and Gujarat.
Inability to achieve sustained growth due to domestic and international competition	We constantly innovate to stay ahead of our competition. Also, we have diversified our business to include 'Direct to Customer' channels and increased focus on the Indian Domestic Business. Additionally, forays into related businesses of Advanced Textiles and Flooring has also helped in de-risking and ensuring consistent business growth.

Human resources

We firmly believe that our people constitute our most valuable asset. We place considerable emphasis on assembling best-in-class teams, led by exceptional professionals. Over the past year, we embarked on a transformative journey to propel us towards achieving growth and deliver value. We integrated sustainable practices and processes across our value chain utilising the guiding principles of the LITE Culture Pillars.

About LITE:

1. Learning From Mistakes

With up-skilling and reskilling, we nurture an ability to learn from mistakes and move on. We foster a culture of continuous learning for our employees.

2. Innovation

Introducing new technologies, breakthroughs, and innovative ideas that make us more efficient, productive, and customer-centric. Additionally, we create value by driving innovation through our flagship programme 'Manthan'.

3. Trust & Transparency

Transparency is the core of what we do. How we build trust within our teams, with our stakeholders, and with our customers is important as trust fosters loyalty, and leads to higher stakeholder satisfaction & retention.

4. Endurance

Endurance is key for business in this dynamic environment, which is our capacity to sustain performance and realise one's full potential.

Internal control systems and adequacy

The internal control system includes the policies, processes, tasks, behaviours, and other aspects of WIL, which when combined, facilitate effective and efficient operation, quality of internal and external reporting, and compliance with applicable laws and regulations. WIL's objectives, its internal organisation, and the environment in which it operates are constantly evolving and as a result, the risks it faces are continuously changing as well. To make its internal control effective and sound, WIL thoroughly and regularly evaluates the nature and extent of such risks to which the Company is exposed. The operation and monitoring of the system of internal control have been undertaken by individuals who collectively possess the necessary skills, technical knowledge, objectivity, and understanding of the Company, industries, and markets in which it operates. The qualified, experienced, and independent Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal controls systems and suggests improvements whenever required. WIL has a strong and effective Management Information System, which is an integral part of its control mechanism.

Directors' Report

To
The Members,
Welspun India Limited

Your Directors have pleasure in presenting the 38th Annual Report of your Company along with the Audited Financial Statements for the financial year ended March 31, 2023.

1. Financial highlights:

₹ in Crore

Particulars	Consolidated		Standalone	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Revenue from Operations (Net)	8,093.76	9,311.47	5,654.62	6,703.47
Other Income	121.34	65.84	140.90	86.06
Total Revenue	8,215.10	9,377.31	5,795.52	6,789.53
EBITDA	873.88	1,424.56	537.90	976.80
EBITDA Margins (%)	10.64%	15.19%	09.28%	14.38%
Finance Cost	129.88	131.25	61.15	81.33
Depreciation and amortization	442.14	420.47	250.32	276.09
Profit before exceptional items and tax and share of net profit of Associates	301.86	872.84	-	-
Share of net profit of Associates	0.05	0.13	-	-
Profit before tax	301.91	872.97	226.43	619.38
Tax Expense	99.40	266.26	74.75	227.25
Profit after taxation	202.51	606.71	151.68	392.13
Earnings per share (Basic & Diluted) (Nominal value per share Re. 1)	2.02	6.06	1.54	3.95

2. Performance and Outlook:

Your Company's total revenue has seen drop of 13% on consolidated basis and 16% on standalone basis due to factors such as higher inflation in global market, higher interest rates, higher inventory with global retailers and increased Commodity prices. Your Company's EBITDA has slid down by 39% on consolidated level and 45% on standalone basis. This has resulted in decrease in EBITDA margin of 27% on consolidated basis and 35% on standalone basis. Profit before Tax has decreased by 65% on consolidated basis and 63% on standalone basis. Profit After Tax has reduced by 67% on consolidated basis and 61% on standalone basis.

3. Dividend:

i. Dividend Distribution Policy:

The Board of Directors approved Dividend Distribution Policy of the Company, as required under Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations 2015"). The Dividend Distribution Policy provides that the Board will endeavor to achieve distribution of 25% of Profit for a financial year, on consolidated basis, with equity shareholders. The Policy is attached as Annexure – 1 to this Report and it is also available on your Company's website and the web link thereto is as given below. www.welspunindia.com under the tab Investors -> Policies

ii. Dividend for Financial Year 2022-23:

The Board has recommended dividend of Re. 0.10 per equity share for the Financial Year ("FY") 2022-23 amounting to ₹ 9.88 Crore (subject to shareholders' approval and number of shares which may be tendered in Buyback). The Board has approved Buyback of 1,62,50,000 equity shares constituting 1.64% of total equity shares at ₹ 120 per share. Outflow on acccount of Buyback is expected to be ₹ 195.00 Crore (excluding tax and other Buyback related expenses). Combined cash outflow of ₹ 204.8 Crore amounts to 101.13% of consolidated PAT.

A snapshot of the dividend track record of your Company for previous financial years is given below.

₹ in Crore

Financial Year	Total Dividend (%)	Cash Outflow
2022-23	10%	9.88
2021-22	15%	14.82
2020-21	15%	15.07

4. Subsidiaries:

During the year FY2022-23, the Company transferred its entire shareholding in Welspun Innovative Products Limited and Easygo Textiles Private Limited to related parties for consideration which was at arm's length.

A report on the performance and financial position of each of the subsidiary companies of your Company is included in the consolidated financial statement presented in Form AOC-1 attached as Annexure – 2 to this Report. Your Company's policy on Material Subsidiary as approved by the Board is hosted on your Company's website and the web link thereto is as given below.

www.welspunindia.com under the tab Investors -> Polices

5. Auditors and Auditors' Report:

Appointments of Statutory Auditor, Cost Auditor, Secretarial Auditor and Internal Auditor are recommended by the Audit Committee and approved by the Board. Statutory Auditor and Internal Auditor meet the Audit Committee in absence of any member of the management twice a year.

i. Statutory Auditor:

Members of the Company appointed S R B C & CO LLP as statutory auditors for its 2nd term of five years commencing from expiry of 37th Annual General Meeting held on September 12, 2022 and end on conclusion of 42nd Annual General Meeting that may be held in the year 2027.

The Auditors are holding a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Auditors' observation read with Notes to Accounts for FY 2022-23 are self-explanatory and therefore do not call for any comment.

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part during the financial year under Report is ₹ 3.11 Crore.

ii. Cost Auditor:

As per Section 148 and other applicable provisions, if any, of the Act read with Companies (Audit and Auditors) Rules, 2014, the Board of Directors of your Company has reappointed M/s. Kiran J. Mehta & Co., Cost Accountants as the Cost Auditors of your Company for FY 2023-24 on the recommendations made by the Audit Committee.

Members are requested to ratify their remuneration by passing an ordinary resolution in the forthcoming Annual General Meeting.

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 are made and maintained by the Company.

iii. Secretarial Auditor:

The Secretarial Audit Report for FY 2022-23 is attached herewith as Annexure - 3 to this Report. As per Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Secretarial Audit Report for FY 2022-23 of Welspun Global Brands Limited and Welspun Captive Power Generation Limited, material unlisted subsidiaries company are also attached under Annexure – 3.

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed MNB & Co. LLP, Company Secretaries, as the Secretarial Auditor of your Company for the FY 2023-24.

6. Disclosure of Shares held in suspense account:

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year		Number of shareholders who approached issuer for transfer of shares from suspense account during the year		Number of shareholders to whom shares were transferred from suspense account during the year		Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year		Remarks
No of Holders	No of Shares	No of Holders	No of Shares	No of Holders	No of Shares	No of Holders	No of Shares	
817	332,150	2	770	11	1930	806	330,220	1930 shares and 11 Records transferred to IEPF on 15.03.2023

7. Listing with the Stock Exchanges:

Your Company's equity shares are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). Annual listing fees for the FY 2023-24 have been paid to NSE and BSE. There are no unsecured Commercial Papers outstanding as at March 31, 2023.

8. Finance:

i. Credit Rating:

During the year, CARE Ratings Limited ('CARE') has reaffirmed your Company's long term credit rating as 'AA' and short term credit rating as 'A1+'. India Ratings & Research, a Fitch Group company, has reaffirmed your Company's long-term issuer rating as 'IND AA/Stable' and reaffirmed short-term credit rating as 'IND A1+'.

ii. **Deposits:**

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

9. Board of Directors:

During the year, the Board of Directors has made changes in the composition of the Board of Directors of the Company. Mr. Altaf Jiwani, holding Director Identification Number 05166241, Chief Operating Officer of the Company has been appointed as Wholetime Director and Occupier of the Company's manufacturing facilities at Vapi, District Valsad, Gujarat State and Anjar, District Kutch, Gujarat State with effect from April 01, 2023. Further the Board has elevated, subject to approval of the members, Mr. Rajesh Mandawewala, holding Director Identification Number 00007179, as Executive Vice Chairman and Ms. Dipali Goenka, CEO of the Company, holding Director Identification Number 00007199 as Managing Director & CEO with effect from April 01, 2023.

Your Company's Board comprises mix of executive and non-executive directors with considerable experience and expertise across a range of fields such as finance, accounts, marketing, brand building, general management and strategy. Except the independent directors, all other directors are liable to retire by rotation as per the provisions of the Act. It is confirmed that, except for Mr. Balkrishan Goenka and Ms. Dipali Goenka who are husband and wife, there is no relationship between the directors inter-se. The details of the directors, their meetings held during the year and the extracts of the Nomination and Remuneration Policy has been given in the Corporate Governance Report, which forms part of this Report.

i. **Changes in Directors and Key Managerial Personnel:**

During the year, there was no change in Board of Directors and Key Managerial Personnel except as given below:

(i) Resignation of Mr. Arun Todarwal as Independent Director (holding Director Identification Number 00020916), with effect from July 01, 2022;

(ii) Appointment of Mr. K H Viswanathan (holding Director Identification Number 00391263) as an Independent Director with effect from July 01, 2022;

(iii) Appointment of Mr. Altaf Jiwani (holding Director Identification Number 05166241) as Wholetime Director with effect from April 01, 2023;

(iv) Elevation of Mr. Rajesh Mandawewala, holding Director Identification Number 00007179, as Executive Vice Chairman with effect from April 01, 2023; and

(v) Elevation of Ms. Dipali Goenka, holding Director Identification Number 00007199, as Managing Director & CEO with effect from April 01, 2023.

In accordance with the provisions of Section 152 of the Act and the Articles of Association of your Company, Mr. Balkrishan Goenka (holding Director Identification Number DIN 00270175) is retiring by rotation at the forthcoming Annual General Meeting and being eligible, has been recommended for his re-appointment.

Details about director being appointed or re-appointed are given in the Notice of the forthcoming Annual General Meeting.

ii. **Declaration by an Independent Director(s):**

Your Company has received declarations from all the independent directors as per the provisions of Section 149(7) of the Act confirming that they meet the criteria of independence as prescribed under the provisions of Section 149(6) of the Act and that there is no change in the circumstances as on the date of this Report which may affect their respective status as an independent director.

Your Board confirms that in its opinion the independent directors fulfill the conditions prescribed under the SEBI (LODR), 2015 and they are independent of the management. All the independent directors on the Board of the Company are registered with the Indian Institute of Corporate Affairs ("IICA"), Manesar, Gurgaon as notified by the Central Government under Section 150(1) of the Companies Act, 2013.

Test of independence based on criteria given in SEC (USA) Rule 4200

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

iii. Directors' Evaluation:

Background:

Nomination and Remuneration Committee has laid down the criteria for evaluation of performance of the Board, its committees and the directors.

In compliance with Sections 134, 178 of, and Paras II, V and VIII of Schedule IV to, the Act and Regulation 17 of Para A of Part D of Schedule II to SEBI Regulations 2015, the Board of Directors, as per the process recommended by the Nomination and Remuneration Committee, has evaluated the effectiveness of the Board, its Committees and Directors. The evaluation process invited graded responses to a structured questionnaire, which was largely in line with the SEBI Guidance Note on Board Evaluation, for each aspect of the evaluation. All the results were satisfactory.

Mode of evaluation:

Board assessment is conducted through a structured questionnaire. Each question requires response on a scale of 0 to 3 with 3 being the best. The Company has developed an in-house digital platform to facilitate confidential responses to a structured questionnaire. All the directors participated in the evaluation process.

Further, meeting of independent directors was conducted to review the performance of the Board as a whole and that of non-independent directors.

Results:

The evaluation results were discussed at the meeting of Board of Directors, Committees and the Independent Directors Meeting. The Directors were satisfied with the overall corporate governance standards, Board performance and effectiveness.

	Key parameters
Board of Directors	• Board structure and composition • Board meeting practices (agenda, frequency, duration) • Functions of the Board (Strategic direction etc.) • Quantity, quality & timeliness of information • Board culture and effectiveness • Functioning of Board Committees • Director induction and development programs
Board Committee	• Composition, roles & responsibilities and effectiveness of the committee • Meeting structure and information flow • Contributions to Board decisions
Independent directors	• Independence from company (no conflict of interest) • Independent views and judgement • Objective contribution to the Board deliberations
Chairperson	• Promote effective decision-making • Encourage high quality of constructive debate • Open-minded and listening to the members • Effectively dealing with dissent and work constructively towards consensus • Shareholders' interest supreme while taking decisions
Executive Directors	• Relevant expertise and commitment • Performance vis-à-vis business budget, peers • Dealing with challenges • Developing leaders

Board of Directors	
Parameters with high evaluation scores: • **Well informed decision-making process and considers interest of all stakeholders.** • **In-depth understanding about key performance drivers, risks and opportunities.** • **Strong oversight on quality of financial reporting process & internal financial controls.** • **Constructive Board culture.** • **Regular monitoring of actions taken on key decisions.**	**Key focus areas:** • Balancing Board's time between strategic and operational matters. [Action plan: Additional time with focus on strategic matters is allocated in Board Calendar.] • Induction and continuous training for Directors [Action plan: Induction toolkit for new directors has been reassessed.]

Board Committees	
Parameters with high evaluation scores: • **Size, composition and diversity of each Committee.** • **Strong oversight on financial reporting process, internal financial controls, compliance with related party transaction regulations and reporting to Board on key control gaps.** • **Performance monitoring of subsidiaries.** • **Effective in advising senior executives.**	**Key focus areas:** • Further sharpen risk management process. [Action: A robus framework for Risk Management has been designed. Roles and responsibilities for risk management activities has been identified at various levels]

iv. Familiarization program for Independent Director(s):

The familiarization program aims to provide the Independent Directors with the scenario within the textile industry, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant development so as to enable them to take well-informed decisions in timely manner. The familiarization programme also seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes.

The policy on Company's familiarization programme for Independent Directors is hosted on your Company's website and a web link thereto is as given below:

www.welspunindia.com under the tab Investors -> Policies

v. Committees of the Board of Directors:

Information on the Audit Committee, the Nomination and Remuneration Committee, ESG & CSR Committee, the Stakeholders' Relationship, Share Transfer and Investor Grievance Committee, Risk Management Committee and Meetings of those committees held during the year is given in the Corporate Governance Report forming part of this Report.

10. Employee Stock Option Plan ("ESOP"):

There were no outstanding options as on March 31, 2023.

Disclosure as required under Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 are as under:

Scheme - WELSOP 2005

(I)	A description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including -	
(a)	Name of the ESOP Plan	WELSOP 2005
(b)	Date of shareholders' approval	September 28, 2005
(c)	Total number of options approved under ESOP	36,544,760 (3,654,476 at the time of passing of shareholders resolution with shares being of face value ₹ 10 per share.)
(d)	Vesting requirements	Vesting: 20% on end of one year from the date of grant; 20% on end of second year from the date of grant; 30% on end of third year from the date of grant and 30% on end of fourth year from the date of grant.
(e)	Exercise price or pricing formula	At the latest available closing market price of the equity shares of the Company at the time of grant.
(f)	Maximum term of options granted	3 years from vesting
(g)	Source of shares (primary, secondary or combination)	Primary
(h)	Variation in terms of options	-
(II)	Method used to account for ESOP - Intrinsic or fair value.	The Company has recognized compensation cost using fair value method of accounting. The Company has recognized stock option compensation cost of ₹ 1.68 Crore in the statement of profit and loss for the financial year 2022-23.
(III)	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	The Company accounted for employee compensation cost on the basis of fair value of the options.
(IV)	Option movement during the year	
	Number of options outstanding at the beginning of the period	2,900,000
	Options granted	-
	Options vested	-
	Options exercised	-

	The total number of shares arising as a result of exercise of option	-
	Options forfeited / lapsed/ Surrendered	2,900,000
	The exercise price	-
	Money realized by exercise of options	-
	Loan repaid by the Trust during the year from exercise price received	Not applicable
	Number of options outstanding at the end of the Year	-
	Number of options exercisable at the end of the Year	-
Employee wise details of options granted to:-		
•	Key Managerial Personnel	-
•	Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year	-
•	Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	None
Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 "Earnings Per Share".		₹ 1.54
Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.		The Company accounted for employee compensation cost on the basis of fair value of the options.

		Options granted on July 31, 2021	Options granted on November 26, 2021
Weighted-average value of share price (₹)		133.45	139.00
Exercise prices (₹)		133.45	139.00
weighted-average fair values of options (₹)		44.80	46.86
A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:			
(i)	risk-free interest rate	3.94% - 5.65%	4.29% - 5.65%
(ii)	expected life	1-4	1-4
(iii)	expected volatility	50%	50%
(iv)	Dividend yield	1.05%	1.05%
(v)	the price of the underlying share in market at the time of option grant.	133.45	139.00

Scheme - Welspun India Employee Benefit Scheme – 2022

(I)	A description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including -	
(a)	Name of the ESOP Plan	Welspun India Employee Benefit Scheme – 2022
(b)	Date of shareholders' approval	June 29, 2022
(c)	Total number of options approved under ESOP	4,45,00,000
(d)	Vesting requirements	Vesting: 25% on each anniversary of the date of grant.
(e)	Exercise price or pricing formula	As may be decided by the Nomination and Remuneration Committee of the Board of Directors from time to time.
(f)	Maximum term of options granted	No options granted. As per the ESOP Plan, options will lapse if not exercised within 1 year of vesting.
(g)	Source of shares (primary, secondary or combination)	Both primary and secondary market
(h)	Variation in terms of options	The scheme was approved during the year. No modifications have been made to the schemes subsequently.
(II)	Method used to account for ESOP - Intrinsic or fair value.	-
(III)	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	-
(IV)	Option movement during the year	No options have been granted during the year under the ESOP plan.
	Number of options outstanding at the beginning of the period	Nil
	Options granted	-
	Options vested	-
	Options exercised	-
	The total number of shares arising as a result of exercise of option	-
	Options forfeited / lapsed / surrendered	-
	The exercise price	-
	Money realized by exercise of options	-
	Loan repaid by the Trust during the year from exercise price received	Nil
	Number of options outstanding at the end of the Year	-
	Number of options exercisable at the end of the Year	-
Employee wise details of options granted to:-		
•	Key Managerial Personnel	-
•	Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year	-
•	Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	None

Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 "Earnings Per Share".	-
Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	-
Weighted-average value of share price (₹)	Not Applicable as no options have been granted under this scheme.
Exercise prices (₹)	
weighted-average fair values of options (₹)	
A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:	
(i) risk-free interest rate	
(ii) expected life	
(iii) expected volatility	
(iv) Dividend yield	
(v) the price of the underlying share in market at the time of option grant.	

Your Company provided loan of ₹ 80.54 Crore for the purchase of, or subscription for, shares of your Company to Welspun India Employee Welfare Trust ("ESOP Trust")

11. Loans, Guarantees and Investments:

Information of amounts of investments made, loans given, guarantees given and security provided by your Company as on March 31, 2023 is as given under:

₹ in Crore

Particulars	Amount
Investments	1,902.86
Loans / Receivables	2.01
Guarantees	2623.46
Security	-
Total	**4,528.33**

The Company has issued guarantee of ₹ 820 Crore in favour of consortium of Bankers led by State Bank of India ("the Consortium") to secure repayment of working capital facilities extended by the Consortium to Welspun Global Brands Limited ("WGBL"), a subsidiary of your Company and ₹ 100 Crore in favour of Kotak Mahindra Bank Limited to secure term loan facility.

The Company has issued guarantees of ₹ 815 Crore in favour of the lenders of Welspun Flooring Limited ("WFL"), a wholly owned subsidiary of your Company to secure repayment of facilities extended by those lenders to WFL and ₹ 156 Crore in favour of Exim Bank Limited to secure term loan facility. The Company issued a guarantee of ₹ 255 Crore to Catalyst Trusteeship Limited, security trustee of consortium of lenders to WFL consisting of Bank of Baroda, HDFC Bank and IDFC First Bank. The Company has issued guarantee of ₹ 17.50 Crore and ₹ 88 Crore in favour of HDFC Bank Limited and Export-Import Bank of India, respectively, to secure working capital facility availed by WFL. Additionally, your Company had issued guarantee of amount of ₹ 20 Crore in favour of Axis Bank Limited to secure forward contracts risk.

Your Company has issued guarantees of amounts upto ₹ 103.90 Crore to Customs Authorities to secure fulfilment of export obligations of Welspun Advanced Materials (India) Limited ("WAMIL"), a wholly owned subsidiary of your Company. Additionally, the Company has issued guarantee in favour of Catalyst Trusteeship Limited to secure term loan facility for an amount of ₹ 248 Crore.

Disclosures pursuant to the Regulation 34(3) read with Para A of Schedule V of SEBI Regulations, 2015 is given at Note No. 36 of the audited financial statements.

12. Particulars of contracts or arrangements with related parties:

All related party transactions that were entered into during the year under report were on an arm's length basis and were in the ordinary course of business, to serve mutual needs and mutual interest. Except for contract with WGBL, subsidiary of your Company, there were no materially significant related party transactions made by your Company. The Audit Committee has given its omnibus approval which is valid for one financial year. Your Company's policy on Related Party Transactions as approved by the Board is hosted on your Company's website and a web link thereto is as given below:

https://www.welspunindia.com under the tab Investors -> Policies

Disclosures as required under the Act are given in Form AOC-2 as Annexure – 4 to this Report.

The details of the related party transactions as required under IND-AS 24 are set out in Note No. 29 to the Standalone financial statements forming part of this Report.

13. Details of Remuneration to Directors and Key Managerial Personnel:

i. Details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

(a) the ratio of the remuneration of each executive director and key managerial personnel to the median remuneration of the employees of your Company for FY 2022-23 is as given below:

Name and Designation	Remuneration (₹ Crore)	The percentage increase in remuneration	The ratio of the remuneration to the median remuneration of the employees (No. of times)
Mr. Rajesh Mandawewala (Executive Vice Chairman)	4.90	(54.59)	241.53
Ms. Dipali Goenka (Managing Director & CEO)	7.18	(42.83)	353.25
Mr. Sanjay Gupta (Chief Financial Officer)	2.31	56.08*	113.60
Mr. Shashikant Thorat (Company Secretary)	0.59	5.63	29.00

*Compared with previous year remuneration for the period from May 14, 2021 to March 31, 2022.

(a) The percentage increase in the median remuneration of employees in FY 2022-23 was 8.13%.

(b) Your Company had 15,324 permanent employees on its payroll as on March 31, 2023.

(c) Average percentage increase in the salaries of employees other than the managerial personnel in FY 2022-23 was 8.72%.

The key parameters for any variable component of remuneration availed by the directors are as per the Nomination and Remuneration Policy. We affirm that the remuneration is as per the Nomination and Remuneration Policy of your Company.

ii. Details of the employees of your Company as required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

Name, Designation, Age, DOJ, Current Gross Salary (₹ Crore), Qualification, Previous Company, Nature of Employment, % of Equity Shares held in the Company, Relative of any Director/ Manager of the Company

Sanjay Kanungo, *Director, 55, 23/01/2017, 1.65, BE (Mechanical), Trident, Permanent, 0, No; Cherian Kenneth Thomas, President, 52, 02/12/2019, 1.63, BE (Mechanical)+ MBA, Frigoglass, Permanent, 0, No; Puesh Ajmani, President, 44, 25/08/2020, 1.73, MBA + PGDM, Square Panda Inc, Permanent, 0, No; Disha Shah, Assistant Vice President, 46, 28/09/2020, 0.94, Permanent, 0, No; Sanjay Gupta, President, 54, 14/05/2021; 2.31, MBA+PGDM, Vibgyor School Group, Permanent, 0, No; Shailesh Apte, Senior Vice President, 41, 13/09/2021, 1.20, M. Com, JSW Steel, Permanent, 0, No; Abhinandan Singh; Senior Vice President, 51, 20/12/2021, 0.77, MBA, Coforge Limited, Permanent, 0, No; Ruchi Ahuja, Senior Vice President, 44, 28/12/2021, 0.83, BA, Nurture Agtech Pvt Limited, Permanent, 0, No; Rajesh Kumar Srivastava, President, 56, 25/08/2022, 0.60, Permanent, 0, No; Vijay Pasupathy, President, 42, 19/10/2022, 0.83, Permanent, 0, No; Salil Bawa, President, 50, 01/12/2022, 0.54, Permanent, 0, No; Mayank Meenketan, Senior Vice President, 40, 04/01/2023, 0.29, Permanent, 0, No; Chintan Thaker, President; 45, 01/04/2003, 1.42, B.SE+MBA, Gujarat Infra Ltd, Permanent, 0, No; Amit Bhandari, President, 48, 11/01/2006, 0.95, Permanent, 0, No; Bharat Thanvi, President, 49, 27/01/1996, 1.11, BE/ Btech, -, Permanent, 0, No; Rajesh Mandawewala, Executive Vice Chairman, 60, 01/12/1985, 4.90, CA, Contractual, 1,030 Equity Shares, No; Altaf Jiwani, Chief Operating Officer and Whole-time Director, 56, 02/02/2015, 3.95, B.TECH/MMS, Philips Carbon black, Permanent, 0, No; K R. Subramanian, Senior Vice President; 56, 25/03/2015, 0.91, Permanent, 0, No; Dipali Goenka, Managing Director & CEO, 53, 07/08/2000, 7.18, Contractual, 7,50,400 Equity Shares, Yes.

* Not a member of the Board.

iii. Ms. Dipali Goenka, Managing Director & CEO, who is receiving remuneration and commission from your Company, receives ₹ 4.13 Crore as remuneration (including variable pay) and commission of 2% of profits also from WGBL, a subsidiary of your Company.

iv. Details of managerial remuneration and payments to other directors is given in the Annual Return.

14. Annual Return:

Pursuant to section 134(3)(a) and section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, a copy of the annual return is placed on the website of the Company and can be accessed at www.welspunindia.com under the tab Investors -> Shareholders Information -> Annual Return FY 22-23.

15. Business Responsibility and Sustainability Report (BRSR):

The Company is pleased to present its 2nd Business Responsibility and Sustainability Report for the financial year 2022-23 which is a part of this Annual Report.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo required to be disclosed pursuant to Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014 is attached as Annexure – 5 to this Report.

17. Corporate Social Responsibility (CSR):

The key philosophy of all CSR initiatives of the Company is enshrined in the three E's which have become guiding principles of the CSR initiatives – Education, Empowerment (of Women) and Environment & Health.

The CSR Policy of your Company as approved by the Board of Directors, is hosted on your Company's website and a web link thereto is as given below: www.welspunindia.com under the tab Investors -> Policies.

The initiatives undertaken by your Company during FY 2022-23 in CSR have been detailed in this Report. Disclosures as required under Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 are given in Annexure – 6 to this Report.

The Company's CSR programs are linked with the Sustainable Development agenda adopted by the UN; clearly defined activities and goals - ongoing/ long-term; provisions related to excess contribution & set-off, capital assets governance structure & responsibilities.

18. Internal controls:

Your Company has adequate internal control system, which is commensurate with the size, scale and complexity of its operations. Your Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation of Section 134(5) of the Act, SEBI Regulations, 2015 and other relevant statutes applicable to your Company.

Your Company has well-documented Standard Operating Procedures (SOPs) for various processes which are periodically reviewed for changes warranted by business needs. The Internal Auditors continuously monitor the efficiency of the internal controls / compliance with the SOPs with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance of the adequacy and effectiveness of the organisation's risk management, control and governance processes.

For the year ended March 31, 2023, the Board is of the opinion that your Company has sound IFC commensurate with the nature of its business operations; wherein adequate controls are in place and operating effectively and no material weakness exists. Your Company has a process in place to continuously monitor existing controls and identify gaps and implement new and / or improved controls wherever the effect of such gaps would have a material effect on your Company's operation.

19. Risk management:

Your Company is exposed to risks across all levels and functions of the organisation. The Board has approved Enterprise Risk Management Policy (ERMP) to effectively address financial, operational, business, compliance and strategic risk. A structured enterprise risk management program has been formulated and implemented. Refer to the MDA Section in this Report for risks and threats applicable to your Company.

20. Corporate Governance:

The Company is committed to maintain the highest standards of corporate governance requirements as set out by SEBI. The Report on Corporate Governance as stipulated under SEBI Regulations, 2015 forms an integral part of this Report. The requisite Compliance Certificate is obtained from MNB & Co. LLP, Company Secretaries regarding compliance of conditions of Corporate Governance as stipulated under Part E of Schedule V of SEBI Regulations 2015, is annexed to the Corporate Governance Report.

21. Management Discussion and Analysis Report ("MDA"):

The MDA Report on the operation of the Company as required under the SEBI Regulations, 2015, is provided in a separate section and forms part of this Report.

22. Vigil mechanism:

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated Whistle Blower Policy and Vigil Mechanism for its directors and employees and any director or employee may make protected disclosures to the Chairman of the Audit Committee. No personnel have been denied access to the Audit Committee.

23. Directors' Responsibility Statement:

Pursuant to Sections 134(3)(c) & 134(5) of the Act, your Directors hereby confirm that:

a. in the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b. the directors have 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 the FY 2022-23;

c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the directors have prepared the annual accounts on a going concern basis;

e. the directors have 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 have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

24. Miscellaneous:

During the year, there was no change in the general nature of business of your Company. No material change or commitment has occurred which would have affected the financial position of your Company between the end of the financial year 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. No amount was required to be transferred to General Reserve. No share with differential rights was issued by your Company nor did your Company issue any equity share as sweat equity share. 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. Further, based on the Policy on Prevention, Prohibition and Redressal of Sexual Harassment of women at workplace and confirmation received from the Internal Complaints Committee of your Company, one case of sexual harassment was reported during the year under review and it has been resolved. No fraud took place in the Company during the year and hence, no such reporting was made to the Audit Committee and the Board under Section 143(12) of the Companies Act, 2013 read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014. The Board of Directors affirms that the Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Companies Secretaries of India and that such systems are adequate and operating effectively. The Company has complied with the applicable Secretarial Standards.

25. Acknowledgements:

Your Directors thank the government authorities, financial institutions, banks, customers, suppliers, members, employees and other business associates of your Company, who through their continued support and co-operation, have helped as partners in your Company's progress and achievement of its objectives.

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN 00270175

April 27, 2023
Mumbai

Annexure – 1

Welspun India Limited

Dividend Distribution Policy

(In terms of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1. REGULATORY FRAMEWORK

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

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

2. OBJECTIVE & PHILOSOPHY

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

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

3. DIVIDEND DECLARATION - CIRCUMSTANCES AND FINANCIAL PARAMETERS

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

Provided that dividend calculated at 25 per cent (25%) of Profit after Tax on consolidated basis in respect of any financial year would be subject to limit of amount equal to 40 per cent (40%) of Profit after Tax on standalone basis for that financial year.[1]

The shareholders may expect dividend in following circumstances:

1) The Board will assess the Company's financial requirement, including present and future organic and inorganic growth opportunities and other relevant factors.

2) In the circumstances where no material event has occurred affecting the long term business stability of the Company.

3) No event has happened which may have long term material effect on the business of the Company. In such circumstances, dividend may be recommended or declared at the discretion of the Board.

4) Dividend received from subsidiaries will be considered while assessing whether dividend would put a strain on funds flow of the Company at a standalone level.

4. FACTORS FOR DETERMINING DIVIDEND

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

A. Internal Factors

i) Stability / trends of earnings;

ii) Liquidity of funds;

iii) Need for additional capital;

iv) Acquisitions and/or any other potential strategic action;

v) Expansion of business;

vi) Past dividend trends;

vii) Dividend type and time of its payment;

B. External Factors

i) Prevailing legal requirements, tax rules Government policies, Statutory conditions or restrictions as may be provided under applicable laws;

ii) State of the industry or economy of the country;

iii) Capital market scenario;

iv) Financial covenants stipulated by the lenders;

v) Covenants in agreement with shareholding group(s);

5. PARAMETERS WITH REGARDS TO VARIOUS CLASSES OF SHARES

The Company shall first declare dividend on outstanding preference shares, if any, at the

[1]Amended vide Board resolution dated January 27, 2021.

rate of dividend fixed at the time of issue of preference shares and thereafter, the dividend would be declared on equity shares.

6. UTILIZATION OF RETAINED EARNINGS

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

1. Maintain existing operations;
2. Acquisitions, expansion or diversification;
3. Funding organic and inorganic growth
4. Short-term investment in risk-free instruments with moderate returns;
5. Repayment of borrowings;
6. Meet contingent and other liabilities;
7. Issue of Bonus Shares;
8. Investment in Subsidiaries
9. Research and Development
10. Innovation
11. Acquisition of Intellectual Property Rights

7. AMENDMENTS / MODIFICATIONS

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

For Welspun India Limited

Sd/-
Rajesh Mandawewala
Managing Director
00007179

Date: January 27, 2021
Place: Mumbai

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN 00270175

April 27, 2023
Mumbai

Annexure – 2

Form AOC – 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)
Performance and financial position of the subsidiaries

₹ in Crore

Sr. No.	1	2	3	4	5	6	7	8	9	10	11	12	13
Name of the Subsidiary company	WGBL	#WUSA	WCPGL	#CHL	WUL	WFL	CLL	CWG	WASEZ	WHTUKL	WZTL	WIPL	CHT
Reporting period year ended	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023
Reporting currency and Exchange rate	INR NA	USD ₹ 82.17	INR NA	GBP ₹ 99.48	GBP ₹ 101.62	INR NA	USD ₹ 82.17	Euro ₹ 89.43	INR NA	GBP ₹ 101.62	INR NA	INR NA	GBP ₹ 101.62
Share Capital	23.53	1.02	29.54	47.46	51.76	617.54	-	0.92	0.05	104.86	5.50	-	52.38
Reserves & Surplus	445.49	203.33	391.74	(4.06)	30.95	(130.51)	(24.52)	(2.80)	239.54	(61.50)	6.61	-	(3.49)
Total Assets	1,972.72	938.42	325.68	176.60	116.38	1,509.49	32.81	(1.16)	281.64	75.11	6.24	-	49.35
Total Liabilities	1,503.73	734.07	55.04	133.21	33.67	1,044.47	57.33	0.72	72.15	31.75	0.12	-	0.46
Investments (excluding investments in subsidiaries)	0.03	-	150.64	-	-	22.01	-	-	30.10	-	5.99	-	-
Turnover	6,544.44	2,347.53	290.51	279.35	223.98	648.50	45.18	-	3.48	-	-	-	-
Profit / (Loss) before Taxation	47.03	18.62	8.17	4.89	5.21	(30.01)	0.01	(0.42)	0.90	*	0.56	*	-
Provision for Taxation	12.74	4.50	(3.69)	-	-	(0.49)	-	-	1.47	-	0.09	-	-
Profit / (Loss) after Taxation	34.29	14.12	11.86	4.89	5.21	(29.52)	0.01	(0.42)	(0.57)	*	0.47	*	-
Proposed Dividend (Equity)	-	-	11.82	-	-	-	-	-	-	-	-	-	-
% of Share holding	98.03%	98.68%	77.00%	98.11%	98.11%	100.00%	98.11%	98.11%	100%	98.11%	100.00%	-	98.11%

Consolidated figures of the Company and all its subsidiaries are given.

Reporting currency and Exchange rate is as on the last date of the relevant financial year in the case of foreign subsidiaries.

* Amount is below the rounding norms adopted by the Company

WGBL = Welspun Global Brands Limited, WUSA = Welspun USA, Inc., WCPGL = Welspun Captive Power Generation Limited, CHL = CHT Holdings Limited, WUL = Welspun UK Limited, WFL = Welspun Flooring Limited, CLL = Christy Lifestyle LLC, CWG = Christy Welspun GmbH, WASEZ = Welspun Anjar SEZ, WHTUKL = Welspun Home Textiles UK Limited, WZTL = Welspun Zucchi Textiles Limited, WIPL = Welspun Innovation Products Limited (previously known as Welspun Advanced Materials Limited), CHT = Christy Home Textiles Limited.

₹ in Crore

Sr. No.	14	15	16	17	18	19	20	21	22	23	24	25	26	27
Name of the Subsidiary company	NHT	WMEL	WHPL	ERK	BDI	AITP	CL	CUL	WNEX	TILT	WAMIL	TMG	ATTL	ETPL
Reporting period year ended	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023
Reporting currency and Exchange rate	MXN ₹ 4.55	USD ₹ 82.17	GBP ₹ 101.62	GBP ₹ 101.62	INR NA	INR NA	GBP ₹ 101.62	GBP ₹ 101.62	USD ₹ 82.17	USD ₹ 82.17	INR NA	USD ₹ 82.17	INR NA	INR NA
Share Capital	5.32	1.65	0.30	0.02	0.01	0.01	-	-	26.93	*	92.01	70.22	1.00	-
Reserves & Surplus	(5.32)	3.63	57.60	5.94	(1.44)	(0.04)	87.32	0.26	(25.54)	0.41	(13.33)	(3.20)	(0.09)	-
Total Assets	-	5.36	58.30	5.98	0.13	0.02	87.32	0.26	1.39	0.41	321.18	67.03	0.92	-
Total Liabilities	-	0.08	0.41	0.02	1.56	0.05	-	-	-	-	242.50	0.01	*	-
Investments (excluding investments in subsidiaries)	-	-	-	-	*	-	-	-	-	-	-	-	-	-
Turnover	-	-	-	-	-	-	-	-	-	-	134.50	-	-	-
Profit / (Loss) before Taxation	-	0.02	(0.15)	-	*	*	-	-	(0.01)	-	(13.15)	(1.08)	*	*
Provision for Taxation	-	-	-	-	*	-	-	-	-	-	(1.38)	-	-	-
Profit / (Loss) after Taxation	-	0.02	(0.15)	-	*	*	-	-	(0.01)	-	(11.77)	(1.08)	*	*
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% of Share holding	98.03%	98.03%	98.11%	98.11%	100.00%	100.00%	98.11%	98.11%	100.00%	98.68%	100.00%	98.68%	100.00%	-

Reporting currency and Exchange rate is as on the last date of the relevant Financial year in case of foreign subsidiaries.

NHT = Novelty Home Textiles S A DE C V, WMEL = Welspun Mauritius Enterprises Limited, WHPL = Welspun Holdings Private Limited, ERK = E. R. Kingsley (Textiles) Limited, BDI = Besa Developers and Infrastructure Private Limited, AITP = Anjar Integrated Textile Park Developers Private Limited, CL = Christy 2004 Limited, CUL = Christy UK Limited, WNEX – Welspun Nexgen Inc., USA., TILT = TILT Innovation Inc., WAMIL = Welspun Advanced Materials (India) Limited, TMG = TMG (Americas) LLP, ATTL = Anjar Terry Towels Limited; ETPL = Easygo Textiles Private Limited.

Notes:

Anjar Integrated Textile Park Developers Private Limited and Anjar Terry Towels Limited is yet to commence business.

Effective November 21, 2022, Welspun Innovative Products Limited and Easygo Textiles Private Limited have ceased to be subsidiary of Welspun India Limited (WIL)

* Amount is below the rounding norms adopted by the Company

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN 00270175

Rajesh Mandawewala
Executive Vice Chairman
DIN 00007179

Dipali Goenka
Managing Director & CEO
DIN 00007199

Sanjay Gupta
Chief Financial Officer

Shashikant Thorat
Company Secretary
FCS - 6505

April 27, 2023
Mumbai

Annexure – 3

SECRETARIAL AUDIT REPORT

Form No. MR-3

For the financial year ended on March 31, 2023

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

To,
The Members,
WELSPUN INDIA LIMITED
Welspun City, Village Versamedi,
Anjar – 370110, Gujarat, India
CIN: L17110GJ1985PLC033271

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **WELSPUN INDIA LIMITED** (hereinafter called the Company) for the Financial Year ended 31st March, 2023. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

(i) The Companies Act, 2013 (the Act) and the Rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under: - **(to the extent applicable during the period under review)**

(iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under; **(to the extent applicable during the period under review)**

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(to the extent applicable during the period under review)**

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(to the extent applicable during the period under review)**;

(b) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(to the extent applicable during the period under review)**;

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(to the extent applicable during the period under review)**;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(to the extent applicable during the period under review)**;

(e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(to the extent applicable during the period under review)**;

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(to the extent applicable during the period under review)**;

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(to the extent applicable during the period under review)**

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(not applicable during the period under review)**;

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(not applicable during the period under review)**;

(j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(to the extent applicable during the period under review)**

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

As per management representation in writing received by us stating that during audit period, the Company has adequate and proper compliance mechanism system in place for compliance of laws applicable, as mentioned herein below:

- Labour laws and other incidental laws related to wages, gratuity, provident fund, Employees State Insurance Corporation, compensation, etc.
- Direct and indirect taxes.
- Electricity Act, Environment protection related acts, Explosives act, Motor vehicle Act, Energy Conservation related acts, Indian Boilers related act, Fire prevention and life safety related acts
- Factories Act, 1948 along with local factories Act and rules
- Food Safety & Standards Act
- Industrial Disputes Act,
- Legal Metrology Act
- Gujrat Industrial Relations Act, Gujrat Shops and Establishments Act and other local Acts.
- Building and Other Construction Workers Act, 1996.

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

(i) The Company has complied with Secretarial Standards pursuant to Section 118(10) of the Companies Act, 2013 with regard to Members Meeting and Board of Directors Meetings.

(ii) Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

During the year under consideration, following are changes in Board of Directors and Key Managerial personnel:

1. Appointment of Mr. Viswanathan Hariharan Kollengode as an Additional Independent Director w.e.f 01/07/2022.
2. Resignation of Mr. Arun Todarwal Lalchand as the Director of the Company w.e.f. 01/07/2022.
3. Change in Designation of Mr. Viswanathan Hariharan Kollengode as an Independent Director w.e.f 12/09/2022.
4. Appointment of Mr. Altaf Jiwani as Wholetime Director and Key Management Personnel of the Company w.e.f. 01/04/2023.

Adequate notice is given to all the Directors to schedule the Board Meetings and detailed notes on agenda were sent well in advance or with due consents for shorter notice from the Directors and adequate system exists for seeking and obtaining further information and clarifications on the agenda items for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that during the audit period under review the Company:

1. The Company has taken approval for Transition towards renewable energy - Investment in equity shares at par upto ₹ 31 Crore to acquire upto 26% equity share capital of a proposed SPV for implementation of renewable energy project.
2. The Company has invested ₹ 57,00,000 (Rupees Fifty-Seven Lakh) in Welspun Transformation Services Limited.
3. The Company has declared and paid Dividend of ₹ 0.15 per share on Equity Shares for Financial Year 2021-22;
4. The Company has Re-appointed Mr. Rajesh Mandawewala as Managing Director for a period of five years with effect from April 1, 2022.
5. The Company has taken approval for Commission payable to Mr. Balkrishan Goenka, Non – Executive Chairman.
6. The Company has taken approval for payment of Remuneration to Mr. Rajesh Mandawewala, Managing Director for payment of Remuneration in excess of thresholds given in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
7. The Company has taken approval for payment of Remuneration to Mrs. Dipali Goenka, Joint Managing Director for payment of Remuneration in excess of thresholds given in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
8. The Company has approved setting up of 30MW Solar Power Project.
9. The Company has taken approval for borrowing upto ₹ 200 Crore in one or more form or instruments, including but not

limited to term loans, secured or unsecured, redeemable, listed or unlisted, Green Bonds, Non-Convertible Debentures (NCDs), Commercial Papers etc., to be issued, whether on private placement basis or otherwise, in domestic and/or international market, in one or more series or tranches from time to time, whether raised in form of domestic or overseas issuance or both, or any combination of term loans, NCDs, Commercial Papers, in one or more tranches, issuable or redeemable at discount or par or premium, under one or more shelf disclosure documents.

10. The Company has approved Setting-up captive renewable hybrid power project (Captive Open Access (Direct Transmission Line-DTL) jointly by Welspun India Limited (up to 14% equity), Welspun Corp Limited (up to 12% equity) and Radiance Renewable group (up to 74% equity) with an Annual Generation capacity of approximately 20,40,34,950 kWh; and Investment of up to ₹ 30.50 Crore (for up to 14% equity stake) in a special purpose vehicle incorporated or to be incorporated under the Companies Act, 2013 for the abovementioned project;

11. The Company has approved WELSPUN INDIA EMPLOYEE BENEFIT SCHEME – 2022 through Postal Ballot.

12. The Company has provided approval to Welspun India Employee Welfare Trust for the Acquisition of Equity Shares by way of Secondary Acquisition under Welspun India Employee Benefit Scheme – 2022.

13. The Company has granted approval for provision of money by the Company for Purchase of its own Shares by the Trust / Trustees for the benefit of Employees Under Welspun India Employee Benefit Scheme – 2022

We further report that:

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and guidelines.

For MNB & Co. LLP
Company Secretaries

CS Maithili Nandedkar
Partner
FCS: 8242, C P No. 9307
Place: Mumbai UDIN: F008242E000174562
Date: April 27, 2023 Peer Reviewed Firm No. 1259/2021

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

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
WELSPUN INDIA LIMITED

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

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

For MNB & Co. LLP
Company Secretaries

CS Maithili Nandedkar
Partner
FCS: 8242, CP No. 9307

Place: Mumbai
Date: April 27, 2023

Secretarial Audit Report of Welspun Global Brands Limited, unlisted material subsidiary Company.

SECRETARIAL AUDIT REPORT

Form No. MR-3

For the financial year ended on March 31, 2023

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

To,
The Members,
WELSPUN GLOBAL BRANDS LIMITED
Registered Office: Survey No 675 Anjar Welspun City, Kachchh Gujarat, 370110, India.
CIN: U71210GJ2004PLC045144

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **WELSPUN GLOBAL BRANDS LIMITED** (hereinafter called the Company) for the Financial Year ended 31st March, 2023. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

(i) The Companies Act, 2013 (the Act) and the Rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under: - **(to the extent applicable during the period under review)**

(iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under; **(to the extent applicable during the period under review)**

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(to the extent applicable during the period under review)**

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(not applicable during the period under review)**;

(b) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(not applicable during the period under review)**;

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(not applicable during the period under review)**;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(not applicable during the period under review)**;

(e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(not applicable during the period under review)**;

(f) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(not applicable during the period under review)**

(g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(not applicable during the period under review)**

(h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(to the extent applicable during the period under review)**

(i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the Audit Period); **(not applicable during the period under review)**;

(j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(not applicable during the period under review)**;

(k) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(to the extent applicable during the period under review)**;

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

As per management representation in writing received by us stating that during audit period, the Company has adequate and proper compliance mechanism system in place for compliance of laws applicable, as mentioned herein below:

- Labour laws and other incidental laws related to wages, gradually, provident fund, employees State Insurance Corporation, compensation, etc.
- Direct and indirect taxes.
- Electricity Act, Environment protection related acts, Explosives act, Motor vehicle Act, Energy Conservation related acts, Indian Boilers related act, Fire prevention and life safety related acts
- Factories Act, 1948 along with local factories Act and rules
- Food Safety & Standards Act
- Industrial Disputes Act,
- Legal Metrology Act
- Gujarat Industrial Relations Act, Gujarat Shops and Establishments Act and other local Acts.
- Building and Other Construction Workers Act, 1996.
- Maharashtra Shops and Establishment Act 1948 and Maharashtra Shops and Establishments Rules, 1961.

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

(i) The Company has complied with Secretarial Standards pursuant to Section 118(10) of the Companies Act, 2013 with regard to Members Meeting and Board of Directors Meetings.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

During the year under consideration, following are changes in Board of Directors and Key Managerial personnel:

1. Mr. Arun Todarwal Lalchand cease to be the Director of the Company w.e.f. 01/07/2022.
2. Mr. Viswanathan Hariharan Kollengode was appointed an Additional Director of the Company w.e.f. 26/07/2022 and thereafter his designation was changed to Director at the Annual General Meeting w.e.f. 29/09/2022.
3. Mr. Ankush Vijay Agrawal was appointed as an Additional Independent Director of the Company w.e.f. 30/09/2022.
4. Ms. Nidhi Tanna cease to be the Company Secretary of the Company w.e.f. 31/12/2022.
5. Mr. Altaf A Jiwani was appointed as Whole-time Executive Director of the Company w.e.f. 27/01/2023.
6. Mr. Shashikant Bhausaheb Thorat was appointed as Company secretary of the Company w.e.f. 27/01/2023.

Adequate notice is given to all the Directors to schedule the Board Meetings and detailed notes on agenda were sent well in advance or with due consents for shorter notice from the Directors and adequate system exists for seeking and obtaining further information and clarifications on the agenda items for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that:

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and guidelines.

For MNB & Co. LLP
Company Secretaries

CS Maithili Nandedkar
Partner
FCS: 8242, C P No. 9307
UDIN: F008242E000174311
Peer Reviewed Firm No. 1259/2021

Place: Mumbai
Date: April 26, 2023

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

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
WELSPUN GLOBAL BRANDS LIMITED
Registered Office: Survey No 675 Anjar Welspun City,
Kachchh Gujarat, 370110, India.
CIN: U71210GJ2004PLC045144

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

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

For MNB & Co. LLP
Company Secretaries

CS Maithili Nandedkar
Partner
FCS: 8242, CP No. 9307

Place: Mumbai
Date: April 26, 2023

Secretarial Audit Report of Welspun Captive Power Generation Limited, unlisted material subsidiary Company.

SECRETARIAL AUDIT REPORT

Form No. MR-3

For the financial year ended on March 31, 2023

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

To,
The Members,
WELSPUN CAPTIVE POWER GENERATION LIMITED
Registered Office: Welspun City, Village Versamedi, Taluka-Anjar, Anjar-370110, Gujarat, India.
CIN: U40100GJ2010PLC060502

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **WELSPUN CAPTIVE POWER GENERATION LIMITED** (hereinafter called the Company) for the Financial Year 2022-2023. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

(i) The Companies Act, 2013 (the Act) and the Rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under: - **(to the extent applicable during the period under review)**

(iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under; **(to the extent applicable during the period under review)**

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(to the extent applicable during the period under review)**

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(not applicable during the period under review)**;

(b) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(not applicable during the period under review)**;

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(not applicable during the period under review)**;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(not applicable during the period under review)**;

(e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(not applicable during the period under review)**;

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(not applicable during the period under review)**

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(to the extent applicable during the period under review)**

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the Audit Period); **(not applicable during the period under review)**;

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(not applicable during the period under review)**;

(j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(not applicable during the period under review)**;

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

As per management representation in writing received by us stating that during audit period, the Company has adequate and proper compliance mechanism system in place for compliance of laws applicable, as mentioned herein below:

- Labour laws and other incidental laws related to wages, gratuity, provident fund, Employees State Insurance Corporation, compensation, etc.
- Direct and indirect taxes.
- Electricity Act, Environment protection related acts, Explosives act, Motor vehicle Act, Energy Conservation related acts, Indian Boilers related act, Fire prevention and life safety related acts
- Factories Act, 1948 along with local factories Act and rules
- Food Safety & Standards Act
- Industrial Disputes Act,
- Legal Metrology Act
- Gujrat Industrial Relations Act, Gujrat Shops and Establishments Act and other local Acts.
- Building and Other Construction Workers Act, 1996.

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

(i) The Company has complied with Secretarial Standards pursuant to Section 118(10) of the Companies Act, 2013 with regard to Members Meeting and Board of Directors Meetings.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

During the year under consideration, following are changes in Board of Directors and Key Managerial personnel:

1. Resignation of Mrs. Mala Arun Todarwal, Director of the Company w.e.f June 27, 2022.
2. Appointment of Mr. Atul Manubhai Desai as an Additional Independent Director w.e.f July 21, 2022.
3. Change in Designation of Mr. Atul Manubhai Desai as an Independent Director w.e.f September 12, 2022.
4. Appointment of Mr. Altaf Jiwani as an Additional Director of the Company w.e.f. March 24, 2023.
5. Re-appointment of Mr. Ashokkumar Jagdishchandra Joshi as the Whole-Time Director of the Company by the Board of Directors for a period of 3 years i.e from January 25, 2023 to January 24, 2026.
6. Resignation of Mrs. Dipali Balkrishan Goenka, Director of the Company w.e.f March 24, 2023.
7. Resignation of Mr. Devendra Krishna Patil, Director of the Company w.e.f March 24, 2023.
8. Resignation of Mr. Nitin Jain, Director of the Company w.e.f March 24, 2023.

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

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and guidelines.

For MNB & Co. LLP
Company Secretaries

CS Maithili Nandedkar
Partner
FCS: 8242, C P No. 9307
UDIN: F008242E000174111
Peer Review No. 1259/2021

Date: April 25, 2023
Place: Mumbai

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

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
WELSPUN CAPTIVE POWER GENERATION LIMITED
Welspun City, Village Versamedi,
Taluka Anjar – 370110, Gujarat, India
CIN: U40100GJ2010PLC060502

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

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

For MNB & Co. LLP
Company Secretaries

CS Maithili Nandedkar
Partner
FCS: 8242, CP No. 9307

Place: Mumbai
Date: April 25, 2023

Annexure – 4

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 Act including certain arm's length transactions under third proviso thereto for financial year 2022-23.

1. **Details of contracts or arrangements or transactions not at arm's length basis: NIL**
2. **Details of material contracts or arrangement or transactions at arm's length basis:**

(a)	Name(s) of the related party and nature of relationship	Welspun Global Brands Limited
(b)	Nature of contracts/arrangements/ transactions	Sale of products of the Company
(c)	Duration of the contracts / arrangements/transactions	Perpetual
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	The price for sale of the products of the Company shall be negotiated and agreed to by both parties based on estimated total costs and risk & return considering prevalent market conditions.
(e)	Date(s) of approval by the Board	May 10, 2022
(f)	Amount paid as advances, if any	N.A.

Note: *The above transactions are material as per SEBI Regulations, 2015. Other transactions which are not material transactions but entered into in the ordinary course of business and on arm's length basis are mentioned in the Note No. 29(ii) of the audited financial statements.*

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN 00270175

April 27, 2023
Mumbai

Annexure – 5

Conservation of energy, technology absorption and foreign exchange earnings and outgo:

(i) The steps taken or impact on conservation of energy:

Your Company is continuously engaged in the process of energy conservation through continuous improvements in operational and maintenance practice. For details on energy efficiency and saving, you may refer to the Business Responsibility and Sustainability Report (BRSR) which is forming part of the Annual Report.

(ii) the steps taken by the Company for utilizing alternate sources of energy: Refer to BRSR

(iii) the capital investment on energy conservation equipments: Refer to BRSR.

Technology Absorption

(i) The efforts made towards technology absorption:

Welspun continues to develop innovative solutions for all its major markets and customer in soft home categories viz. Towels, Sheets, Rugs, Carpets, TOB and Utility Bedding; with holistic approach towards wellness & sustainability We advanced our thought leadership through various global collaboration with technology partners and universities Welspun is continued to be regional partner for 'Fashion for Good' program in Sustainable Innovations and part of Sustainable dyestuff Library and Sorting for circularity initiatives.

Some examples of successful development & execution are as below:

a) Welspun launched a novel sheet as Dreamtec. Dreamtec sheets are designed to enhance the body's natural cooling system. Product attributes include cooling, drying, durability, sustainability and wrinkle resistance. Dreamtec is one of it's kind, made of composite fabric. Third-party testing validates that the Dreamtec construction is cooler, drier and more durable than a 300TC, all-cottonsheet. In addition, the composite nature of the fabric results in natural wrinkle resistance.

b) Welspun launched the Martha Kids line with design themes that include travel, world geography, transportation, farming and camping. The Martha Stewart collection moves into bedding and bath for children in the elementary school range. Mirroring the lifestyle segmentation of the master brand, Martha Kids features patterns and palettes reflecting the aesthetics of each of Stewart's four residences.

c) Welspun introduced the latest evolution of HygroCotton. For the first time, Hygro was launched in a percale construction, yet another technical breakthrough.

d) In another first, Welspun has introduced washable area rugs. Available in multiple constructions and patterns, the rugs are merchandised around convenience with handled, grab-and-go packaging and being offered in store-ready PDQs.

e) Power core cotton range of products launched in bedsheets and towels having high durability and quick drying properties.

f) Stepping slightly outside the home textiles box, Welspun showcased non-woven personal and surface wipes created by Welspun's Advanced Textiles division.

In FY 2022-23, Welspun India Limited and its subsidiaries have 36 unique inventions. These inventions have been applied for patent protection in major markets like USA and Europe. Your Company is acknowledged as Thought leader in Home Textile Industry in terms of innovation, 39% of revenue is through innovative products.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

We continue to develop innovative range of products to attract new business and customers and maintain leadership in market. This has been possible because of Innovation, Product Development and R&D done in your Company on a continuous basis. We remain closely connected with today's families through research which is central to our Innovation pipeline. Understanding what is important to them allows us to provide them with solutions for everyday living.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not applicable

(iv) the expenditure incurred on Research and Development.

Particulars	₹ in Crore
Capital	-
Recurring	32.24
Total	32.24
Total R&D expenditure as a percentage of total turnover	**0.57**

Foreign Exchange and Earnings Outgo:

Refer to Note No. 40 and 43 of the audited financial statements for details.

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN 00270175

April 27, 2023
Mumbai

Annexure – 6

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

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

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

These 3E's are implemented through:

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

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

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. K H Viswanathan#	Chairman / Independent Director	2	2
2	Ms. Dipali Goenka	Member/ Managing Director & CEO	2	1
3	Ms. Anisha Motwani	Member/ Independent Director	2	2
4	Mr. Arun Todarwal*	Independent Director	NA	

* Resigned w.e.f July 01, 2022
# Appointed w.e.f July 01, 2022

Mr. Shashikant Thorat, Company Secretary acts as the Secretary to the Committee.

The Committee's Charter is hosted on the website of the Company at https://www.welspunindia.com/uploads/investor_data/ESG_CSRCommitteeCharter.pdf.

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

The Web-link of Composition of ESG & CSR Committee is https://www.welspunindia.com/uploads/investor_data/composition_of_committee.pdf

The Company's CSR Policy is disclosed on the website of the Company, a web-link of which is as under:

https://www.welspunindia.com/uploads/investor_data/investorreport_576.pdf

The details of CSR project for FY 2022-23 approved by the Board of Directors of the Company is hosted on the website of the Company at "www.welspunindia.com" under the tab investor corner>disclosures> Year 2022

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable –

The Impact assessment of CSR Projects is hosted on the website of the Company at "www.welspunindia.com" under the tab investor corner>disclosures> Year 2023

Executive Summary of report on Impact Assessment of Wel-Shiksha Flagship Program (Assessment was carried out by Deloitte Touche Tohmatsu India LLP)

1) Projects carried out under Wel-Shiksha Program:

   a) Digital Classroom Project;

   b) Learning Outcomes Project and

   c) Swadheen Project.

2) Understanding of these three projects:

a) **Digital Classroom Project:** Welspun has partnered with the education department, Globus Infocom and SchoolsLens for its smartboard equipped digital classroom initiative. Globus is providing infrastructure support services and SchoolsLens is providing software and content development services for the smartboard.

b) **Improving learning outcomes:** Partners include the education department, Pratham and Welspun. Learning camps are organized under this initiative. These camps are a mix of teaching-learning activities and are repeated several times in the same school in a year. These camps are organized by Pratham's Cluster Resource Leaders (CRLs) with the help of community members and teachers. Innovative learning material and methodologies are used in these camps to support quick and sustainable improvement of learning.

c) **Swadheen Project:** Welspun has been supporting the Swadheen Project which is focused on upskilling students to uplift their technical knowledge and confidence thus enabling them to venture into income generating activities at a young age and has been initiated in one of the schools in Anjar. The vocational training program was started in 2016 when the school principal realized that students have entrepreneurial abilities and need assistance and skills to start their own enterprise. The initiative was supported by the District Education Officer (DEO) and aligned with the government's SRLM mission.

3) Beneficiaries of Digital Classroom Project:

Total beneficiary coverage	Total beneficiary coverage of Wel-Shiksha Program:	
	Digital Classroom Project	43,170
	Learning Outcomes Project	5,714
	Swadheen Project	46
Location-wise distribution of students in Digital Classroom Project	Program Coverage	5 Districts of Gujarat
	District	**Number of Students covered in Digital Classroom project**
	Anjar	14,279
	Gandhidham	7,366
	Bharuch	4,056
	Patan	4,680
	Valsad	12,789
	Total	**43,170**
Number of Schools covered in Digital Classroom Project	Smartboards have been provided in 173 schools	
	District	**Number of schools covered in Digital Classroom project**
	Anjar	57
	Gandhidham	56
	Bharuch	22
	Patan	15
	Valsad	23
	Total	**173**

4) Beneficiaries of Learning Outcomes Projects:

Districts of Gujarat	Number and percentage of students benefited	
	Numbers	Percentage
Valsad	4,331	56%
Kutch	1,383	44%
Total	**5,714**	**100%**

Gender	Number	Percentage
Girls	2,967	52%
Boys	2,747	48%
Total	**5,714**	**100%**

5) Beneficiaries of Swadheen Project:

Year	No. of trainees benefited
2018-19	17
2019-20	13
2020-21	16
Total	**46**

6) Students' feedback – Digital Classroom Project:

- Students were observed to be motivated to learn through the smartboards installed under the Digital Classroom Project and also showed keen interest in attending the learning outcomes classes conducted by Pratham resources.
- The three major reasons for high satisfaction of Wel-Shiksha projects was found to be - difficulty in learning subjects like science from non-interactive platform like blackboard, opportunity to use technology and equipment similar to bigger private schools and difficulty and/or lack of interest in traditional methods of teaching.

7) Students' feedback – Learning Outcomes Project

- The students mentioned that they had greatly benefitted from the smartboards installed in their classroom and those who were part of Pratham learning outcomes classroom also appreciated the role it has played in improving their learning outcomes.
- The students were asked to rate the projects on various aspects on a scale of 1 to 5, in which 100% students rated the program as being excellent and impactful (4 to 5 out of 5).
- Additionally, 100% students felt that the program should be continued in their schools and also implemented in other schools so that more students can benefit.
- These findings reveal a high acceptance level of the program among the students and willingness to continue learning using the innovative methods of learning outcomes program and the smartboards.

8) Feedback from school staff

- The Principals and school teachers were overwhelmingly appreciative of both the digital classroom and learning outcomes project stressed on the need for such interventions in their respective schools.
- Based on the interaction with them, 2 primary factors were found to be the most commonly refered benefit that influenced the teacher buy-in to the program:

  — Highly beneficial audio-visual teaching aid;
  — Has improved enrolment, retention and attendance numbers.

9) Teacher's feedback on alignment of content with current syllabus:

- The unique aspect of the smart boards distributed by Welspun as compared to government smartboard distribution under the 'Gyankunj' Program is the on-boarding of technical partner SchoolsLens which regularly updates the content in alignment with the current syllabus.
- All teachers agreed that the services provided by SchoolsLens and Globus Infocomm Ltd. were very helpful and beneficial and on request of district education department Welspun is also updating the content to the latest version 11.0 for government distributed smartboards too.

5. (a) Average net profit / (loss) of the Company as per Section 135(5): ₹ 660.35 Crore.
   (b) Two per cent of average net profit of the Company as per Section 135(5): ₹ 13.21 Crore.
   (c) Surplus arising out of the CSR Projects or programs or activities of the previous financial years - Nil
   (d) Amount required to be set-off for the financial year, if any – N/A.
   (e) Total CSR Obligation for the financial year (5a+5b-5c) = ₹ 13.21 Crore.
6. (a) Details of CSR amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Pojects):

Details of Ongoing Projects:

1	2	3	4	5		6	7	8	9	10	11	
Sr. no.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local Area (Yes/No)	Location of the Project		Project Duration	Amount Allocated for the Project (Amount in Crore)	Amount spent in the current financial year (Amount in Crore)	Amount transferred to Unspent CSR Account for the Project as per Section 135(6)	Mode of implemen-tation Direct	Mode of implementation- through implementing agency	
				State	District	(years)			(in ₹)	(Yes/No)	Name	CSR Registration Number
1	W01 Wel-Shiksha	Promoting Education	Yes	Gujarat, MP, Karnataka, Telangana	Anjar, Valsad, Vapi, Bharuch, Dahej, Bhopal, Mandya, Hyderabad	3	4.32	4.27	NIL	No	Welspun Foundation for Health & Knowledge	CSR00001502
2	W02 Wel-Netrutva – Health	Promoting Healthcare	Yes	Gujarat, MP, Karnataka, Telangana	Anjar, Valsad, Vapi, Bharuch, Dahej, Bhopal, Mandya, Hyderabad	3	0.40	0.39				
3	W03 Wel-Netrutva – Livelihood	Empowerment of women and socially backward	Yes	Gujarat, MP, Karnataka, Telangana	Anjar, Valsad, Vapi, Bharuch, Dahej, Bhopal, Mandya, Hyderabad	3	0.60	0.60				
4	W04 Welspun Super Sport Women	Empowerment of Women	Yes	Gujarat, MP, Karnataka, Telangana	Anjar, Valsad, Vapi, Bharuch, Dahej, Bhopal, Mandya, Hyderabad	3	0.40	0.35				
5	W07 Wel-Vriksha	Ensuring Environmental Sustainability	Yes	Gujarat, MP, Karnataka, Telangana	Anjar, Valsad, Vapi, Bharuch, Dahej, Bhopal, Mandya, Hyderabad	3	0.57	0.50				
6	W12 Rural Livelihood	Livelihood Enhancement Project	Yes	Gujarat, MP, Karnataka, Telangana	Anjar, Valsad, Vapi, Bharuch, Dahej, Bhopal, Mandya, Hyderabad	3	2.60	2.60				
7	W09 We-Volunteer	Development of Art and Culture	Yes	Gujarat, MP, Karnataka, Telangana	Anjar, Valsad, Vapi, Bharuch, Dahej, Bhopal, Mandya, Hyderabad	3	0.11	0.09				
Total							**9.00**	**8.80**				

Details of other than ongoing projects:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. no.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes / No)	Location of the Project		Amount spent for the project (Amt in Crore)	Mode of implementation on - Direct (Yes/No)	Mode of implementation- Through implementing agency	
				State	District			Name	CSR Registration Number
1	Har Ghar Tiranga Campaign	Livelihood Enhancement Project	Yes	Gujarat, MP, Karnataka, Telangana	Anjar, Valsad, Vapi, Bharuch, Dahej, Bhopal, Mandya, Hyderabad	7.00	Yes	NA	NA

(b) Amount spent in Administrative Overheads: ₹ 0.25 Crore

(c) Amount spent on Impact Assessment, if applicable: Nil#

(d) Total amount spent for the Financial Year (6a+6b+6c) : ₹ 16.05* Crore

* ₹ 16.05 Crore includes previous years unspent CSR amount of ₹ 2.83 Crore which was transferred to Unspent CSR account for ongoing projects.

Amount spent on Impact Assessment has been covered under Administrative Overheads.

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Amount in Crore)	Amount Unspent (In ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
16.05	-	-	-	-	-

(f) amount for set-off, if any;

₹ in Crore

Sr. No.	Particulars	Amount (Amount in Crore)
(i)	Two Percent of average net profits of the Company as per Section 135(5)	13.21
(ii)	Total amount spent for the Financial Year	16.05*
(iii)	Excess amount spent for the Financial Year [(ii-i)]	0.01
(iv)	Surplus arising out of the CSR Projects or programs or activities of the previous financial year, if any.	Nil
(v)	Amount available for set-off in succeeding financial years [iii-iv]	0.01

*Note: ₹ 16.05 Crore includes previous years CSR unspent amount of ₹ 2.83 Crore which was transferred to Unspent CSR account for ongoing projects.

7. (a) Details of Unspent CSR Amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount Transferred to Unspent CSR Account under Section 135(6) (Amount in Crore)	Balance amount in unspent CSR Account under the reporting Financial Year (Amount in Crore)	Amount Spent in the Financial Year (Amt in Crore)	Amount Transferred to any fund specified under Schedule VII as per Section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
					Name of the Fund	Amount (in ₹)	Date of Transfer	
1	FY 2021-22	0.98	2.83	2.83	-	-	-	-
2	FY 2020-21	1.85	1.85	-	-	-	-	1.85
3	FY 2019-20	-	-	-	-	-	-	-

8. In case of creation or acquisition of capital assets, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year: No

If Yes, enter the number of Capital assets created/acquired:

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

Sr. No	Short particulars of the property or asset(s) (Including complete address and location of the property)	Pincode of the property or asset(s)	Date of Creation	CSR Amount Spent	Details of entity/Authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number. If applicable	Name	Registered Address
NIL							

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profits as per Section 135(5) : Not Applicable

For and on Behalf of the Board

Date: April 27, 2023
Place: Mumbai

Dipali Goenka
Managing Director & CEO
DIN : 00007199

K. H. Viswanathan
Chairman of the ESG & CSR Committee
DIN : 00391263

Corporate Governance Report

I. PHILOSOPHY ON CORPORATE GOVERNANCE:

The Board believes that Corporate Governance is about sustainably maximizing shareholder value. The Board of Directors of the Company acts as a trustee and assumes fiduciary responsibility of protecting the interests of the Company, its members and other stakeholders. The Board supports the broad principles of Corporate Governance and believes that sound corporate governance is critical to enhancing and retaining investor trust. In order to attain the highest-level of Corporate Governance practice, Board lays strong emphasis on transparency, accountability and integrity.

II. BOARD OF DIRECTORS:

The Company's Board comprises of mix of executive and non-executive directors with considerable experience and expertise across a range of fields such as finance, accounts, legal, brand building, general management and strategy.

a) Composition:

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

Sr.	Name of the Director	Category	Board Meetings Attended during the Year 2022-23	Attendance at the Last AGM	No. of other Directorship / Partnership			Chairman / Member in No. of Board/ Committees including other Companies @	Number of Shares held
					Pub.	Pvt.	Other Body Corporate		
1.	Balkrishan Goenka	C, P, NE	5/6	Yes	8	2	6	-	490,660
2.	Arun Todarwal $	NE, I, L	2/2	N.A.	NA	NA	NA	NA	-
3.	K. H. Viswanathan #	NE, I, L	4/4	Yes	6	2	2	5C, 4M	150,000
4.	Pradeep Poddar	NE, I	5/6	No	5	-	-	3C, 5M	-
5.	Arvind Kumar Singhal	NE, I	6/6	Yes	3	6	1	1C, 2M	-
6.	Ms. Anisha Motwani	NE, I	6/6	No	8	1	1	2C, 8M	-
7.	Rajesh Mandawewala	P, E	4/6	Yes	9	6	3	1M	1,030
8.	Ms. Dipali Goenka	P, E	5/6	Yes	8	4	1	1C, 1M	750,400

$ - Director upto July 1, 2022

- Appointed as Director with effect from July 1, 2022

@ Chairmanship/Membership of Audit Committee and Share Transfer, Investors' Grievance and Stakeholders' Relationship Committee considered of both listed and public limited companies.

Abbreviations:

C = Chairman, E = Executive Director, I = Independent Director, M=Member, NE = Non-Executive Director, NI = Non Independent Director, P = Promoter & Promoter Group, L = Lead Independent Director

b) Names of the listed entities where the person is a director and the category of directorship:

Sr. No.	Name of Director	Name of Listed Companies	Category of Directorship
1.	Balkrishan Goenka	Welspun India Limited	Chairman, Non-Executive
		Welspun Corp Limited	Chairman, Non-Executive
		Welspun Enterprises Limited	Chairman, Executive
		Welspun Specialty Solutions Limited	Chairman, Non-Executive
2.	Arun Todarwal$	Welspun India Limited	Non-Executive, Independent Director
		Anuh Pharma Limited	Non-Executive, Independent Director
3.	K. H. Viswanathan#	Welspun India Limited	Non-Executive, Independent Director
		AYM Syntex Limited	Non-Executive, Independent Director
		Welspun Specialty Solutions Limited	Non-Executive, Independent Director
4.	Pradeep Poddar	Welspun India Limited	Non-Executive, Independent Director
		Uflex Limited	Non-Executive, Independent Director
		Polycab India Limited	Non-Executive, Independent Director
		Tasty Bite Eatables Limited	Chairperson, Non-Executive, Independent

Sr. No.	Name of Director	Name of Listed Companies	Category of Directorship
5.	Arvind Kumar Singhal	Welspun India Limited	Non-Executive, Independent Director
		Greaves Cotton Limited	Non-Executive, Independent Director
		Blue Star Limited	Non-Executive, Independent Director
		Metro Brands Limited	Non-Executive, Independent Director
6.	Ms. Anisha Motwani	Welspun India Limited	Non-Executive, Independent Director
		Prataap Snacks Limited	Non-Executive, Independent Director
		Abbott India Limited	Non-Executive, Independent Director
		Star Health and Allied Insurance Company Limited	Non-Executive, Independent Director
		Hindware Home Innovation Limited	Non-Executive, Independent Director
7.	Rajesh Mandawewala	Welspun India Limited	Executive Vice Chairman
		Welspun Corp Limited	Non-Executive Director
		Welspun Enterprises Limited	Non-Executive Director
		AYM Syntex Limited	Chairman, Non-Executive Director
8.	Ms. Dipali Goenka	Welspun India Limited	CEO & Managing Director, Executive Director
		Welspun Corp Limited	Non-Executive Director
		Welspun Enterprises Limited	Non-Executive Director
		New Delhi Television Limited	Non-Executive, Independent Director

$ - Director upto July 1, 2022

- Appointed as Director with effect from July 1, 2022

c) Key Board qualifications, expertise and attributes:

The Board of the Company is comprised of qualified members who bring in the required skills, competencies and expertise that allow them to make effective contribution to the Board and its Committees. The Board members are committed to ensuring that the Company's Board is in compliance with the highest standards of corporate governance. The Board has identified core skills, expertise, competencies, as given below, required for the Company's business to enable the Company to function effectively and all of these core skills, expertise, competencies are available with the Board.

- Global Business, Government Policies
- Commodity (cotton) and Currency market
- Textiles, Advanced Textiles, Flooring solutions businesses
- Sales, Marketing, Retail, Brand Building
- Corporate Governance
- Financial
- Innovation / Sustainability

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Key Board qualifications						
Name of Director	Area of expertise					
	Finance & Accounts	Diversity	Global Business	General Management & Strategy	Board service and governance	Brand Building
Balkrishan Goenka – Chairman	✓	✓	✓	✓	✓	✓
$ Arun Todarwal – Independent Director	✓	✓	✓	✓	✓	-
# K. H. Viswanathan Independent Director	✓	✓	✓	✓	✓	✓
Pradeep Poddar - Independent Director	✓	✓	✓	✓	✓	✓
Arvind Kumar Singhal – Independent Director	✓	✓	✓	✓	✓	✓
Ms. Anisha Motwani – Independent Director	✓	✓	✓	✓	✓	✓
Rajesh Mandawewala – Managing Director ^	✓	✓	✓	✓	✓	✓
Ms. Dipali Goenka – CEO & Joint Managing Director ^	✓	✓	✓	✓	✓	✓

^Rajesh Mandawewala elevated as Executive Vice Chairman and Ms. Dipali Goenka elevated as Managing Director & CEO with effect from April 1, 2023

$ - Director upto July 1, 2022

- Appointed as Director with effect from July 1, 2022

d) During FY 2022-23, Six meetings of the Board of Directors were held on the following dates: May 10, 2022, June 27, 2022, July 27, 2022, November 8, 2022, December 23, 2022 and January 30, 2023.

e) In addition to the above, a meeting of the Independent Directors was held on March 25, 2023 pursuant to Section 149(8) read with Schedule V to the Companies Act, 2013 (“the Act”) and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Regulations, 2015”). The said meeting was attended by K. H. Viswanathan, Arvind Kumar Singhal, Pradeep Poddar and Ms. Anisha Motwani.

f) The Board of the Company hereby confirms that the independent directors fulfill the conditions as specified in these SEBI Regulations, 2015 and are independent of the management.

g) Relationships inter-se directors:

Ms. Dipali Goenka is spouse of Balkrishan Goenka. None of the other directors are related to any other director on the Board.

III. AUDIT COMMITTEE:

Terms of Reference: The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained under Regulation 18 of the SEBI Regulations, 2015 and Section 177 of the Act.

The Committee comprises of 3 (Three) Independent Directors. The Committee met 13 times during the year. The composition of the Committee and attendance of the members is given hereunder:

Name of the Member	Chairman / Member	Number of Meetings Attended
Arun Todarwal$	Chairman	3/3
K. H. Viswanathan#	Chairman	10/10
Pradeep Poddar	Member	12/13
Ms. Anisha Motwani	Member	13/13

$ - Director upto July 1, 2022

- Appointed as Director and Chairman with effect from July 1, 2022

The Company Secretary of the Company, Shashikant Thorat, acts as the Secretary of the Committee.

All recommendations made by the Audit Committee were accepted/approved by the Board.

IV. NOMINATION AND REMUNERATION COMMITTEE:

Terms of reference: To recommend appointment of, and remuneration to, Managerial Personnel and review thereof from time to time.

The Committee comprises of 3 (Three) Independent Directors. The Committee met 8 times during the year. The Composition of the

Committee and attendance of the members is given hereunder:

Name of the Member	Chairman / Member	Number of Meetings Attended
Arun Todarwal$	Chairman	2/2
K. H. Viswanathan#	Member	6/6
Pradeep Poddar	Member	7/8
Ms. Anisha Motwani#	Member	8/8

$ - Director upto July 1, 2022

- Appointed as Director and Chairman with effect from July 1, 2022

The Company Secretary of the Company, Shashikant Thorat, acts as the Secretary of the Committee.

Board evaluation: Refer to Para 9 (iii) of Directors' Report.

Nomination and Remuneration Policy:

The Company follows a policy on remuneration of directors and senior management employees and the salient features thereof are as under:

Appointment of Directors:

- While identifying persons who may be appointed as a director(s), the Committee shall consider business of the Company, strength, weakness, opportunity and threat to Company's business, existing composition of the board of directors, diversity, skills, expertise of existing directors and background, skills, expertise, reputation and qualification possessed by the person being considered, specific requirements under the Act, SEBI Regulations, 2015 and any other laws as applicable.
- While identifying persons who may be appointed as independent directors, the Committee shall review their qualifications and suitability to ensure that such candidates will be able to function as directors 'Independently' and void of any conflict of interest, obligations, pressure from other Board members, KMPs, senior management and other persons associated with the Company.

Remuneration of Directors, Key Managerial Personnel, Senior Management Personnel:

- The Non-Executive Directors including independent directors may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ 100,000 per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- The Non-Executive Directors shall not be eligible for any remuneration / commission, unless specifically approved by the Board of Directors on recommendation of the Nomination and Remuneration Committee and by the shareholders. There are no pecuniary transactions entered by the Non-Executive Directors with the Company.

The remuneration to Executive Directors, Key Managerial Personnel and Senior Management Personnel at the time of appointment shall be mutually agreed. The Committee shall consider industry indicators, requirements of role, qualification and experience of candidate, expected contribution of executive to the profitability challenges specific to the Company and such other matters as the Committee may deem fit. The remuneration must motivate individuals to achieve benchmarks which must be aligned to the vision of the Company. The management shall periodically find out the remuneration scale prevalent in the industry / peer group to the extent possible to assess if there is a need for revision in remuneration for retaining the talent. The non-executive Directors may be paid commission after complying with required provisions of the Act. Besides, the Committee shall take into consideration performance, of the concerned executive as well as the Company, the growth of business, profitability, Company's business plan and critical role played / initiatives taken while considering pay hike / increment to the concerned executives.

Directors Remuneration:

Sr No.	Particulars	Balkrishan Goenka Non-Executive Chairman	Rajesh Mandawewala Managing Director^	Ms. Dipali Goenka CEO & Joint Managing Director^
1.	Salary	-	₹ 1.70 Crore	₹ 3.02 Crore
2.	Performance Linked Incentives	-	-	₹ 0.95 Crore*
3.	Commission	1% of the consolidated net profit	1% of the consolidated net profit	1% of the consolidated net profit
4.	Service Contract/Term of Approval	April 1, 2021 to March 31, 2026	April 1, 2022 to March 31, 2027	April 1, 2021 to March 31, 2026
5.	Notice Period	N.A.	3 months	3 months
6.	Severance Fees	N.A.	NIL	NIL
7.	Stock Options	N.A.	NIL	NIL

^Rajesh Mandawewala elevated as Executive Vice Chairman and Ms. Dipali Goenka elevated as Managing Director & CEO with effect from April 1, 2023

* Performance Linked Criteria: As per the Company's Variable Pay Policy, all GM and above employees are eligible for variable pay which ranges from 15% to 25% of their CTC as per their respective Grades. Target Variable Pay also depends on two components - Individual performance, Organisation/SBU performance and min and max pay out scale. Organisation's performance will be assessed based on three parameters - Total sales turnover, EBIDTA and Inventory in days. Ms. Goenka will be eligible for earning variable pay only if overall score for organisational performance is equal or more than 85% (weighted average of the above three parameters).

Apart from above and except for related party transactions appearing in the financial statements, there is no other pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company.

V. THE STAKEHOLDERS' RELATIONSHIP, SHARE TRANSFER AND INVESTORS' GRIEVANCE COMMITTEE:

The Stakeholders' Relationship, Share Transfer and Investors' Grievance Committee is formed in accordance with Section 178 of the Act and Regulation 20 of the SEBI Regulations, 2015 required to examine complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends and to review the functioning of the investors' grievance redressal system.

The Committee comprises of 3 (Three) members and the Chairman of the Committee is Non-Executive Director. The Committee met 2 times during the year. The composition of the Committee is given hereunder:

Name of the Member	Chairman / Member	Number of Meetings Attended
Arun Todarwal $	Chairman	NA
K. H. Viswanathan #	Chairman	2/2
Pradeep Poddar	Member	1/2
Arvind Kumar Singhal	Member	2/2

$ - Director upto July 1, 2022

- Appointed as Director and Chairman with effect from July 1, 2022

The Company Secretary of the Company, Shashikant Thorat, acts as the Secretary of the Committee.

Number of Shareholders complaints received during the year:

During the year under review, total 23 complaints from shareholders' were received. Break-up and number of complaints received under different category is given hereunder:

Sr. No.	Nature of Grievances	Nos
1	Non-receipt of Share Certificate	0
2	Non-receipt of Dividend Warrants	2
3	Non-receipt of Rejected Demat Request Form	10
4	Non-receipt of Exchange Certificate	1
5	Non-receipt of Rep/Split/ Consolidate/Duplicate	10
6	Non-receipt of Annual Report	0
Total		**23**

All complaints/requests received during the year under report were resolved within the stipulated time to the satisfaction of the investors/ shareholders. Securities received for transfer/ transmission were transferred / transmitted and no transfer was pending as at March 31, 2023.

VI. ESG & CSR COMMITTEE (EARLIER KNOWN AS CORPORATE SOCIAL RESPONSIBILITY COMMITTEE):

The ESG & CSR Committee is formed in accordance with Section 135 of the Act.

Terms of reference: Environmental, Social and Governance ("ESG") & Corporate Social Responsibility ("CSR") Committee ("ESG & CSR Committee") is to assist the Board in fulfilling its oversight responsibilities of incorporating relevant and sustainable policies, to achieve the strategic priorities of the Company.

Composition of the Committee: The Committee comprises of 3 (Three) members. The Committee met twice during the year. The Chairman of the Committee is an Independent Director.

Name of the Member	Chairman / Member	Number of Meetings Attended
Arun Todarwal$	Chairman	NA
K. H. Viswanathan#	Chairman	2/2
Ms. Anisha Motwani	Member	2/2
Ms. Dipali Goenka	Member	2/2

$ - Director upto July 1, 2022

- Appointed as Director and Chairman with effect from July 1, 2022

The Company Secretary of the Company, Shashikant Thorat, acts as the Secretary of the Committee.

VII. RISK MANAGEMENT COMMITTEE:

The Risk Management Committee is formed in accordance with Regulation 21 sub-regulation 5 of the SEBI Regulations, 2015.

Terms of reference: Monitoring and reviewing of the risk, management plan, review of cyber security etc.

Composition of the Committee: The Committee comprises of 5 (Five) members. The Committee met twice during the year. The composition of the Committee is given hereunder:

Name of the Member	Chairman / Member	Meeting Attended
Arun Todarwal$	Chairman	1/1
K. H. Viswanathan#	Chairman	1/1
Pradeep Poddar	Member	1/2
Rajesh Mandawewala*	Member	0/2
Ms. Dipali Goenka@	Member	0/0
Sanjay Gupta – Chief Financial Officer	Member	2/2
Shreeram Phanse – Head, Internal Audit	Member	2/2

$ - Director upto July 1, 2022

- Appointed as Director and Chairman with effect from July 1, 2022

* - Ceased to be a member with effect from March 27, 2023

@ - Appointed as a member with effect from March 27, 2023

The Company Secretary of the Company, Shashikant Thorat, will act as the Secretary of the Committee.

VIII. GENERAL BODY MEETINGS:

The details of General Meetings held and the special resolutions passed in the last three years are given hereunder:

Meeting	Day & Date of the Meeting	Time	Place	Special Resolutions passed
35th Annual General Meeting	Tuesday, September 29, 2020	4:00 pm	VIRTUAL	• Ratification of remuneration payable to Cost Auditors. • Payment of remuneration by way of commission to Mr. Balkrishan Goenka, non-executive Chairman of the Company.
36th Annual General Meeting	Tuesday, August 31, 2021	11:00 am	VIRTUAL	• Alteration of Articles of Association of the Company by removing clauses providing for, or dealing with, common seal. • Payment of commission @ 1%of net profit to Mr. Balkrishan Goenka, the non-executive Chairman. • Revision in remuneration payable to Mr. Rajesh Mandawewala, Managing Director. • Re-appointment of Ms. Dipali Goenka as Joint Managing Director for a period of five years. • Re-appointment of Ms. Anisha Motwani as an Independent Director for a second consecutive term.

Meeting	Day & Date of the Meeting	Time	Place	Special Resolutions passed
37th Annual General Meeting	Tuesday, September 12, 2022	11:30 am	VIRTUAL	• Re-appointment of Rajesh Mandawewala as Managing Director for a period of five years. • Appointment of K. H. Viswanathan as an Independent Director for a term upto March 31, 2024. • Payment of remuneration by way of commission to Balkrishan Goenka, non-executive Chairman of the Company • Approval of remuneration payable to Rajesh Mandawewala, Managing Director • Approval of remuneration payable to Ms. Dipali Goenka, CEO and Joint Managing Director • Extension of tenure of Pradeep Poddar within the permissible limit of tenure

IX. DISCLOSURE:

a. Related Party Transactions:

For material related party transactions, refer Note 29 of Notes to Accounts annexed to the Financial Statements and Annexure 4 to the Directors' Report. The Company's policy on dealing with Related Party Transactions as required under Regulation 23 of the SEBI Regulations, 2015 is hosted on the Company's website and a web link thereto is given below.

www.welspunindia.com under the tab Investors -> Policies

b. No penalties, strictures were imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

c. Code of Conduct:

The Company has framed the Code of Conduct for Board members and senior management personnel. A copy of the Code has been hosted on the Company's website and a web link thereto is given below.

www.welspunindia.com under the tab Investors -> Policies

All Board members and senior management personnel have affirmed compliance of the same.

A declaration signed by the Chief Executive Officer & Managing Director of the Company with respect to Compliance of Code of Conduct is given below:

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

Dipali Goenka
Managing Director & CEO

d. Whistleblower Policy and Vigil Mechanism:

Refer point no. 22 of the Directors' Report.

e. Policy for determining 'material' subsidiaries:

The Company's policy on determining material subsidiaries as required under SEBI Regulations, 2015 is hosted on the Company's website and a web link thereto is given below.

www.welspunindia.com under the tab Investors -> Policies

f. Corporate Governance Compliance:

The Company is in compliance with the mandatory requirements mentioned under Regulation 27 of SEBI Regulations, 2015 to the extent applicable and in addition the Company at its discretion adopted requirements mentioned at (C) – "Modified Opinion(s) in Audit Report", (D) – "Separate posts of chairperson and chief executive officer" and (E) – "Reporting of Internal Auditor" of Part E of Schedule II to the SEBI Regulations, 2015.

The Company is in compliance with Corporate Governance requirements as specified in Regulation 17 to 29 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Regulations, 2015.

g. **Disclosure related to familiarization programme imparted to independent directors:**

Refer point no. 9(iv) of the Directors' Report.

h. **Criteria for making payments to non-executive directors is hosted on the Company's website on -**

www.welspunindia.com under the tab Investors -> Policies

For details regarding payments made to non-executive directors can be referred in the Annual Return which is hosted on the Company's website on -

www.welspunindia.com under the tab Investors -> Shareholders Information -> Annual Return FY 22-23.

i. **Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

a. No. of complaints filed during the financial year: One

b No. of complaints disposed of during the financial year: One

c No. of complaints pending as on end of the financial year: NIL

j. **Commodity price risk or foreign exchange risk and hedging activities:**

Detail of commodity price risks and commodity hedging activities as required under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below. Also refer to the Management Discussion and Analysis Report.

1. **Risk management policy of the Company with respect to commodities:**

Cotton forms significant portion of the cost of products for the Company. The Company's Cotton procurement policy is in alignment with Business Plan of the Company for respective year. The Company procures around 80% to 85% of the annual requirement during cotton season.

2. **Exposure of the Company to commodity and commodity risks faced by the entity throughout the year:**

a. Total exposure of the Company to commodities in ₹ 1167.28 Crore.

b. Exposure of the Company to various commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
	₹ (Crore)	MT	OTC	Exchange	OTC	Exchange	
Cotton	1167.28	60,500	-	-	-	-	-

c. Commodity risks faced by the listed entity during the year and how they have been managed:

Cotton our main raw material being an agricultural commodity poses all related risks. The weather patterns, government intervention in cotton producing countries, trade tariff wars between countries affect the price movement of cotton. In our Company, we have been following the policy of covering the raw material as per customer orders and have graded the buying pattern based on the importance of the type of cotton. We have also adopted the policy of releasing payments before due date in current season which has helped us in expanding our supplier base significantly and thus, faster coverage of required volumes. This has also catapulted the company in category of one of the most preferred buyers in the market and has additional advantage of better negotiation of cotton prices. We have put our efforts in strengthening ties with our supply partners so that we are not affected by potential shortages or surges in demand for a type of cotton especially in Egyptian, Supima and Organic cottons. We have also geared up to meet the increasing demand for sustainable cotton such as Better Cotton Initiative (BCI) and have already started sourcing BCI cotton to the extent of 70% of our total volume.

k. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

Sr no.	Name of Material Subsidiary	Date and Place of Incorporation	Name and date of appointment of Statutory Auditor
1	Welspun Global Brands Limited	December 14, 2004 Gujarat	S R B C & CO LLP, CHARTERED ACCOUNTANTS Appointed in the Annual General Meeting of the Company held on September 29, 2022
2	Welspun Captive Power Generation Limited	April 30, 2010 Gujarat	S R B C & CO LLP, CHARTERED ACCOUNTANTS Appointed in the Annual General Meeting of the Company held on September 12, 2022
3	Welspun USA Inc	August 11, 2000 Delaware	S R B C & CO LLP, CHARTERED ACCOUNTANTS Appointed in the Board Meeting of the Company held on May 09, 2022

l. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part during the financial year under Report is ₹ 3.11 Crore.

X. MEANS OF COMMUNICATION:

The quarterly, half-yearly and yearly financial results of the Company are sent out to the Stock Exchanges immediately after they are approved by the Board. The Company published its un-audited/audited financial results in Kutch Mitra (Gujarati edition), Kutch Uday (Gujarati edition) and Financial Express (English Edition).

These results are simultaneously hosted on the website of the Company at www.welspunindia.com under the tab Investors-> Financial Results. The official press release and the presentations made to institutional investors / analyst are also available on the website of the Company.

XI. GENERAL SHAREHOLDER INFORMATION:

1. **Annual General Meeting** shall be held on Friday, September 22, 2023 at 11:00 a.m. via other audio visual means.
2. Financial Year of the Company is April 1 of a year to March 31 of the following year.
3. Date of Book Closure: Thursday, June 29, 2023 to Friday, June 30, 2023 (both days inclusive).
4. Dividend payment date: Starting from Monday, September 25, 2023 and thereafter
5. Listing on Stock Exchanges: The Equity Shares of the Company are listed on:

   (i) National Stock Exchange of India Limited (NSE)
   Exchange Plaza, C-1, Block G,
   Bandra Kurla Complex, Bandra (E),
   Mumbai – 400051

   (ii) Bombay Stock Exchange Limited (BSE)
   Phiroze Jeejeebhoy Towers,
   Dalal Street, Mumbai – 400001

   The Annual listing fees for the FY 2022-23 have been paid to NSE and BSE.
6. Stock Code/Symbol for equity shares:

National Stock Exchange of India Limited	: WELSPUNIND; Series: EQ
Bombay Stock Exchange Limited	: 514162
ISIN No. (For dematerialized shares)	: INE192B01031

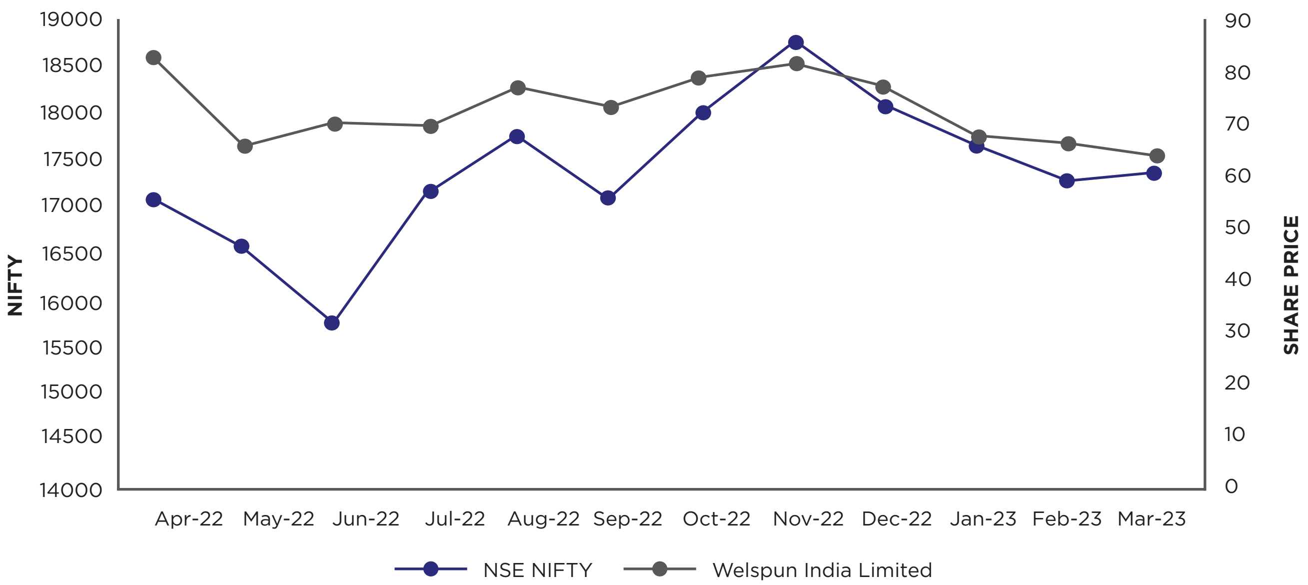
7. **Stock Market data of high and low price of equity shares on National Stock Exchange of India Limited and Bombay Stock Exchange Limited is under:**

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr-2022	99.00	82.25	99.00	82.40
May-2022	84.50	62.20	84.55	62.30
Jun-2022	77.85	65.70	77.85	65.70
Jul-2022	75.45	67.00	75.95	66.95
Aug-2022	82.40	70.15	82.40	70.15
Sep-2022	85.65	72.10	86.00	72.00
Oct-2022	82.00	72.65	82.00	72.60
Nov-2022	84.00	73.80	84.00	74.60
Dec-2022	83.40	67.10	83.45	67.35
Jan-2023	77.70	66.25	77.65	65.25
Feb-2023	71.85	63.50	73.00	63.60
Mar-2023	70.40	62.00	70.37	62.20

8. **Performance in comparison to broad-based indices i.e. NSE - S&P Nifty and BSE - Sensex is as under:**

Month	NSE (S&P Nifty)	Closing price of Share (₹)	BSE Index (Sensex)	Closing price of Share (₹)
Apr-2022	17,102.55	83.10	57,060.87	83.45
May-2022	16,584.55	65.35	55,566.41	65.30
Jun-2022	15,780.25	69.45	53,018.94	69.40
Jul-2022	17,158.25	69.80	57,570.25	69.80
Aug-2022	17,759.30	77.00	59,537.07	77.00
Sep-2022	17,094.35	73.65	57,426.92	73.65
Oct-2022	18,012.20	78.35	60,746.59	78.20
Nov-2022	18,758.35	81.95	63,099.65	81.85
Dec-2022	18,105.30	77.10	60,840.74	77.10
Jan-2023	17,662.15	67.20	59,549.90	67.30
Feb-2023	17,303.95	66.45	58,962.12	66.45
Mar-2023	17,359.75	63.65	58,991.52	63.71

NSE & Welspun India Limited



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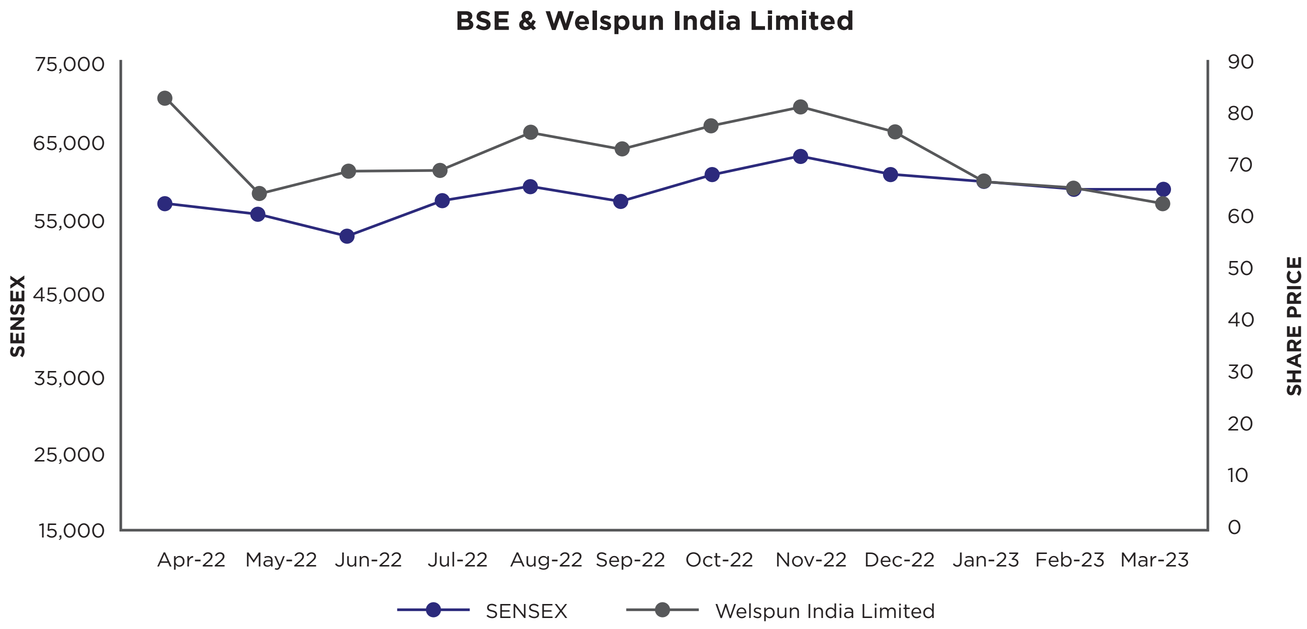

9. **Registrar and Transfer Agent: Registrar and Transfer Agent of the Company handles the share transfer work and the complaints of shareholders. Name, address and telephone number of Registrar and Transfer Agent is given hereunder:**

Link Intime India Private Limited
Unit : Welspun India Limited
C-101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai – 400 083

Email - rnt.helpdesk@linkintime.co.in

Tel: +91-22-49186000
Fax: +91-22–49186060

10. **Share Transfer System:** The Company's Registrar and Transfer Agent registers shares received from the shareholders for transfer in physical form within 15 days from the receipt of the documents, if the same are found in order. Securities under objection are returned within two weeks.

11. **Distribution of Shareholding:**

Number of Shares	No. of shareholders	Percentage of Shareholders	Total Shares for the range	Percentage of Issued Capital
Upto – 500	174,052	85.30	1,80,80,474	1.83
501-1,000	15,123	7.41	1,20,86,611	1.22
1,001-2,000	7,556	3.70	1,14,53,002	1.16
2,001-3,000	2,797	1.38	70,68,870	0.72
3,001-4,000	1,164	0.58	41,63,771	0.42
4,001-5,000	903	0.44	42,71,045	0.43
5,001-10,000	1,307	0.64	95,85,219	0.97
10,001 and above	1,136	0.56	92,13,49,492	93.25
Total	**204,038**	**100.00**	**98,80,58,484**	**100.00**

12. **De-materialization of shares and liquidity:** As on March 31, 2023, 99.72% equity shares have been dematerialized and have reasonable liquidity on NSE and BSE.

13. **Outstanding Employee Stock Options, conversion date and likely impact on equity share capital:** NIL

14. **Disclosure of Shares held in suspense account under Clause F of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

    Refer to point no. 6 of the Directors' Report.

15. The Company is in compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46.

16. **Plant locations of the Company:**

    (i) Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370 110

    (ii) Survey No. 76, Village Morai, Vapi, District Valsad, Gujarat – 396191

17. **Address for correspondence:**

    The Company Secretary,
    Welspun India Limited
    4th Floor, Welspun House,
    Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.
    Tel: +91-22-66136000; +91-22-24908000, Fax: +91-22-24908020 /21
    E-mail: CompanySecretary_WIL@welspun.com

18. **Credit Ratings:** Refer to point no. 8(i) of the Directors' Report.

CERTIFICATE OF PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE REPORT

To
The Members
Welspun India Limited

We have examined the compliance of conditions of Corporate Governance by Welspun India Limited for the financial year ended March 31, 2023, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") in particular the Regulations 17 to 27 and Clause (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of Regulations.

We have been requested by the management of the Company to provide a certificate on compliance of corporate governance under the relevant provisions of the Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation provided to us by the Management, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations during the financial year ended March 31, 2023.

We state that such compliance is neither an assurance as to future viability of the Company nor to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **MNB & Co. LLP**
Company Secretaries

CS Maithili Nandedkar
Partner
FCS: 8242, C P No. 9307
UDIN: F008242E000831988
Peer Reviewed Firm No. 1259/2021

Place: Mumbai
Date: 27/04/2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and clause (10)(i) of Para C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
Welspun India Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Welspun India Limited bearing CIN L17110GJ1985PLC033271 and having registered office at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal of the Ministry of Corporate Affairs at "www.mca.gov.in") as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Balkrishan Gopiram Goenka	00270175	17/01/1985
2	Rajesh Rameshkumar Mandawewala	00007179	26/10/1989
3	Ms. Dipali Balkrishan Goenka	00007199	01/04/2013
4	K. H. Viswanathan	00391263	01/07/2022
5	Pradeep Narendra Poddar	00025199	15/09/2019
6	Arvind Kumar Singhal	00709084	01/04/2019
7	Ms. Anisha Motwani	06943493	22/10/2021

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **MNB & Co. LLP**
Company Secretaries

CS Maithili Nandedkar
Partner
FCS: 8242, C P No. 9307
UDIN: F008242E000832252
Peer Reviewed Firm No. 1259/2021

Place: Mumbai
Date: 27/04/2023

Business Responsibility & Sustainability Report

The Securities and Exchange Board of India (SEBI) has issued a circular (SEBI/HO/CFD/CMD-2/P/CIR/2021/562) that requires the top 1,000 listed companies (by market capitalization) to file the Business Responsibility and Sustainability Report (BRSR) instead of the existing Business Responsibility Report (BRR) from the financial year 2022-2023 onwards.

To stay ahead, we have proactively mapped our existing ESG information with the requirements of BRSR. We understand the importance of staying on top of changing regulatory requirements and are excited to report our progress in the BRSR.

We believe that our commitment to sustainability and responsible business practices is not just an obligation, but a moral imperative. And with the new BRSR, we are proud to showcase our efforts in creating a better future for all stakeholders.

Welspun's approach to Business Responsibility and Sustainability

Welspun India Limited (WIL) has established itself as a pioneer in responsible business practices, driven by an unwavering commitment to transparency, honesty, and professionalism. The company recognizes that creating long-term value goes beyond financial success, encompassing the well-being of the environment, society, and its people.

In pursuit of this goal, WIL has developed WELOCITY, a transformative approach to ESG that emphasizes economic growth, environmental conservation, and social empowerment with a focus on acceleration. Anchored by robust governance, WIL ensures accountability and builds trust among all stakeholders.

Taking a proactive stance, WIL has identified and prioritized key sustainability issues such as GHG emissions, water, waste, cotton sourcing, diversity inclusion, and sustainable supply chain. The company has embraced a circularity-driven strategy, integrating sustainable solutions throughout its value chain.

WIL's dedication to sustainable development is evident in its ambitious goal to achieve 100% sustainable cotton procurement by 2030. By effectively implementing sustainable sourcing practices in its supply chain, WIL not only reduces costs but also minimizes environmental impact through lower transportation, inventory, and packaging waste.

With a firm focus on environmental, social, and governance responsibilities, WIL has implemented robust processes to address potential issues. A strategic ESG roadmap guides the company's short, medium, and long-term actions, enabling continuous improvement in sustainable value creation. Through collaboration with suppliers, WIL drives social and environmental enhancements, encouraging suppliers to adopt social accountability and regular performance assessments. Annual supplier meetings and a Supplier Manual further support the adoption of sustainable business practices. WIL aims to assess most suppliers based on ESG parameters, aligning its entire supply chain with sustainability goals.

Acknowledging its significant contribution to greenhouse gas emissions, WIL proactively invests in low-carbon technologies and process improvements. The company has joined the Science Based Targets initiative to align its emissions reduction targets with scientific evidence on climate change. Furthermore, WIL is ambitiously transitioning to 100% renewable energy by 2030, reducing its reliance on fossil fuels. Our focus lies in a wide range of renewable energy sources, encompassing the installation of solar power generation systems, utilizing waste as a power generation source, and harnessing the energy from food waste by means of a bio gas plant.

Water efficiency is a critical focus for WIL, given its water-intensive operations. The company is committed to cutting water consumption levels and achieving freshwater positivity by 2030, safeguarding local water sources in all operating areas.

WIL prioritizes responsible waste management, implementing initiatives to reduce waste generation, promote recycling and upcycling of textile waste, and ensure responsible disposal of hazardous waste. The company monitors waste across its facilities, constantly identifying opportunities for improvement. It aims to achieve zero hazardous waste going to landfills by 2025 and actively engages in afforestation and tree plantation efforts to reduce its environmental footprint.

Energy conservation is another area of focus for WIL. By adopting advanced technologies and enhancing efficiency, the company aims to reduce its energy footprint and associated costs. ISO 14001 certification of its facilities ensures adherence to stringent environmental standards.

Recognizing the importance of inclusivity and diversity, WIL fosters a work environment that provides equal opportunities to all employees. Respect, dignity, and human rights guide the company's approach to human resources management. WIL also invests in education, healthcare, and environmental conservation, embedding sustainability into its decision-making processes. Ethical, compliant, and sustainable business practices are reinforced through policies and codes of conduct.

By aligning all stakeholders around its sustainability goals, WIL strives to achieve sustained value creation. Through innovative business solutions and a commitment to stakeholder needs, WIL continues to pave the way as a responsible and forward-thinking organization.

Section A: General Disclosures

I. Details of the listed entity

1.	**Corporate Identity number:**	L17110GJ1985PLC033271
2.	**Name of the Listed Entity:**	Welspun India Limited
3.	**Year of incorporation:**	1985
4.	**Registered office address:**	Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat -370110, India
5.	**Corporate address:**	Welspun House, 6th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai 400 013, India
6.	**E-mail:**	companysecretary_WIL@welspun.com
7.	**Telephone:**	+91 22 6613 6000
8.	**Website:**	www.welspunindia.com
9.	**Financial year for which reporting is being done:**	April 01, 2022 to March 31, 2023
10.	**Name of the Stock Exchange(s) where shares are listed:**	The National Stock Exchange of India & BSE Limited
11.	**Paid-up Capital:**	₹ 98,80,58,484.00
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:**	Name: Mr. Shashikant Thorat- Assistant Vice President, Secretarial Contact no: 022 – 66136000 Email id: companysecretary_WIL@welspun.com
13.	**Reporting boundary:**	The reporting boundary on standalone basis covering 2 plants (Anjar and Vapi) and 1 corporate office of Welspun India Limited for period from 01, April 2022 to 31, March 2023

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Production of Textile products	Welspun India Limited, is renowned worldwide in the field of Home Textiles, excels as a leading global supplier to B2B enterprises, encompassing esteemed retail and hospitality brands. Additionally, WIL operates a thriving B2C division, catering to customers through its retail stores and online platforms.	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Towels	1399	59.8%
2.	Bed Sheets	1392	27.9%
3.	Rugs	139-1393	8.8%
4.	Top of Bed	1392	1.3%
5.	Carpet	139-1393	2.0%
6.	Bath robe	1399	0.2%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	2	1 Corporate Office	3
International	0	5	5

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	WIL serves in the majority of states and union territories within India. (28 states and 8 Union territories).
International (No. of Countries)	European markets and USA

b. What is the contribution of exports as a percentage of the total turnover of the entity?

86%

c. A brief on types of customers

WIL caters to both B2B and B2C customers. In the B2B segment, WIL distributes its products domestically to renowned retailers such as Amazon, Flipkart, and Myntra. On the global front, WIL supplies its products to major retailers like Walmart and IKEA. Moreover, the Company offers its products directly to individual customers through stores, both in India and abroad.

IV. Employees

18. Details as at the end of Financial Year 2022-23:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	1,350	1,246	92%	104	8%
2.	Other than Permanent (E)	-	-	-	-	-
3.	**Total employees (D + E)**	**1,350**	**1,246**	**92%**	**104**	**8%**
	WORKERS					
4.	Permanent (F)	13,974	10,467	75%	3507	25%
5.	Other than Permanent (G)	4,668	3,349	72%	1319	28%
6.	**Total workers (F + G)**	**18,642**	**13,816**	**74%**	**4826**	**26%**

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total differently abled employees (D + E)**	**0**	**0**	**0**	**0**	**0**
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	146	125	86%	21	14%
5.	Other than permanent (G)	0	0	0	0	0
6.	**Total differently abled workers (F + G)**	**146**	**125**	**86%**	**21**	**14%**

19. Participation/Inclusion/Representation of women

No. and percentage of Females	Total (A)	No. and percentage of Females	No. and percentage of Females
		No. (B)	% (B / A)
Board of Directors	7	2	29%
Key Management Personnel	4	1	25%

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-2023			FY 2021-2022			FY 2020-2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	17%	38%	19%	20%	37%	22%	26%	34%	27%
Permanent Workers	36%	29%	34%	53%	46%	51%	48%	44%	47%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

Welspun India Limited has 26 subsidiaries as of 31st March 2023.

S. No.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether it is a holding / Subsidiary / Associate / or Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Welspun Group Master Trust (Private Trust, not a company)	Holding	69.46	No
2	Welspun Global Brands Limited	Subsidiary	98.03	Yes
3	Welspun USA, Inc. (USA)	Subsidiary	98.68	Yes
4	Welspun Mauritius Enterprises Limited (Mauritius)	Subsidiary	98.03	(Holding shares of Mexico Co.)
5	Welspun Holdings Private Limited (Cyprus)	Subsidiary	98.11	(Holding shares of WUK business)
6	Welspun Home Textiles UK Limited (UK)	Subsidiary	98.11	(No business)
7	CHT Holdings Limited (UK)	Subsidiary	98.11	Yes
8	Christy Home Textiles Limited (UK)	Subsidiary	98.11	(No business)
9	Welspun UK Limited (UK)	Subsidiary	98.11	Yes
10	Christy 2004 Limited (UK)	Subsidiary	98.11	(No business)
11	E. R. Kingsley (Textiles) Limited (UK)	Subsidiary	98.11	(No business)
12	Christy Welspun GmbH (Germany)	Subsidiary	98.11	Yes
13	Christy UK Limited (UK)	Subsidiary	98.11	Yes
14	Christy Lifestyle LLC (USA)	Subsidiary	98.11	Yes
15	Besa Developers and Infrastructure Private Limited	Subsidiary	100	(No business)
16	Welspun Captive Power Generation Limited	Subsidiary	77	Yes
17	Anjar Integrated Textile Park Developers Private Limited	Subsidiary	100	(No business)
18	Welspun Zucchi Textiles Limited	Subsidiary	100	(No business)
19	Welspun Anjar SEZ Limited	Subsidiary	100	Yes
20	Novelty Home Textiles S.A. de C.V. (Mexico).	Subsidiary	98.03	(No business)
21	Welspun Flooring Limited	Subsidiary	100	Yes
22	Welspun Nexgen Inc.	Subsidiary	100	(No business)
23	TILT Innovations Inc.	Subsidiary	98.68	(No business)
24	Welspun Advanced Materials (India) Limited	Subsidiary	100	Yes
25	TMG (Americas) LLP	Subsidiary	98.68	(Property company)
26	Anjar Terry Towels Limited	Subsidiary	100	Yes

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in INR.)- 8,215.10 Cr (Consolidated).

(iii) Net worth (in INR.)- 4,087.81 Cr (Consolidated).

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No)(If Yes, then provide web-link for grievance redress policy)	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	-	-	0	0	-
Investors (other than shareholders)	Yes	0	-	-	-	-	-
Shareholders	Yes	23	0		30	0	-
Employees and workers	Yes	0	-	-	-	-	-
Customers	Yes	0	-	-	-	-	-
Value Chain Partners	-	0	-	-	-	-	-
Other (please specify)	-	-	-	-	-	-	-

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Product Stewardship	O	WIL's business objectives and principles have been mapped with various industry trends and global frameworks including Sustainability Accounting Standards	Launch of sustainable products	Positive implication
2	Water and waste management	R	Board (SASB), Global Reporting Initiative (GRI), ESG metrices, National Voluntary Guidelines (NVGs). This analysis has enabled in identifying the risks and opportunities for WIL.	WIL measures and monitors the quantity of water consumed across all its business locations and operations. It has set up a 30 MLD Sewage Treatment plant at our Anjar factory, which recycles sewage wastewater from the neighbouring areas, leading to zero intake of freshwater for manufacturing processes. Rainwater harvesting is carried out for WIL factories, enabling more freshwater availability for neighbouring communities. Waste management practices include segregation at source, recycling and upcycling textile waste, responsible disposal of hazardous waste and reducing waste. Across all facilities, WIL regularly monitors the waste generated from its operations and identifies areas for developing zero waste by recycling and up-cycling hazardous and non-hazardous waste generated in the factory. Waste disposal is carried out through appropriate methods and directed to authorised disposal channels as per the laws and regulations of the respective State Pollution Boards.	Negative Implication
3	Climate change	R		WIL has identified and assessed its physical and transition risks in line with recommendations provided by Task Force in Climate-Related Financial Disclosures (TCFD)	Negative Implication

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Circular economy	O		Recycle of textile and process wastes for beneficial use	Positive implication
5	Energy and carbon	R		WIL has set a target to increase its renewable energy consumption to 100% by 2030.The Company has implemented various energy saving initiatives.	Negative Implication
6	Corporate social value	O		Increase in the livelihood opportunities for communities	Positive implication
7	Governance	O			
8	Human rights	R		Our Code of Conduct and Ethics Policy, Prevention of Sexual Harassment (PoSH) Policy, and HR practices covers aspects of human rights for WIL's operations and are extended to subsidiaries, suppliers and business partners.	Negative Implication
9	Supply chain Management	R			
10	Innovation	O		Improving process efficiencies, development of new products across categories.	Positive implication
11	Customer centricity	O		Reaching customers through multiple platforms, providing them easy access to our products, developing new designs as per the customer requirements.	Positive implication
12	Occupational health & safety	R		SA 8000 certified factories to enable sound human rights as well as health and safety practices ISO 45001-2018 certification at all WIL facilities to ensure our operations are conducted according to international standards on health and safety. Mandatory safety training to our employees, contractors, sub-contractors, and other agencies regularly on HS aspects such as fire safety, emergency preparedness, and office safety	Negative Implication
13	Market leadership	O			
14	Risk, opportunities, and crisis mgmt.	R		WIL has evolved a robust governance architecture to identify and evaluate potential risks and formulate an appropriate mitigation strategy. The Company is ably guided by the Risk Management Committee of the Board, which reviews the management's enterprise-wide risk management efforts. The Company has established a risk management policy that defines the overall risk management framework. The risk management committee of the Board oversees and reviews the risk management framework as well as the assessment of risks, its management and mitigation procedures. The committee reports its findings and recommendations to the Board.	Negative Implication
15	Product quality and safety	O		Better products for customers which enhance their quality of life.	Positive implication
16	Employee well-being	O		Various initiatives for employee engagement and well-being launched by HR department of the Company	Positive implication
17	Biodiversity	R		Plantation initiatives through Welspun Foundation near all operation sites.	Positive implication
18	Industry collaboration	O		Sharing of knowledge and good practices will improve the overall ecosystem of the textile industry	

Section B: Management and Process Disclosures

Disclosure Questions	P 1	P 2	P	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	YES	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available									
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	NO	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	No	Yes	Yes	NO	No	Yes
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, ISO, ISO, BIS) adopted by your entity and mapped to each principle.	The policies are based on prescribed principles, conformance to the spirit of international standards like ISO 90001, ISO 14001, ISO 45001, UNGC guidelines and ILO guidance.								
5. Specific commitments, goals and targets Set by the entity with defined timelines, if any.	100% closure of all Ethics related issues. Maintain a clear logbook (digital) and 100% compliance expected	30% recycling of Textile Scraps 70% of Packaging Material to make sustainable 45% Sustainable Cotton (Vapi + Anjar)		Assess 100%of critical suppliers through ESG parameters	Increase diversity across levels and have at least 25% women in the workforce	GHG Emissions intensity 1% lower than FY 21-22 Electricity intensity 1% lower than FY 21-22 Water intensity 1% lower than FY 21-22		Minimum 10% volunteering out of total 25000 employees. Target of 2500 numbers of employees	Customer satisfaction score in excess of 90%
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	94% achieved (Remaining issues are pending due to lack of evidence)	58 % recycling of Textile Scraps achieved 76 % of Packaging Material to make sustainable achieved 75 % Sustainable Cotton achieved		100% of Critical suppliers are assessed by the audit	25% Increased across whole of WIL	Achieved 24%Lower GHG emissions intensity Achieved 3% Lower Electricity intensity Achieved 9% lower water intensity		4499 employees volunteered for local community engagements	

Disclosure Questions	P 1	P 2	P	P 4	P 5	P 6	P 7	P 8	P 9
Governance, leadership and oversight									

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

India has demonstrated a strong commitment to the IPCC and the UNSDGs and has been taking significant steps to address the challenges of climate change and sustainable development." Embracing sustainability as a fundamental aspect of our sustainable business model allows us to build an organization that is prepared for the long term".

WIL has developed a sustainable business strategy that aims to reinforce its business drivers, elevate its stature in the textile industry, and deliver value to all stakeholders. By devising distinctive customer-centric solutions, WIL strives to address upcoming challenges and positively impact people's lives. Furthermore, the company's initiatives to enhance the proficiency of its employees, optimize its processes, and manufacture sustainable and innovative goods are creating a noteworthy impact on customers while simultaneously preserving the environment and benefiting the communities where it operates.

We aspire to be the most reliable and socially accountable organization in our sector, and we aim to achieve this by implementing a well-crafted plan that involves state-of-the-art manufacturing units renowned for their excellent product quality and efficient resource utilization, creating a unique and long-lasting brand identity through innovation, promoting a diverse and inclusive workplace, and making a significant contribution to the economic and social growth of the regions we serve.

Since the inception of our organization, we have placed significant emphasis on environmental stewardship, and we have a comprehensive plan in place to communicate our sustainability vision and the approach to realizing it via a well-defined roadmap containing specific objectives, benchmarks, and initiatives. Throughout the FY23, we have persevered towards achieving our sustainability objectives, which span across ecological, societal, and managerial considerations, such as energy consumption, water management, waste reduction, occupational safety, staff well-being, inclusivity, utilization of sustainable resources, and corporate social responsibility.

In order to ensure that our endeavors are in sync with the significant material challenges that have been recognized, we have established objectives for energy, carbon, water, waste, safety, community development activities, and public disclosures. Moreover, we have implemented a comprehensive governance framework to steer and evaluate our advancement towards accomplishing these objectives. Key performance indicators are frequently assessed at the board level to ensure responsibility and support sound decision-making.

At WIL, we believe that sustainability is not just about protecting the environment but also about creating shared value for all our stakeholders. We have identified environmental, social, and governance (ESG) material issues as priority material themes and have developed a maturity assessment to identify the activities and programs needed to accomplish our sustainability objectives. Through our sustained efforts, we are confident that we will achieve our goal of becoming a net positive impact on both society and the environment, and we look forward to continuing our journey towards sustainability.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	1. DIN Number 00007199 2. Name- Dipali Goenka 3. Designation Managing Director 4. Telephone Number 022 - 66136000 5. Email-ID companysecretary_WIL@welspun.com
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on Sustainability related issues? (Yes / No). If yes, provide details.	Yes, the entity has a specified ESG & CSR Committee of the Board/Director responsible for decision making on sustainability-related issues. The committee is responsible for overseeing and directing the entity's sustainability strategy, policies, and initiatives.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Board Committee									Quarterly								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Board Committee									Quarterly								

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency. -	No.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/ No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	-	-	-	-	-

Section C: Principle Wise Performance Disclosure

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year: 2022-23**

Segment	Total number of training and awareness programmes held	Principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness Program
Board of Directors Key Managerial Personnel	7	The Board members spent on average 22 hours on familiarisation programs which included updates on: 1. Raw material (Principle 2) 2. Brands and Marketing (Principle 9) 3. Consumer Insights (Principle 9) 4. Business specific updates operational updates (Principle 6) 5. Different channels of customers (Principle 9) 6. CSR activities (Principle 8) 7. Code of conduct (Principle 1)	100%
Employees other than BoD and KMPs	101	The employees and workers were given training on health and safety (Principle 3), skill up gradation (Principle 3) and human rights (Principle 5)	40%
Workers	60		37%

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the FY23, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Welspun India Limited did not face any penalties from the Stock Exchanges, SEBI, or any statutory or regulatory authority during the reporting period. Additionally, there were no instances of significant fines imposed or non-compliance observed regarding regulations pertaining to environmental, labor, health and safety aspects of products and services, marketing communications, and disclosure and labeling of product information.

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	None	None	None	None	None
Settlement	None	None	None	None	None
Compounding Fee	None	None	None	None	None

	Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	None	None	None	None	None
Punishment	None	None	None	None	None

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

NA

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NIL	NIL

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy**

Yes, WIL does have an anti-corruption and anti-bribery policy. The policy is available publicly on the following Web link: Anti-Bribery and Anti-Corruption Policy https://www.welspunindia.com/uploads/investor_data/AntiBriberyAntiCorruptionPolicy.pdf

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year
Directors	No Complaints	No Complaints
KMPs	No Complaints	No Complaints
Employees	No Complaints	No Complaints
Workers	No Complaints	No Complaints

6. **Details of complaints with regard to conflict of interest:**

	FY 2022-2023 Current Financial Year		FY 2021-2022 Previous Financial Year	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of Corruption and conflicts of interest.**

   No reports were made to the Board. Nevertheless, any such complaints are go to Mr. Pradeep Kumar, the Chief Ethics Officer, and the Ethics Committee.

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programmes held	Topic/ Principle Covered under the training	Percentage of value chain Programs partners covered (by value of business done with such partners) under the awareness programs
4	Business code of conduct, Occupational Health & Safety & Environmental Management & Performance - ESG Awareness	100%

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

   Yes.

   The directors are obligated to disclose their interests in entities or firms, as well as those of their relatives, as required by law. Any transactions pertaining to such interests are reported as related party transactions (RPTs). If a director has an interest, they abstain from participating in the discussion. Additionally, the company has implemented fair purchasing and recruitment procedures to prevent any conflicts of interest.

	FY 2022-2023 Current Financial Year		FY 2021-2022 Previous Financial Year	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (Capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and Capex investments made by the entity, respectively.**

	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	INR 32.24 Cr.	INR 22.21 Cr. (overall R&D)	1. The focus is on creating environmentally friendly products by utilizing recycled materials, resulting in a reduced environmental impact. 2. Towels, rugs, and sheets are being developed using up to 50% recycled materials. 3. Collaborative efforts with Dupont Biomaterials and FFG are driving the development of a sustainable product range. 4. Technology adoption is being employed to decrease power and electricity requirements. 5. Intensive efforts are being made to reduce water, electricity, and greenhouse gas (GHG) emissions. 6. Sustainable packaging materials are being developed, incorporating recycled materials. 7. Special emphasis is placed on diversity and inclusion, local community engagement, and employee engagement, with defined targets and key performance indicators (KPIs) in place.
Capex	-		

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes

b. If yes, what percentage of inputs were sourced sustainably?

- 76% of sustainable packaging
- 75% of sustainable cotton sourced

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

a. The plastic packaging is collected and send to authorized recyclers under EPR.

b. Authorized recyclers handle the transportation of e-waste.

c. The ETP (Effluent Treatment Plant) sludge is utilized as a boiler fuel in the TFH (Thermic Fluid Heater) boiler. In compliance with the Pollution Control Board Manifest system, other hazardous waste is disposed of in the TSDF (Treatment, Storage, and Disposal Facility).

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes.

WIL holds registration with the Central Pollution Control Board (CPCB) and adheres to a plastic waste collection plan that aligns with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of the Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
Yes, WIL conducted LCA of its products.					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk/concern	Action Taken
Towel and bed sheet	Environmental impact of conventional cotton used as raw material	WIL has implemented sustainable farming program. In FY23 it used 76% sustainable cotton as raw material.

According to the LCA study, there is room for improvement in the overall environmental impact of cotton products compared to the industry average, specifically by reducing energy consumption in the gate-to-gate processes. WIL has implemented various energy-saving initiatives such as installing heat recovery systems and optimizing processes to minimize energy consumption in the production process.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year
Recycled cotton	10 % of total cotton use	6% of total cotton use
Packaging material	76% of sustainable packaging used.	70% of total packaging use is from recycled material

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed, as per the following format:

	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging	Not Applicable			-	1455 MT	-
E-Waste				-	-	-
Hazardous Waste				1655 MT		332 MT
Other Waste				-	1897 MT	-

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Percentage % of Employees Covered by										
	Total (A)	Health Insurance		Accidental Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	1,246	1,246	100%	1,246	100%	-	-	1,246	100%	1,246	100%
Female	104	104	100%	104	100%	104	100%	-	-	104	100%
Total	**1,350**	**1,350**	**100%**	**1,350**	**100%**	**104**	**8%**	**1,246**	**92%**	**1,350**	**100%**
Other than Permanent Employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

b. Details of measures for the well-being of workers:

Category	Percentage % of Employees Covered by										
	Total (A)	Health Insurance		Accidental Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	10,467	10,467	100%	10,467	100%	-	-	-	-	10,467	100%
Female	3,507	3,507	100%	3,507	100%	3,507	100%	-	-	3,507	100%
Total	**13,974**	**13,974**	**100%**	**13,974**	**100%**	**3,507**	**25%**	**-**	**-**	**13,974**	**100%**
Other than Permanent Workers											
Male	3,349	1,372	41%	3,349	100%	-	-	-	-	3,349	100%
Female	1,319	371	28%	1,319	100%	1,319	100%	-	-	1,319	100%
Total	**4,668**	**1,743**	**37%**	**4,668**	**100%**	**1,319**	**28%**	**-**	**-**	**4,668**	**100%**

2. **Details of retirement benefits, for FY2022-2023 and FY2021-2022**

Benefi	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	100%	100%	Yes	100%	100%	Yes
Other Please Specify	NA	NA	NA	NA	NA	NA

3. **Accessibility of workplaces Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

   Yes

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

   Yes, WIL has an equal remuneration policy.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to Work Rate	Retention Rate	Return to Work Rate	Retention Rate
Male	100%	100%	Not Applicable	Not Applicable
Female	63%	63%	66%	66%
Total	**94%**	**94%**	**66%**	**66%**

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief**

	Yes/NO (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, we have established formal procedures that address grievance redressal mechanisms, encompassing a hotline number, committees, and a designated GR/IR officer.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or union (B)	% (B/A)	Total employees/ workers in respective category	No. of employees/ worker in respective category, who are part of associations(s) or union	% (D/ C)
Total Permanent Employees	1,350	0	0%	1,957	47	2%
Male	1,246	0	0%	1780	33	2%
Female	104	0	0%	177	14	8%
Total Permanent Workers	13,974	5,999	43%	19,423	115	1%
Male	10,467	4,484	43%	14,508	100	1%
Female	3,507	1,515	43%	4,915	15	0%

8. **Details of training given to employees and workers:**

Category	FY 2022-2023 Current Financial Year					FY 2021-2022 Previous Financial Year				
	Total (A)	On Health and Safety measure		On skill Up gradation		Total (A)	On Health and Safety measure		On skill Up gradation	
		Numbers (B)	% (B/A)	Number- (C)	% (C/A)		Numbers (B)	% (B/A)	Number- (C)	% (C/A)
Employees										
Male	1,174	222	19	495	42	1,780	610	34%	1096	62%
Female	127	69	54	61	48	177	42	24%	158	89%
Total	**1,301**	**291**	**22**	**555**	**43**	**1,957**	**652**	**33%**	**1,254**	**64%**
Workers										
Male	11,319	7,529	66	4,460	39	14,508	8,006	55%	14,359	99%
Female	4,222	2,800	66	1291	31	4,915	2,159	44%	3,104	63%
Total	**15,541**	**10,329**	**66**	**5,751**	**37**	**19,423**	**10,165**	**52%**	**17,463**	**90%**

9. **Details of performance and career development reviews of employees and worker:**

Category	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		
	Total (A)	Numbers (B)	% (B/A)	Total (A)	Numbers (B)	% (B/A)
Employees						
Male	1,246	1,133	91%	1,780	1,780	100%
Female	104	74	71%	177	177	100%
Total	**1,350**	**1,207**	**89%**	**1,957**	**1,957**	**100%**
Workers						
Male	10,467	10,467	100%	14,508	14,508	100%
Female	3,507	3,507	100%	19,423	19,423	100%
Total	**13,974**	**13,974**	**100%**	**33,931**	**33,931**	**100%**

10. **Health and safety management system:**

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes. Our manufacturing facilities have obtained certification for ISO 45001:2018, which ensures compliance with the Occupational Health and Safety Management System.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Welspun has established, implemented, and maintained a process for hazard identification taking into consideration the following:

1. Factors such as workflow, social aspects (including working hours, workload, harassment, and abuse), leadership, and the culture within the organization.
2. Both routine and non-routine activities and circumstances, encompassing hazards related to infrastructure, machinery and tools, raw materials, physical workplace conditions, products, testing methods, production processes, maintenance, goods dispatch, and human elements.
3. Previous relevant incidents and events, whether internal or external, including emergencies and their underlying causes.
4. Potential emergency scenarios.
5. Access of employees or individuals to the workplace, as well as their activities, involving both direct and indirect workers, as well as those who work or reside in close proximity to the workplace.

6. Any other issues including but not limited to:

   a) The configuration of the workplace, production procedures, machinery and tools, operational protocols, and work organization, taking into account the requirements and capacities of the workers involved.

   b) Incidents happening in the vicinity of the workplace due to work-related activities that are within the organization's control.

   c) Incidents taking place in the vicinity of the workplace that are beyond the organization's control but have the potential to cause harm or health issues to individuals present in the workplace.

7. Existing or planned alterations in the organization, operations, processes, activities, and the management of occupational health and safety (OH&S).

   A team comprising of health and safety representatives, HR personnel, Operation Head, Quality Head, Department Head, as well as workers or their representatives, has been engaged in determining the OH&S hazards, conducting assessments of aspects and impacts, and evaluating associated risks and opportunities related to all activities, processes, and services of the Company.

   The level of risk associated with each identified hazard has been determined through risk assessment, considering factors such as severity and probability. Criteria have been established to assess the level of risks and their significance.

   Hazard Identification and Risk Assessment (HIRA) is also employed within the health and safety management system.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes. WIL has established documented procedures that empower workers to remove themselves from situations they perceive as potentially harmful to their well-being or health. This action is supported without any adverse impact on their employment status. Direct contact numbers for the Health & Safety and Compliance teams are provided to enable workers to directly report such situations. Additionally, a Health & Safety Committee, consisting of equal representation from workers, has been formed, and regular meetings are held. Furthermore, a near miss reporting system has been implemented to identify hazards promptly and take necessary actions for rectification.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes

11. Details of safety related incidents, in the following format:

Safety Incident/ Number	Category	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.20	0.15
Total recordable work-related injuries	Employees	0	0
	Workers	8	4
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company has established a documented procedure aimed at ensuring safe working conditions that take into account the current industry knowledge and any specific hazards. This procedure is designed to promote the well-being of employees across all operations and job categories, while minimizing the likelihood of risks, accidents, or hazards to the safety of the establishment, the employees, and the surrounding community.

1. WIL Anjar has established a dedicated team of 9 qualified safety officers who are responsible for implementing, monitoring, and enhancing the workplace health and safety conditions.

2. The Health and Safety committee has been formed, ensuring equal representation of workers, with the primary objective of overseeing and ensuring the maintenance of optimal safety standards across all operational facilities.

3. Comprehensive health and safety training and awareness are integral parts of the orientation training program. Additionally, periodic refresher training programs are organized to reinforce knowledge and skills.
4. Regular internal audits are conducted to assess the health and safety performance. The findings from these assessments are thoroughly reviewed, and root cause analysis is performed to identify underlying causes. Corrective actions are implemented based on the root cause analysis report. Additionally, ergonomic assessments are conducted annually. Notably, The Vapi plant has implemented ISO 45001:2018 and holds certification from Intertek.

13. Number of Complaints on the following made by employees and workers:

Category	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Condition	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

14. Assessments for the year:

	% of your plant and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety Practices	100%. The entire premises, undergo external assessments on a quarterly basis. Internally, evaluations are conducted every six months for WIL Anjar and Vapi Plants. Furthermore, an annual OH&S Management System audit is carried out by an accredited third-party audit firm. The purpose of these assessments is to ensure compliance and maintain high standards of occupational health and safety.
Working Conditions	100%. An internal evaluation of working conditions takes place biannually, examining all activities, operations, offices, and warehouses, encompassing all categories of employment. Additionally, third-party external audits are conducted annually for SA 8000, WCA, and SMETA compliance. These audits are in addition to the audits of customers' code of conduct, which are carried out either by the customers themselves or by third-party agencies nominated by the customers. The assessment of working conditions comprehensively encompasses the entire premises.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Throughout the year, no accidents or incidents resulting in Lost Time Injury (LTI), injury, or illness have occurred. Furthermore, no significant risks with potentially significant impacts have been identified or reported. However, an annual review of Hazard Identification and Risk Assessment (HIRA) is conducted, incorporating internal and external assessment reports, near miss incidents, and reports of minor injuries, if any. Any necessary corrective action is taken based on the findings of internal and external audit reports, following the established procedures outlined in the Standard Operating Procedures (SOP).

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death Of

(A) Employees (Y/N) - Yes

(B) Workers (Y/N). – Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Suppliers undergo assessments based on ESG (Environmental, Social, and Governance) parameters, and it is guaranteed that statutory obligations such as PF (Provident Fund), gratuity, etc., are deducted and promptly fulfilled.

3. **Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	Number	Remarks	Number	Remarks
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

   Yes. Indeed, there is a retainership policy in place for employees who express their intention to continue working, subject to the availability of opportunities in a specific department. Additionally, employees are eligible for gratuity or severance pay based on their age and years of service.

5. **Details on assessment of value chain partners**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety practices	100% Critical suppliers are audited annually
Working Conditions	100% Critical suppliers are audited annually

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   Depending on the gravity of the findings from suppliers' assessments, a provisional timeline is provided to address the findings through root cause analysis and necessary corrective actions. We anticipate our suppliers to actively participate and enhance their sustainability performance, contributing to the broader objective of establishing a sustainable value chain. If a severe or significant violation of our code of conduct occurs, a follow-up assessment is conducted within the agreed target date for resolving the identified findings.

RINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   Welspun maintains an ongoing engagement with both internal and external stakeholders using a variety of processes, ensuring the timely collection of feedback to identify key stakeholder groups.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group**

Stakeholder Group	Whether identified as vulnerable & Marginalized Group (Yes/No)	Channel of communication (Email, SMS Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half Yearly/ Quarterly / other - Please Specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	Quarterly meetings Presentations, Investor relation calls	Quarterly	Economic value, Sustainable
Government and regulators	No	Need basis participation in industry level consultation groups, participation in forums	Continuous	Compliance Sustainable practices, Inclusive growth
Employees	No	Surveys, Workshops, Capacity building, appraisals newsletters, Town halls, Rewards	Continuous	Professional growth, Diversity at the workplace, Leadership connect sessions, Workplace safety, Equal opportunities, Work-life balance

Stakeholder Group	Whether identified as vulnerable & Marginalized Group (Yes/No)	Channel of communication (Email, SMS Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half Yearly/ Quarterly / other - Please Specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Business partners/ suppliers and contractors	No	Direct interactions, Supplier meets, Associations	Continuous	Payment processing cycles, Business ethics, transparency, Compliance
Communities & NGOs	Yes	Direct engagement, Dedicated CSR team, visits, and camps, 2 Community needs assessments	Continuous	Infrastructure development,

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   Stakeholders' feedback is collected in a timely manner, and the inputs are then shared with the Board.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.-**

   Yes

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   Our unwavering dedication lies in the domains of Education, Empowerment, Environment, and Health, as we collaborate closely with neighboring villages to make a positive impact, uplift their lives, and promote well-being. Every endeavor we undertake is deeply rooted in our commitment to sustainable development, harmonizing the requirements of the present with the aspirations of the future. WIL has introduced initiatives such as Wel-Shiksha, Wel-Netrutva, Wel Swasthya, and WSSW to specifically address the concerns of vulnerable groups, including children and women within the community.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		
	Total (A)	No. of employees/ Workers covered (B)	% (B/A)	Total (C)	No. of employees/ Workers covered (D)	% (D/C)
Employees						
Permanent	1350	596	44%	1957	674	34%
Other than permanent	-	-	-	-	-	-
Total Employees	**1350**	**596**	**44%**	**1957**	**674**	**34%**
Workers						
Permanent	13974	4870	35%	19,423	8,957	46%
Other than permanent	4668	455	9.7%	4,318	1,496	35%
Total Workers	**18642**	**5325**	**29%**	**23,741**	**10,453**	**44%**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-2023 Current Financial Year					FY 2021-2022 Previous Financial Year				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C / A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	1350	0	0	1350	100%	1957	0	0%	1957	100%
Male	1246	0	0	1246	100%	1780	0	0%	1780	100%
Female	104	0	0	104	100%	177	0	0%	177	100%
Other Than Permanent	-	0	0	0	0%	-	0	0	0	0%
Male	-	0	0	0	0%	-	0	0	0	0%
Female	-	0	0	0	0%	-	0	0	0	0%
Workers										
Permanent	13974	278	2%	13696	98%	19423	561	3%	18862	97%
Male	10467	114	1%	10353	99%	14508	385	3%	14123	97%
Female	3507	164	5%	3343	95%	4915	176	4%	4739	96%
Other Than Permanent	4668	1691	36%	2977	64%	4318	464	11%	3854	89%
Male	3349	974	29%	2375	71%	3398	420	12%	2978	88%
Female	1319	717	54%	602	46%	920	44	5%	876	95%

3. **Details of remuneration/salary/wages, in the following format**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of directors (BoD)	5	-	2	-
Key Managerial Personnel (KMP)	3	1.7 Cr	1	4.12 Cr
Employees other thank Bod & KMP	1243	7.60 Lakh	103	6.00 Lakh
Workers	10467	1.70 Lakh	3507	1.42 Lakh

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

   Yes

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

   There is a documented procedure on Grievance Redressal Mechanism and as per the standard operating procedures, the following mechanisms are in place to address employees' grievances:

   1. Separate designated IR Officers for each department
   2. Committees such as Works Committee, Grievance Redressal Committee and H&S Committee, which have been formed to receive and address grievances related to human rights

3. **Suggestion/Complaint boxes have been placed at conspicuous places, encouraging employees to submit suggestions, comments, and complaints anonymously.**

4. **Hotline numbers**

6. Number of Complaints on the following made by employees and workers:

	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassments	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other Human Rights related Issues	-	-	-	-	-	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Company's Non-discrimination and Whistleblower policies have been communicated to all stakeholders and have been prominently displayed in bilingual form. As per the policy statement, employees are free to lodge any complaint or report misconduct, using various mechanisms. Suggestion/complaint boxes are placed at conspicuous places encouraging employees to submit complaints anonymously. The employees who report misconduct or suspected violation are protected from retaliation

8. Do human rights requirements form part of your business agreements and contracts?

(Yes/No)

Yes

9. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced/ Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Others - Please specify	(Ethics, Environment, Health and safety, CTPAT Aspects etc) 100 %

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No violations of significant concern have been reported during the year. However, any moderate or minor violations raised during the Supplier's assessment throughout in the supply chain are addressed through root-cause analysis and corrective actions, within the agreed time frame.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints

No complaints so far hence not applicable.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The Human Rights assessment is conducted on a yearly basis. All critical suppliers and business partners are audited, annually. Based on the findings/result of the assessment, a follow-up audit is scheduled within 90 to 120 days of initial or annual audit if violations or significant risks are found.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes.

4. **Details on assessment of value chain partners**

	% of value chain partners (by entity or statutory authorities or third parties) that were assessed
Child Labour	100%
Forced/ Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Others - Please specify	(Ethics, Environment, Health and safety, CTPAT Aspects etc) 100 %

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above**

An annual Human Rights assessment is conducted for all critical business partners. Any findings or concerns identified during the assessment are promptly addressed through root-cause analysis, along with appropriate corrective and preventive actions, within the agreed target date for completion. In the event of a major violation or significant risks, a follow-up assessment is conducted.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year
Total electricity consumption (A)	8,95,259 GJ	19,22,322 GJ
Total fuel consumption (B)	33,09,614 GJ	36,35,534 GJ
Energyconsumption through other sources (C) (Steam	10,79,293 GJ	-
Total energy consumption (A+B+C)	52,84,166 GJ	55,57,855 GJ
Energy intensity per rupee of turnover (Total energyconsumption/ turnover in rupees)	912 GJ per INR Cr	593 GJ per INR Cr

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.-

Yes. Limited assurance for total energy consumption is provided by Price Waterhouse Chartered Accountants LLP.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Yes, the both the plants are registered as designated consumers under PAT scheme of Government of India: WIL Anjar and WIL Vapi (PAT Cycle III).

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year
Water withdrawal by source (in kiloliters)		
(i) Surface water		-
(ii) Groundwater		-
(iii) Third party water	18,73,702 KL	WIL Total: 21,10,291 KL (Municipal Water) WFL Total: 2,06,049 KL (Soft Water + DM Water + Domestic Water
(iv) Seawater / desalinated water	-	-

Parameter	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year
(v) Others (STP recycled water)	23,52,335 KL	2,88,137 KL
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	42,26,037 KL	26,04,477 KL
Total volume of water consumption (in kilolitres)	15,59,141 KL	26,04,477 KL
Water intensity per rupee of turnover (Water consumed / turnover) Water intensity (optional) – the relevant metric may be selected by the entity	269 KL per INR Cr	277 KL per INR Cr

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Limited assurance for total volume of water withdrawal and consumption is provided by Price Waterhouse Chartered Accountants LLP.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

NO

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year
NOx	MT	47	51
SOx	MT	60	20
Particulate matter (PM)	MT	48.05	258
Persistent organic pollutants (POP)		NA	NA
Volatile organic compounds (VOC)		NA	NA
Hazardous air pollutants (HAP)		NA	NA
Others – please specify		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Limited assurance for NOx, SOx and PM emissions is provided by Price Waterhouse Chartered Accountants LLP.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Please specify unit	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH4, N_2O, HFCs, PFCs, SF6, NF3, if available	Metric tonnes of CO_2 equivalent	3,14,802	3,44,082
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH4, N_2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	4,96,417	7,07,312
Total Scope 1 and Scope 2 emissions per rupee of turnover		139.97 tCO_2e per INR Cr	112 tCO_2e per INR Cr

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Limited assurance for Total Scope 1 and Scope 2 emission is provided by Price Waterhouse Chartered Accountants LLP.

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes. The company is transitioning towards green energy sources and embracing renewable energy solutions such as solar and wind power. Additionally, the company has implemented initiatives to utilize biomass for fulfilling its energy requirements. Furthermore, ETP and STP sludge are utilized as fuel for boilers.

8. **Provide details related to waste management by the entity, in the following format**

Parameter	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year
Total Waste generated (in metric tonnes)		
Plastic waste (A)	240 MT	1455 MT
E- waste (B)	3.48 MT	0
Bio-medical waste-C	0.78MT	1 MT
Construction and demolition waste (D)	-	
Battery waste- E	0	0
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	1. Used Drums: 315 2. Used Oil: 20.37 3. ETP Sludge: 540	1. Used Drums: 287 MT 2. Used Oil: 45 MT 3. ETP Sludge: 2250 MT
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	**Composition (MT):** Wooden scrap: 628 Paper scrap: 1,890 Metal Scrap: 700 LDPE scrap: 518 HDPE Scrap: 81 Cotton Sweeping Waste:141 Fly ash: 7534 Electric Scrap: 26 Spinning Waste: 3242 Miscellaneous : 1042 Process Waste: 6285 STP Sludge: 367	**Composition (MT):** Wooden scrap: 1,331 Paper scrap: 2,899 Metal Scrap: 601 LDPE scrap: 65 HDPE Scrap: 102 Carton Puttha: 833 Cotton Sweeping Waste: 379 Cotton Sweeping Waste with Burka: 430 Fly ash: 4,984 Spinning Waste: 3,282 Others (Process Waste): 6,750
Total (A+B + C + D + E + F + G+H)	**Total: 23,574 MT**	**Total: 25,694 MT**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
(i) Recycled	15131	1897
(ii) Re-used	8396	
(iii) Other recovery operations		
Total	**23,527**	**1897**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	45.6 MT (Bio-Medical+ ETP Sludge)	2251 (Bio-Medical + ETP Sludge)
(ii) Landfilling		
(iii) Other disposal operations	23,252 MT (Sold to recyclers)	23,443 (Sold to recyclers)
Total	**23,574 MT**	**25,694 MT**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Limited assurance for total volume of water withdrawal and consumption is provided by Price Waterhouse Chartered Accountants LLP.

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

There is a documented procedure for waste management which includes the following steps:

1. The first step involves identifying the various types of waste and the locations where they are generated, including operations, processes, and activities.
2. Each process or department is provided with a designated area where waste can be segregated and properly packed.
3. Waste is transported from the temporary storage location to the main scrap yard on a regular basis, either daily or weekly.
4. Waste is stored in a specifically allocated area, segregated based on the type of waste and further categorized as reusable or recyclable.

5. Vendors for recycling different types of waste are identified, and authorization is granted to selected vendors based on their compliance with both legal requirements and the company's standard operating procedures (SOP).
6. The transportation of waste to the vendors follows specific procedures, including proper packaging of different types of waste and adherence to the requirements for suitable vehicles or transport methods.
7. Waste is only transported to authorized vendors/recyclers, and an annual assessment is conducted at the vendor's place of business to ensure compliance and proper waste management practices.

There is a documented policy and procedures on identification, testing, storage, transportation and handling of chemicals which includes the following procedures:

a. Prior to acquiring chemicals, suppliers are required furnish certificates and documentation that validate their adherence to the MRSL standard. These may include certificates like OEKO-TEX 100, GOTS, REACH, SDS/MSDS, and the ZDHC MRSL Declaration.
b. An assigned Chemical Manager assumes the responsibility of assessing and granting approval for chemicals. The approval process entails the submission and evaluation of the aforementioned documents and certificates for dyes/chemicals.
c. An annual assessment is conducted to analyze and map the risks associated with chemicals. This process is known as Chemicals Risk Analysis/Mapping.

Our in-house laboratory conducts daily testing of the ETP in-let water, ETP out-let water, and sludge. Additionally, a government-approved agency performs monthly testing, while globally recognized laboratories like SGS and Hohenstain conduct annual tests based on the ZDHC MRSL parameters.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

S. No	Locations of operations / offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with ? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable as there are no operations near above-mentioned zones.			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of projects	EIA Notifications No	Date	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes / No)	Relevant Web link
No EIA undertaken in FY 2022-2023					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, we have valid CC&A for Air, Water and Hazardous waste.

S. No	Specify the law /regulation/ guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	NIL	NA	NIL	NA

Leadership Indicators

1. **Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format**

Parameter	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year
From renewable sources		
Total electricity consumption (A)		
Total Fuel consumption (B)	16,172 (GJ)	39,094 (GJ)
Energy consumption through other sources - C		
Total energy consumed from renewable sources (A+B+C)	**16,172 (GJ)**	**39,094 (GJ)**
From non-renewable sources		
Total electricity consumption (D)	8,95,259 (GJ)	19,22,322 (GJ)
Total Fuel consumption (E)	33,09,614 (GJ)	36,35,534 (GJ)
Energy Consumption through other sources (Steam) (F)	10,79,293 (GJ)	
Total energy consumed from non-renewable sources (D+E+F)	**52,67,995 (GJ)**	**55,57,855 (GJ)**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

2. **Provide the following details related to water discharged:**

Parameter	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment	Treatment: ETP Discharge: 26,66,896 KL	Treatment: ETP Discharge: 34,12,829 KL
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kiloliters)	**26,66,896 KL**	**34,12,829 KL**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

3. **Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):**

For each facility / plant located in areas of water stress, provide the following information:

a) Name of the area- Anjar

b) Nature of operations- Textile Manufacturing

c) Water withdrawal, consumption and discharge in the following format:

The WIL facility located in Anjar is situated in a region facing water stress. To address this challenge, we have established a 30 MLD Sewage Treatment Plant at our Anjar factory. This plant plays a crucial role in recycling sewage wastewater obtained from neighboring areas. As a result, our manufacturing processes no longer rely on freshwater intake, effectively achieving a state of zero freshwater consumption.

Parameter	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater		
(iii) Third party water	1,85,039 KL	
(iv) Seawater / desalinated water		
(v) Others (STP Recycled Water)	23,52,335 KL	
Total volume of water withdrawal (in kilolitres)	23,52,335 KL	0
Total volume of water consumption (in kilolitres)	4,52,693 KL	3,54,671 KL
Water intensity per rupee of turnover (Water consumed / turnover)	78.11 KL per INR Cr	
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
# No Treatment		
#With treatment- Please specify level of treatment		
(ii) To Groundwater		
# No Treatment		
#With treatment- Please specify level of treatment		
(iii) To Seawater		
# No Treatment		
#With treatment- Please specify level of treatment	18,99,642 (ETP Treated water)	
(iv) Sent to third-parties		
# No Treatment		
#With treatment- Please specify level of treatment		
(v) Others		
# No Treatment		
#With treatment- Please specify level of treatment		
Total water discharged (in kilolitres)	**18,99,642 KL**	

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

4. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Please specify unit	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH4, N_2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	7,94,628 (The emission inventories includes 9 categories of scope 3)	5,98,072 (The emission inventory includes 8 out of 12 applicable categories of Scope 3)
Total Scope 3 emissions per rupee of turnover		137.11 tCO_2e per INR Cr.	64 tCO_2e per INR Cr.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

5. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

   Not Applicable

6. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Installed STP of 30 MLD and ETP of 29 MLD to recycle wastewater and reuse within the manufacturing process at WIL Anjar.	This process ensures recycling and treatment of sewage and effluent water generations. 100% of water requirement is met through the recycled water thus ensuring zero freshwater usage.	100% recycled water usage in our production activities at Anjar
2	ETP and STP Sludge	The Company has initiated ETP and STP sludge use as boiler fuel. The CPCB/GPCB accepted our proposal and have given permission to use ETP sludge as boiler fuel	100% generated ETP and STP sludge used as boiler fuel along with coal in the ratio of 80:20. WIL has stopped sending ETP and STP sludge to TSDF site for landfilling.
3	Installed 30MT Solar sludge dryer	The sludge generated from the operating facility has an equivalent calorific value as coal. Therefore, it is dried and used as an alternative fuel in boilers	About 2000 MT coal saved by using dried ETP bio sludge
4	Reduction of GHG emissions	Usage of public transport leads to reduction of carbon footprint emission. (e.g., 95% of employees are using public transport). Use of ETP sludge as an alternative fuel for coal produce lesser emission	GHG emission has been reduced Compared to the previous years.
5	Installed ESP in boiler stacks	Installation of ESP ensures filtration of fine particles including dust and smoke, from flowing gas in the boiler.	Reducing air pollutants like SPM, SoX and NoX
6	Recycling and Reuse of soft and hard waste	100% of soft and hard waste generated from the manufacturing of textile is being recycled and reused in the process	Reduced raw material consumption

7. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

   Yes.

   WIL has implemented a comprehensive disaster management plan to be activated in the event of sudden calamities or a series of events that disrupt normal operations within the factory premises. These events have the potential to cause severe injuries, loss of life, and extensive property damage. Such incidents can arise from natural phenomena like floods, earthquakes, cyclones, and forest fires, which disrupt the daily routines of individuals and leave them in a state of helplessness and suffering. Consequently, there is a need for protective measures, clothing, shelter, medical assistance, and essential life necessities.

   The primary objectives of this Disaster Plan are to:

   (a) Control and mitigate disasters

   (b) Effectively combat fires

   (c) Execute rescue operations to save individuals

   (d) Extend assistance not only within the factory but also to the neighboring areas in the event of an accident.

   Through this plan, WIL aims to ensure that employees in the factory are well-prepared and equipped to handle such emergencies, safeguarding lives and minimizing the impact of the disaster on both the factory and its surrounding areas.

8. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regards.**

   Environmental Aspects and Impact analysis is conducted and reviewed on an annual basis to identify significant and non-significant environmental aspects. Preventive and additional control measures are taken to mitigate or minimize the identified significant environmental impacts.

9. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   100% critical suppliers are assessed for environmental impacts, annually.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

   Welspun India Limited is a part of 6 associations.

   b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
2	Indian Merchants Chamber	National
3	TEXPROCIL (The Cotton Textiles Export Promotion Council)	National
4	SRTEPC (The Synthetic & Rayon Textile Export Promotion Council)	National
5	Well Living Lab	International
6	Cotton Egypt Association (CEA)	International

2. **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities**

Name of authority	Brief of the case	Corrective actions taken
Nil	Nil	Nil

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

S. No	Public policy advocated	Method resorted for such advocacy	Frequency of review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
	Adoption of sustainability parameters in textile industry to reduce overall impact			

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of Notification	Whether conducted by independent external agency (Yes/No)	Result communicated in public domain (Yes/No)	Relevant Web Link
Welspun Foundation has on-boarded a third party agency that will be conducting Impact Assessment of CSR programs. Once the IA is complete, we will be able to share this data.	Not Applicable.				

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

None of our projects require R&R implementation.

S. No	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAF covered by R&R	Amount paid to PAFs in the FY (In INR)
None of our projects require R&R implementation.						

3. **Describe the mechanisms to receive and redress grievances of the community.**

In the event of any grievances from the community, they are initially conveyed to the CSR team. Subsequently, the nature of the grievance is evaluated, and discussions take place with the relevant department. Suggestions and potential solutions to address the issue are then shared with the community. Upon reaching a mutual agreement, an action plan is implemented to resolve the matter.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year
Directly Sourced from MSME/ Small Producers	61% (other than cotton) 40% cotton	59% (other than cotton) 40% cotton
Sourced directly from within the district and neighbouring district	64% (other than cotton) 50% cotton	64% (other than cotton) 50% cotton

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
No negative social impact identified.	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No	Name of Project for which R&R is ongoing	State	Aspirational District	Amount Spent (In INR)
CSR initiatives are implemented within the villages surrounding our manufacturing sites. Currently, no aspirational districts are included in our CSR endeavors.				

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)

   No

   b. From which marginalized/vulnerable groups do you procure?

   No

   c. What percentage of total procurement (by value) does it constitute?

   No

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No	Intellectual Property based on traditional Knowledge	Owned / Acquired (Yes/No)	Benefits Shared (Yes/No)	Basis of calculating benefits share
NA		NA	NA	NA

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
NA	NA	NA

6. **Details of beneficiaries of CSR Projects:**

S. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	WelShiksha	1,09,857	100% (Children)
2	WelNetrutva	42,002	100% (Women)
3	WelSwasthya	1,66,938	100% (Children+ Women+ Elderly Citizen)
5	WSSW	32	100% (Women)
6	WelPrakruti	9,420	-
7	WelKrishi	1,01,000	-
8	We Volunteer	4,499	-

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   We have established a documented procedure to receive and handle consumer complaints and feedback. A dedicated team is assigned the responsibility of receiving, addressing, and providing responses to any consumer complaint or feedback. As per the documented policy of the Company, all feedback and complaints are promptly addressed and responded to within a period of 7 days.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	NA

3. **Number of consumer complaints in respect of the following:**

	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0		0	0	0
Advertising	0	0		0	0	0
Cyber-security	0	0		0	0	0
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	0
Other	0	0		0	0	0

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/ No) If available, provide a web-link of the policy.**

   WIL considers data privacy a critical aspect. A cyber security framework has been developed and is followed in order to take appropriate security measures.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Since there were no complaints, there was no need for any corrective action

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Product information is publicly available on customer e-comm sites where it is listed as well as our own brand sites. https://www.spaces.in; https://www.christy.co.uk/;

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Care instructions on the product as well as packaging are provided based on specific retailer and program guidelines

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Not Applicable

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes. Made in Green Label provides information that the product doesn't contain any harmful substances and has been tested for them and produced sustainably in accordance with OEKO-TEX guidelines. WIL has carried out partner satisfaction surveys with international and domestic customers as well as suppliers to take feedback, further improve service experience and identify improvement areas.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

Nil

b. Percentage of data breaches involving personally identifiable

Information of customer

Nil

Independent practitioner's limited assurance report on Identified Sustainability Indicators in Welspun India Limited's Business Responsibility and Sustainability Report

To the Board of Directors of Welspun India Limited

We have undertaken to perform a limited assurance engagement for Welspun India Limited ('WIL') (the 'Company') vide our Engagement Letter dated June 1, 2023, in respect of the agreed indicators / parameters listed below (the "Identified Sustainability Indicators"). These parameters are as included in the Business Responsibility and Sustainability Report (BRSR) of the Company for the year ended March 31, 2023. The reporting boundary for BRSR is as disclosed in Question 13 of Section A of the BRSR, with exceptions, if any, been disclosed as a note under the respective questions under BRSR.

Identified Sustainability Indicators

The Identified Sustainability Indicators for the year ended March 31, 2023 are summarised in Appendix 1 to this report.

Our limited assurance engagement was with respect to the year ended March 31, 2023 information only and we have not performed any procedures with respect to comparative previous year information i.e. year ended March 31, 2o22 reported in the Business Responsibility and Sustainability Report for the year ended March 31, 2023 and, therefore, do not express any conclusion thereon.

Criteria

The criteria used by Welspun India Limited is Guidance note for BRSR format.

Management's Responsibility

The Company's Management is responsible for engagement with stakeholders, content and presentation of the Business Responsibility and Sustainability Report in accordance with the Criteria mentioned above. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Business Responsibility and Sustainability Report and measurement of Identified Sustainability Indicators, which are free from material misstatement, whether due to fraud or error.

Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial indicators allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. In addition, Greenhouse gas ("GHG") quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Indicators based on the procedures we have performed and evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' and International Standard on Assurance Engagements 3410 'Assurance Engagements on Greenhouse Gas Statements', issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform this engagement to obtain limited assurance about whether the Identified Sustainability Indicators are free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Indicators, assessing the risks of material misstatement of the Identified Sustainability Indicators whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Indicators.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgement and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the Identified Sustainability Indicators and related disclosures.
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and /or measurements of the Identified Sustainability Indicators.
- Made enquiries of Company's Management, including those responsible for Sustainability, Environment Social Governance (ESG), Corporate Social Responsibility (CSR), etc., and those with responsibility for managing the Company's BRSR.
- Obtained an understanding and performed an evaluation of the design of the key structures, systems, processes, and controls for managing, recording and reporting on the Identified Sustainability Indicators including at the sites/ offices covered.
- Based on above understanding and the risks that the Identified Sustainability Indicators may be materially misstated, determined the nature, timing and extent of further procedures.
- Checked the consolidation for various sites and corporate office under the reporting boundary (as mentioned in the BRSR) for ensuring the completeness of data being reported.
- Performed limited substantive testing on a sample basis of the Identified Sustainability Indicators at the corporate office and in relation of the samples of the site visited (Anjar), to verify that data had been appropriately measured with underlying documents recorded, collated and reported.
- Assessed records and performed testing including recalculation of sample data.
- Assessed the level of adherence to the 'Guidance note for BRSR format' issued by the Securities and Exchange Board of India (SEBI) and followed by the Company in preparing the BRSR.
- Assessed the BRSR for detecting, on a test basis, any major anomalies between the information reported in the BRSR on performance with respect to agreed parameters / Indicators and relevant source data/information.
- Obtained representations from Company's Management.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Identified Sustainability Indicators have been prepared, in all material respects, in accordance with the Criteria.

Exclusions

Our limited assurance scope excludes the following and therefore we do not express a conclusion on the same:

- Testing the operating effectiveness of management systems and controls;
- Performing any procedures over other information/ operations of the company/aspects of the report and data (qualitative or quantitative) included in the BRSR not agreed under our engagement letter/ Scope of Assurance
- The statements that describe expression of opinion, belief, aspiration, expectation, aim or future intentions provided by the Company and testing or assessing any forward-looking assertions and/or data.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Welspun India Limited's Identified Sustainability Indicators included in the Business Responsibility and Sustainability Report (BRSR) for the year ended March 31, 2023 are not prepared, in all material respects, in accordance with the criteria.

Restriction on Use

Our limited assurance report including the conclusion has been prepared and addressed to the Board of Directors of the Welspun India Limited at the request of the Company solely to assist the Company in reporting on the Company's Sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our deliverables should not be used for any other purpose or by any person other than the addressees of our deliverables. The Firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

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

Neeraj Sharma
Partner
Membership Number: 108391
UDIN: 23108391BGTBXY4251

Place: Pune
Date: August 29, 2023

Appendix 1

Identified Sustainability Indicators

S. No	BRSR Indicators Reference ('E' denotes essential indicator)	Description of the indicator
1	Section C – Principle 6 – E1	Details of total energy consumption*
2	Section C – Principle 6 – E3	Water withdrawal and water consumption*
3	Section C – Principle 6 – E5	Emissions other than GHG emissions (Air emissions)
4	Section C – Principle 6 – E6	GHG emissions (Scope 1 and Scope 2)*
5	Section C – Principle 6 – E8	Total waste generated, recovered and disposed
6	Section A – 18a	Total number of employees and workers
7	Section A – 18b	Total no. of differently abled employees and workers
8	Section A – 19	Representation of women in Board of Directors and KMP
9	Section A – 20	Turnover rate for permanent employees and workers
10	Section C – Principle 3 – E1	Details of measures for the well-being for employees and workers
11	Section C – Principle 3 – E7	Membership of employees and worker in association(s) or Unions recognized by the listed entity
12	Section C – Principle 3 – E9	Details of performance and career development reviews of Employees (Excluding data on workers, which is not part of assurance scope)
13	Section C – Principle 3 – E11	Safety Incidents
14	Section C – Principle 5 – E1	Employees who have been provided training on human rights issues and policy(ies) of the entity (Excluding data on workers, which is not part of assurance scope)

Note : * For these indicators intensity related information is not part of assurance scope.

Independent Auditor's Report

To the Members of Welspun India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Welspun India Limited ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information in which are included the financial statement / financial information of Welspun India Employee Welfare Trust ('the Trust') for the year ended on that date audited by the others auditor of the Trust.

In our opinion and to the best of our information and according to the explanations given to us and based on the considerations of report of other auditor on separate financial statement and on the other financial information of the Trust, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Measurement of government grant in respect of incentive under Gujarat Textile policy (the 'Policy') (as described in note 2.4 of the standalone financial statements)	
The Company is eligible to claim government grant in the form of reimbursement of State Goods and Service Tax (SGST) collected on products sold to the extent of the eligible capital investments in plant and machinery for the specified period under the policy. Further, there has also been an extension of eligibility period by one year with respect to claiming incentive which has been factored by the management for computation of government grant. The estimates and judgements used by the management in the computation of government grants includes: • Future sales growth rate; • Future product/sales mix and eligibility period; • Input tax credit utilization; • SGST rates on the products; • Eligible Capital Investments Limits Considering the significance of the estimates and judgements used by the management, we have determined this to be a key audit matter.	We performed the following audit procedures, among others: • We obtained an understanding, evaluated the design and tested operating effectiveness of the controls related to the government grants, including the controls in respect of measurement of the grants. • We analysed the forecast in respect of sales and purchase used by the management in computation of the government grant with respect to reimbursement of SGST. • We compared the forecast in respect to sales and purchase to the business plan and previous forecasts to the actual results. • We compared the eligible capital investments considered by the management with the amount sanctioned by the regulatory authority and with the maximum amount of claim which can be utilized over the eligibility period. • We analysed the inputs used in the computation of government grant as per the modalities to claim the reimbursement of SGST under the Policy. • We evaluated the basis of management estimates and judgements in respect of: – Future sales growth rate; – Future product/sales mix and eligibility period; – Input tax credit utilization; and – SGST rates on the products. • We tested the arithmetical accuracy of the computation of government grant.
Impairment of Investments (as described in note 2.23(f) of the standalone financial statements)	
The Company has investment in subsidiaries of ₹ 1,470.69 crores which are carried at cost. For investments where management identifies any impairment indicators, such investments are tested for impairment using discounted cash-flow models by which recoverable value of each investment is compared to the carrying value as at balance sheet date. A deficit between the recoverable value and the carrying value would result in impairment. The Key inputs and assumptions used in the model are following: • Sales growth rate; • Operating margins (%); • Pre-tax discount rate (%); and • Perpetuity growth rate (%) Considering the significant degree of management judgement involved in the assumptions used for computation of the recoverable amount, this is determined as key audit matter.	We performed the following audit procedures, among others: • We evaluated the inputs and assumptions underlying management's assessment of indicators of impairment for investments in subsidiaries. • We evaluated the forecast of future cash flows used by the management in the model to compute the recoverable value. • We compared the forecast of future cash flows to business plan and previous forecasts to the actual results and analysed results for material differences, if any. • We evaluated the basis of management assumptions in respect of future sales growth rate, operating margins, perpetuity growth rate and discount rate used to compute the recoverable value. • We involved valuation specialists to assist in evaluating the key assumptions and methodologies used by the Company in computing the recoverable amount. • We tested the arithmetical accuracy of the management's impairment testing model. • We read and assessed the relevant disclosures made in the standalone financial statements

Independent Auditor's Report (Contd.)

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether

a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- For the Trust included in the standalone financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information of the Trust included in the accompanying standalone financial statements of the Company whose financial statements and other financial information reflect total assets of ₹ 80.58 crores as at March 31, 2023 and the total revenues of ₹ 0.09 crores and net cash inflow of ₹ 0.01 crore for the year ended on that date. The financial statements / information of the Trust have been audited by the other auditor whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of the Trust, is based solely on the report of such other auditors. Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. 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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. 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 and;

    (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

    (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

    (e) On the basis of the written representations received from the directors as on March

Independent Auditor's Report (Contd.)

31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(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, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 30 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 46(5) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, 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 46(6) to the standalone financial statements, no funds have been received by the Company from any persons or entities, 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 performed that have been 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 final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 27(b) to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 23110759BGVZRU4922
Place of Signature: Mumbai
Date: April 27, 2023

Annexure 1

referred to in Paragraph 1 of the section on "Report on other legal and regulatory requirements" of our report of even date

Re: Welspun India Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, 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) 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 during the year ended March 31, 2023.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year including for inventories lying with third parties and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such physical verification. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate.

(b) As disclosed in note 11(a) to the financial statements, the Company has been sanctioned working capital limits in excess of Rupees five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

(iii) (a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies, firms, Limited Liability Partnerships or any other parties as follows:

	Guarantees (Amt in INR Crores)	Loans (Amt in INR Crores)
Aggregate amount granted/ provided during the year ended March 31 2023		
- Subsidiaries	188.00	27.00
- Others	-	1.21
Balance outstanding as at balance sheet date in respect of above cases		
- Subsidiaries	2,623.46	-
- Others	-	2.01

(b) During the year the Company has not provided security and advances in the nature of loans to firms and Limited Liability Partnerships. Investments made, guarantees provided and the terms and conditions of the grant of all loans to companies or any other parties are not prejudicial to the Company's interest.

(c) The Company has granted loan during the year to companies and other parties where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular. The Company has not granted advances in the nature of loans to firms, Limited Liability Partnerships or any other parties.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of textile products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the records of the Company, there are no dues of goods and services tax, provident fund, employees' state insurance, duty of custom and cess which have not been deposited on account of any dispute. The dues of income-tax, sales-tax, duty of excise, service tax, value added tax and other statutory dues that have not been deposited on account of any dispute, are as follows:

(Vii) (b)

Name of the Statute	Nature of Dues	Amount in Crores (₹)*	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act 1961	Income Tax Demand including penalty	1.69	AY 2005-06 to AY 2009-10	High Court
		2.38	AY 2010-11 to AY 2018-19	CIT- (Appeals)
Gujarat Sales Tax Act, 1961	Sales Tax including penalty and Interest	1.91	2000-01, 2003-04, 2004-05	Jt. Comm. of Sales Tax (Appeals-2), Vadodara
Central Excise Act, 1944	Excise Duty	42.91	April 2009 to Feb 2015	Comm. Of Central Excise, Kutch
	CENVAT including penalty	3.57	August 2005 to April 2010	Comm. Of Central Excise, Daman
	CENVAT including penalty	0.01	May 2010 to Nov 2010, Feb 2010 to Nov 2010	Superintendent, Central Excise Vapi
	CENVAT Credit	0.01	March 2011 to June 2011	Comm. Appeal Daman
	CENVAT including penalty	0.02	April 2015	Dy. Commissioner, GST and Central Excise Division-Vapi
	CENVAT including penalty	2.75	July 2004 & Jan 2012	Tribunal, CESTAT, Ahmedabad

* Net of amount paid under protest.

Annexure 1 (Contd.)

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or other borrowing to or in the payment of interest thereon to any lender.

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

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on 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 / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) In our opinion, the Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) to 3(xii)(c)of the Order are not applicable to the Company.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year. The Company has not incurred cash losses in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 44 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 22(b) to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 22(b) to the financial statements.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 23110759BGVZRU4922
Place of Signature: Mumbai
Date: April 27, 2023

Annexure 2

To the independent auditor's report of even date on the standalone financial statements of Welspun India Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Welspun India Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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 issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone 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.

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 with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone 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 standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 23110759BGVZRU4922
Place of Signature: Mumbai
Date: April 27, 2023

Balance Sheet

As at March 31, 2023

Particulars	Note	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,824.33	1,952.79
Capital work-in-progress	3	19.48	41.68
Intangible assets	4	16.51	17.11
Right-of-use assets	35	11.24	8.72
Intangible assets under development	4	0.28	3.95
Equity investment in subsidiaries	5	1,292.89	1,267.71
Financial assets			
- Investments	6 (a)	184.02	169.67
- Loans	6 (b)	0.16	1.65
- Other financial assets	6 (c)	62.90	60.17
Non-current tax assets	7	37.79	37.79
Other non-current assets	8	8.34	26.49
Total non-current assets		**3,457.94**	**3,587.73**
Current assets			
Inventories	9	1,243.93	1,069.77
Financial assets			
- Investments	6 (a)	425.95	458.79
- Trade receivables	6 (d)	609.10	804.27
- Cash and cash equivalents	6 (e)	37.06	75.09
- Bank balances other than cash and cash equivalents above	6 (f)	8.21	4.77
- Loans	6 (b)	1.85	0.35
- Other financial assets	6 (c)	98.58	125.54
Other current assets	8	86.17	64.34
Total current assets		**2,510.85**	**2,602.92**
Total assets		**5,968.79**	**6,190.65**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10 (a)	98.81	98.81
Other equity			
- Reserves and surplus	10 (b)	3,438.41	3,373.71
- Other reserves	10 (c)	1.17	2.63
Total equity		**3,538.39**	**3,475.15**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
- Borrowings	11 (a)	35.78	146.57
- Lease liabilities	35	8.40	6.53
Non-current tax liabilities	12	220.08	220.08
Deferred tax liabilities (Net)	14	324.02	297.76
Other non-current liabilities	15	115.76	81.02
Total non-current liabilities		**704.04**	**751.96**
Current liabilities			
Financial Liabilities			
- Borrowings	11 (a)	876.56	1,161.22
- Lease liabilities	35	4.30	3.41
- Trade payables	11 (c)		
(a) Total outstanding dues of micro enterprises and small enterprises		36.35	41.87
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		626.55	527.88
- Other financial liabilities	11 (b)	14.53	21.50
Current tax liabilities	12	49.86	53.72
Employee benefit obligations	13	93.89	104.60
Other current liabilities	15	24.32	49.34
Total current liabilities		**1,726.36**	**1,963.54**
Total liabilities		**2,430.40**	**2,715.50**
Total equity and liabilities		**5,968.79**	**6,190.65**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of these financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

per Anil Jobanputra
Partner
Membership No. 110759

Place: Mumbai
Date: April 27, 2023

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN: 00270175

Rajesh Mandawewala
Executive Vice Chairman
DIN: 00007179

Dipali Goenka
MD and CEO
DIN: 00007199

Sanjay Gupta
Chief Financial Officer
Place: Mumbai
Date: April 27, 2023

Shashikant Thorat
Company Secretary

Statement of Profit and Loss

For the year ended March 31, 2023

Particulars	Note	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Income			
Revenue from operations	16	5,654.62	6,703.47
Other Income	17	140.90	86.06
Total Income		**5,795.52**	**6,789.53**
Expenses			
Cost of materials consumed	18	3,287.86	3,514.22
Purchases of stock-in-trade		177.12	381.11
Changes in inventory of finished goods, work-in-progress and stock-in-trade	19	90.27	(31.07)
Employee benefits expense	20	487.14	550.55
Depreciation and amortization expense	21	250.32	276.09
Other expenses	22	1,215.23	1,397.92
Finance costs	23	61.15	81.33
Total expenses		**5,569.09**	**6,170.15**
Profit before tax		**226.43**	**619.38**
Income tax expense	24		
- Current Tax		48.63	186.86
- Deferred Tax		26.12	26.59
- Deferred tax charge related to earlier years		-	13.80
Total Income Tax Expense		**74.75**	**227.25**
Profit for the year		**151.68**	**392.13**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Change in fair value of FVOCI equity instruments Gain/(Loss)	10 (c)	(1.46)	1.87
Remeasurement of post employment benefit obligation Gain/(Loss)	20	0.56	1.62
Income tax effect	24	(0.14)	(0.41)
Other comprehensive income/(loss) for the year, net of tax		**(1.04)**	**3.08**
Total Comprehensive Income for the year		**150.64**	**395.21**
Earnings Per Share (₹) [Nominal value per share : Re. 1 (March 31, 2022 : Re. 1)]	33		
- Basic		1.54	3.95
- Diluted		1.54	3.95
Summary of significant accounting policies	2		

The accompanying notes are an integral part of these financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

per Anil Jobanputra
Partner
Membership No. 110759

Place: Mumbai
Date: April 27, 2023

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN: 00270175

Rajesh Mandawewala
Executive Vice Chairman
DIN: 00007179

Dipali Goenka
MD and CEO
DIN: 00007199

Sanjay Gupta
Chief Financial Officer
Place: Mumbai
Date: April 27, 2023

Shashikant Thorat
Company Secretary

Statement of Changes in Equity

For the year ended March 31, 2023

a. Equity Share Capital

(₹ in Crores)

Equity shares of Re. 1 each issued, subscribed and fully paid	No. of shares	Amount
At March 31, 2021	**1,00,47,25,150**	**100.48**
Changes in equity share capital during the year	(1,66,66,666)	(1.67)
At March 31, 2022	**98,80,58,484**	**98.81**
Changes in equity share capital during the year	-	-
At March 31, 2023	**98,80,58,484**	**98.81**

b. Other Equity

(₹ in Crores)

Particulars	Note	Reserves and Surplus [Note 10 (b)]								Other Reserve [Note 10 (c)]	Total Other Equity
		Capital Redemption Reserve	Capital Reserve	Securities Premium	General Reserve	Share-based Payment Reserve	Treasury Reserve	Retained earnings	Total	FVOCI equity instruments	
Balance as at April 1, 2021		**47.84**	**147.48**	**323.81**	**71.14**	**-**	**-**	**2,647.13**	**3,237.40**	**0.76**	**3,238.16**
Add/(Less):											
Profit for the year		-	-	-	-	-	-	392.13	392.13	-	392.13
Other Comprehensive Income	10 (b), 10 (c)	-	-	-	-	-	-	1.21	1.21	1.87	3.08
Total Comprehensive Income for the year		**-**	**-**	**-**	**-**	**-**	**-**	**393.34**	**393.34**	**1.87**	**395.21**
Transactions with owners in their capacity as owners											
Add/(Less):											
Buyback of equity shares	34	1.67	-	(200.00)	-	-	-	-	(198.33)	-	(198.33)
Share-based payment	10 (b)	-	-	-	-	2.57	-	-	2.57	-	2.57
Dividends paid	27 (b)	-	-	-	-	-	-	(15.07)	(15.07)	-	(15.07)
Tax on buyback of equity shares	27 (b)	-	-	-	-	-	-	(46.20)	(46.20)	-	(46.20)
Balance as at March 31, 2022		**49.51**	**147.48**	**123.81**	**71.14**	**2.57**	**-**	**2,979.20**	**3,373.71**	**2.63**	**3,376.34**

Statement of Changes in Equity

For the year ended March 31, 2023

(₹ in Crores)

Particulars	Note	Reserves and Surplus [Note 10 (b)]								Other Reserve [Note 10 (c)]	Total Other Equity
		Capital Redemption Reserve	Capital Reserve	Securities Premium	General Reserve	Share-based Payment Reserve	Treasury Reserve	Retained earnings	Total	FVOCI equity instruments	
Balance as at April 1, 2022		**49.51**	**147.48**	**123.81**	**71.14**	**2.57**	**-**	**2,979.20**	**3,373.71**	**2.63**	**3,376.34**
Add/(Less):											
Profit for the year		-	-	-	-	-	-	151.68	151.68	-	151.68
Other Comprehensive Income	10 (b), 10 (c)	-	-	-	-	-	-	0.42	0.42	(1.46)	(1.04)
Total Comprehensive Income for the year		**-**	**-**	**-**	**-**	**-**	**-**	**152.10**	**152.10**	**(1.46)**	**150.64**
Transactions with owners in their capacity as owners											
Add/(Less):											
Share-based payment	10 (b)	-	-	-	-	1.80	-	0.33	2.13	-	2.13
Treasury reserve	10 (b)	-	-	-	-	-	(74.71)	-	(74.71)	-	(74.71)
Dividends paid	27 (b)	-	-	-	-	-	-	(14.82)	(14.82)	-	(14.82)
Balance as at March 31, 2023		**49.51**	**147.48**	**123.81**	**71.14**	**4.37**	**(74.71)**	**3,116.81**	**3,438.41**	**1.17**	**3,439.58**

The accompanying notes are an integral part of these financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

per Anil Jobanputra
Partner
Membership No. 110759

Place: Mumbai
Date: April 27, 2023

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN 00270175

Rajesh Mandawewala
Executive Vice Chairman
DIN 00007179

Dipali Goenka
MD and CEO
DIN 00007199

Sanjay Gupta
Chief Financial Officer

Shashikant Thorat
Company Secretary

Place: Mumbai
Date: April 27, 2023

Statement of Cash Flows

For the year ended March 31, 2023

Particulars	Year Ended March 31, 2023 (₹ in Crores)	Year Ended March 31, 2022 (₹ in Crores)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	226.43	619.38
Adjustments for :		
Depreciation and amortisation expenses	250.32	276.09
Income from government grants	(233.47)	(215.30)
Unrealised foreign exchange differences	(0.51)	0.76
Loss/ (Gain) on disposal of property, plant and equipment	(10.66)	2.06
Net gain on financial assets measured at fair value through profit or loss	(3.62)	(6.68)
Unwinding of discount on security deposits	(0.22)	(0.41)
Employee share-based payment expense	1.68	1.74
Gain on sale of investments (net)	-	(0.02)
Dividend income classified as investing cash flows	(0.57)	(0.10)
Liabilities/ provisions written back	(0.82)	(0.98)
Provision for doubtful debts/ advances written back	(0.25)	(0.49)
Provision/ write off of doubtful debts / advances	0.40	3.35
Corporate guarantee commission	(4.90)	(3.77)
Interest income classified as investing cash flows	(57.81)	(30.89)
Finance expenses	61.15	81.33
	0.72	**106.69**
Operating Profit Before Working Capital Changes	**227.15**	**726.07**
Adjustments for changes in working capital :		
Decrease/ (increase) in trade receivables	195.11	(55.69)
Increase/ (decrease) in trade payables	91.30	(65.88)
Increase/ (decrease) in employee benefit obligations	(10.29)	11.97
Decrease in other current liabilities	(16.02)	(4.85)
Decrease/ (increase) in inventories	(174.16)	2.31
Increase in other financial assets	3.13	10.34
Decrease/ (increase) in other non-current assets	15.01	(15.00)
Decrease/ (increase) in other current assets	(21.71)	79.72
	82.37	**(37.08)**
Cash Flow Generated from Operations	309.52	688.99
Income Tax paid	(52.35)	(129.05)
Net Cash Inflow from Operating Activities	**257.17**	**559.94**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, capital work-in-progress and intangible assets	(96.00)	(189.85)
Sale of property, plant and equipment	17.50	2.16
Receipt of Government grants	269.12	357.06
(Investment)/ maturity in fixed deposit and margin money (net)	(4.08)	41.88
Loans given to employees	(0.01)	(1.35)
Receivables from related parties	1.88	4.44
Sales/ (Purchase) of Investment (Net)	29.52	(455.70)
Proceeds from sale of investment in subsidiaries	0.12	0.02
Equity investment in subsidiaries	(25.30)	(12.44)
Dividend received	0.57	0.10
Interest received	50.85	12.61
Net Cash from / (used) in Investing Activities	**244.17**	**(241.07)**

Statement of Cash Flows

For the year ended March 31, 2023

Particulars	Year Ended March 31, 2023 (₹ in Crores)	Year Ended March 31, 2022 (₹ in Crores)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Equity shares of the Company purchased by Welspun India Employees Welfare Trust	(74.71)	-
Repayment of borrowings	(151.13)	(100.35)
(Repayment)/ Receipt of borrowings - Current (net)	(244.32)	13.73
Payment of lease liabilities	(4.55)	(5.34)
Receipt of interest subsidy	3.18	29.12
Dividend paid	(14.82)	(15.07)
Buyback of equity shares including transaction cost	-	(246.20)
Finance cost paid	(53.02)	(96.55)
Net Cash used in Financing Activities	**(539.37)**	**(420.66)**
Net decrease in Cash and Cash Equivalents (A + B + C)	**(38.03)**	**(101.79)**
Cash and Cash Equivalents at the beginning of the year	75.09	176.88
Cash and Cash Equivalents at the end of the year	37.06	75.09
Net decrease in Cash and Cash Equivalents	**(38.03)**	**(101.79)**
Cash and cash equivalents comprise of:		
Cash on Hand	0.05	0.12
Bank balances		
- In current accounts	37.01	43.97
Fixed deposits with Banks with original maturity period of less than three months	-	31.00
Total	**37.06**	**75.09**

Change in Liability arising from financing activities

(₹ in Crores)

Particulars	April 1, 2022	Cash flow	Foreign exchange movement	March 31, 2023
Borrowing-Non Current [Refer Note 11 (a)]	259.65	(151.13)	-	108.52
Borrowing-Current [Refer Note 11 (a)]	1,048.14	(244.32)	-	803.82
	1,307.79	**(395.45)**	**-**	**912.34**

Notes:

1. The statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

The accompanying notes are an integral part of these financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

For and on behalf of the Board of Directors

per Anil Jobanputra
Partner
Membership No. 110759

Balkrishan Goenka
Chairman
DIN: 00270175

Rajesh Mandawewala
Executive Vice Chairman
DIN: 00007179

Dipali Goenka
MD and CEO
DIN: 00007199

Sanjay Gupta
Chief Financial Officer

Shashikant Thorat
Company Secretary

Place: Mumbai
Date: April 27, 2023

Place: Mumbai
Date: April 27, 2023

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

1. Corporate Information

Welspun India Limited (herein referred to as "WIL" or "the Company") is public limited company incorporated and domiciled in India. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The address of its registered office is "Welspun City", Village Versamedi, Tal. Anjar, Dist. Kutch, Gujarat - 370110, India. The Company is a leading manufacturer of wide range of home textile products, mainly terry towels, bed linen products and rugs. The financial statements were approved for issue by the board of directors on April 27, 2023.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented.

2.1 Basis of preparation of financial statements

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. The financial statements have been prepared on accrual and going concern basis. The financial statements have been prepared on a historical cost basis, except for certain assets and liabilities that is measured at fair value as stated in subsequent policies.

2.2 Foreign currency translation

a) Functional and presentation currency

The financial statements of the Company are presented in Indian Rupee (INR), which is also its functional currency and all items included in the financial statements of the Company are measured using the same functional currency.

b) Transactions and balances

Foreign currency transactions are translated and recorded into the functional currency using the exchange rates prevailing on the date of the transaction. 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 statement of profit and loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other expenses or other income, as applicable.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the 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 is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or the statement of profit and loss, respectively).

2.3 Revenue recognition

a) Revenue from contracts with customers

Revenue from contracts with customers is recognized at transaction price (net of variable consideration) when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue excludes amounts collected on behalf of third parties.

The disclosures of significant accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.23.

• **Sale of goods**

For sale of goods, revenue is recognized when control of the goods has transferred at a point in time i.e. when the goods have been delivered to the specific location (delivery). Following delivery, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognized by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. Payment is due within 0-120 days. The Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

- **Variable consideration**

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with rebates (including mark-downs, chargebacks etc.). The rights to rebates give rise to variable consideration.

The Company provides retrospective rebates including, markdowns, chargebacks etc. to certain customers once the conditions relating to such rebates are satisfied in terms of the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

- **Contract balances:**

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note no. 2.13 Financial Instruments – Financial Assets.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

Cost to obtain a contract and cost to fulfill a contract

The Company pays sales commission to its selling agents for each contract that they obtain for the Company. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (under Other Expenses) because the amortization period of the asset that the Company otherwise would have used is less than one year.

Costs to fulfill a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognized.

b) Other Revenue

Rebate / Drawback of Taxes and Duties

In case of sale made by the Company as Support Manufacturer, rebate / drawback of taxes and duties arising from Remissions of Duties and Taxes on Exported Products (RoDTEP), Duty Drawback scheme, Merchandise Export Incentive Scheme and Rebate of State and Central Taxes and Levies (ROSCTL), and other applicable export incentives are recognised on post export basis at the rate at which the entitlements accrue and is included in the 'Other Operating Income' (Revenue from operation).

Interest Income

Interest income from the financial assets are recognized using effective interest rate method.

Other Income

Other income is accounted for on accrual basis except where the receipt of income is uncertain.

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

Government grants relating to an expense item are recognised in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented either under "other operating

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

income" (Revenue from operation) or are deducted in reporting the related expense. The 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 income and are credited to the statement of profit and loss over the periods and in proportions in which depreciation expense on those assets is recognized.

2.5 Income Tax

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

Current and deferred tax is recognized in the statement of profit and loss except to the extent it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or other comprehensive income respectively.

a) Current income tax

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

b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

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

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the balance sheet, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the Deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

2.6 Exceptional items

Exceptional items comprise items of income and expense, including tax items, that are material in amount and unlikely to recur and which merit separate disclosure in order to provide an understanding of the Company's underlying financial performance.

2.7 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Office Equipment : 3 to 5 Years
- Furniture and Fixtures : 10 Years
- Computers and Servers : 3 to 6 Years
- Vehicles : 5 Years
- Electrical Installation : 10 Years
- Factory Building : 28 Years
- Residential and other Buildings : 58 Years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.10 Impairment of non-financial assets.

b) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or change in the assessment of an option to purchase the underlying asset.

c) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit and loss due to its operating nature.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.8 Property, plant and equipment

Property Plant and equipment except for freehold land are stated in the balance sheet at cost less accumulated depreciation and impairment losses, if any. 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 cost of decommissioning. 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 statement of profit and loss during the reporting period in which they are incurred. The company has elected to continue with the carrying value

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To the Standalone Financial Statements for the year ended March 31, 2023

for all of its property plant and equipment as recognized in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Export Promotion Capital Goods (EPCG) grant relating to property, plant and equipment relate to duty saved on import of capital goods and spares under the EPCG scheme. Under the scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities. Such grants are initially recognized / added in the cost of underlying property, plant and equipment and a corresponding liability which is released to the statement of profit and loss based on fulfilment of related export obligations.

Depreciation methods, estimated useful lives and residual value

Freehold land is not depreciated. Leasehold improvements are amortised over the shorter of estimated useful life or the related lease term.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

For following items of property, plant and equipment, depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Assets	Estimated Useful Life (years)
Office Equipment	3 to 5
Furniture and Fixtures	10
Computer and Servers	3 to 6
Vehicles	5
Electrical Installations	10
Factory Building	28
Residential and other Buildings	27 to 60
Road, Fencing, etc.	3 to 10

Plant and Machinery (except electrical installations) is depreciated on written down value method over the useful life ranging between 7.5 years to 20 years.

The useful lives have been determined based on technical evaluation done by the management's expert which is equal to or lower than those specified by Schedule II to the Companies Act 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

2.9 Intangible assets

Intangible assets with finite useful lives acquired by the Company are measured at cost less accumulated amortization and accumulated impairment losses. Amortization is charged on a straight-line basis over the estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation methods and periods

Intangible assets comprise of computer software which is amortized on a straight-line basis over its expected useful life over a period of five years.

2.10 Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.11 Inventories

Raw materials and stores, work in progress, traded and finished goods

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

2.12 Investment in compound financial instruments issued by subsidiary

Company considers issuance of non-market rate redeemable preference shares by subsidiary as compound instrument comprising a loan with market terms and a capital injection and hence treat the difference between the cash paid and fair value on initial recognition as an addition to the investment in the subsidiary and presented separately as 'Equity component of Preference shares' under 'Investment in subsidiaries'. Equity component is not subsequently re-measured.

2.13 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.

Financial Assets

a) Classification

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

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

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

- For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or other comprehensive income;
- For investments in debt instruments, this will depend on the business model in which the investment is held;
- For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

b) Initial Recognition and Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.

c) Subsequent Measurement

- **Debt Instruments**

  Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

  i) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on such assets are subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

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To the Standalone Financial Statements for the year ended March 31, 2023

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

iii) Fair value through profit or loss: A financial asset which is not classified in any of the above categories are measured at Fair value through profit or loss

- **Equity Investments**

  Investment in subsidiaries are carried at cost in the separate financial statements and accounted on first-in first-out (FIFO) basis.

  The Company subsequently measures all other 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 will be no subsequent reclassification of fair value gains and losses to the statement of profit and loss. Dividends from such investments are recognised in the statement of profit and loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 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.

- **Cash and cash equivalents**

  Cash and cash equivalents includes cash in hand, deposits held with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within current liabilities in statement of financial position and which are considered as integral part of company's cash management policy.

- **Trade receivable**

  Trade receivable are recognised initially at transaction price which approximates the fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

d) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

ii) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

i) Financial assets measured as at amortised cost, contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount;

ii) 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.

e) **Derecognition of financial assets**

A financial asset is derecognised only when

i) The Company has transferred the rights to receive cash flows from the financial asset or

ii) 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.

f) **Income recognition**

- **Interest income**

  Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate 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.

- **Dividends**

  Dividends are recognised in the statement of profit and 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.

Financial liabilities

a) **Initial Recognition and 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. Liabilities from finance lease agreements are measured at the lower of fair value of the leased asset or present value of minimum lease payments.

b) **Subsequent Measurement**

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

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

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Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the statement of profit and loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

- **Trade and other payables**

  These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

- **Financial guarantee contracts**

  Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation, where appropriate.

- **Derivatives and hedging activities**

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

  Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

  Derivatives that are not designated as hedges: The Company enters into derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss.

- **Embedded Derivatives**

  Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

- **Embedded foreign currency derivatives:**

  Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

  i) the functional currency of any substantial party to that contract,

  ii) the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,

  iii) a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e., relatively liquid, and stable currency).

  Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit or loss. The Company currently does not have any such derivatives which are not closely related.

c) 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 and loss.

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.

2.14 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

2.15 Employee benefits

a) Short-term obligations

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

b) Other long-term employee benefit obligations

The liabilities for earned and sick 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 the statement of profit and loss.

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

c) Post-employment obligations

The Company operates the following post-employment schemes:

i) defined benefit plans such as gratuity, and

ii) defined contribution plans such as provident fund and superannuation Fund

- **Defined Benefit Plans**

  Gratuity obligations

  The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

  The present value of the defined benefit obligation denominated in Indian Rupees ('INR') is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

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

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

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Remeasurements are not reclassified to the statement of profit and loss in the subsequent periods.

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

- **Defined contribution plans**

  i) Provident Fund, Employee State Insurance Corporation (ESIC), Pension Fund and other Social Security Funds

  The Contribution towards provident fund, ESIC, pension fund and Social Security Funds for certain employees is made to the regulatory authorities where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations apart from the contributions made on a monthly basis.

  ii) Superannuation Fund

  Contribution towards superannuation fund for certain employees is made to SBI Life Insurance Company where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from contribution made on monthly basis.

d) Bonus Plan

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.16 Share Based Payments

Senior executives of the company receive remuneration in the form of share-based payment, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Refer Note 45.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.17 Provisions and contingent liabilities

a) **Provisions** for legal claims, service warranties, volume discounts and returns 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.

Provisions for restructuring are recognised by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

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

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

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

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

2.18 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.

2.19 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.20 Earnings per share

a) 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, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares (refer note 33).

b) 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.

2.21 Current versus Non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

a) An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

b) A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

2.22 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores with two decimal as per the requirement of Schedule III, unless otherwise stated.

2.23 Significant accounting judgements, estimates and assumptions:

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 judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement 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 judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

a) Current tax expense and deferred tax

The calculation of the Company's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions (refer note 24).

Uncertain tax position and tax related contingency

The Company has taken certain tax positions particularly those relating to deductions / allowance under Section 80 IA and Section 36(1)(iii) of the Income Tax Act, 1961 by the Company. The taxation authorities may challenge these tax deductions and accordingly these matters are / might be subject to legal proceedings in the ordinary course of business. The outcome of the legal proceedings might be different from that estimated on the date of approval of these standalone IndAS financial statements.

b) Provisions & Contingent Liabilities.

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision (refer note 30).

c) Provision / Liability

A provision / liability is a present obligation of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits that can be reasonably estimated. Estimation involves judgements based on the latest available, reliable information. An estimate may need revision if changes occur in the circumstances on which the estimate was based or as a result of new information or more experience. The Company actualizes the provision / liability when the invoices are received and the resultant income / expense are recognised in the statement of the profit and loss. The Company also periodically reviews the provision / liability which are no longer required and the same are reversed and recognized as an income in the statement of profit and loss.

d) Useful life of Property, Plant and Equipment and Intangible assets

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation (for property, plant and equipment and intangible assets) is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. For the relative size of the Company's property, plant and equipment and intangible assets (refer Notes 3 and 4).

e) **Provision for Inventory**

The Company writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not realised. The identification of write-downs requires the use of estimates of net selling prices, age and condition / quality of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed. Refer note 9 for details of inventory and provisions.

f) **Impairment for equity Investments in Subsidiaries**

To test the impairment of equity investment of subsidiaries, market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates (including perpetuity growth rate), discount rate, identification of a cash generating unit and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments. Changes in the assumptions selected by management could significantly affect the Company's impairment evaluation and hence results.

g) **Defined Benefit Obligation**

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employments plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability. Refer note 20 for the details of the assumptions used in estimating the defined benefit obligation.

h) **Government Grants**

The Company has accrued income for Government grant related to fixed assets, in the ratio of related expenses, based on eligibility amount. Critical judgement is involved in determining whether the Company has fulfilled the conditions related to the grant. Estimates are involved in calculation of grant income where the eligibility amount is not confirmed by the government but application is made and the Company is complying all terms & conditions for eligibility. Further, key assumptions used in calculation of government grant to be recognized as revenue, receivables and deferred income include, the future sales growth rate, mix of inter and intra state purchases and corresponding input tax credit, utilization of input tax credit, indirect tax rates on the products, period of eligibility etc. Changes in the assumptions selected by the management could significantly affect the recognition of revenue, receivables and deferred income related to such government grants.

i) **Fair value of Financial Instruments**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Management uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. The key judgement includes selection of valuation methodology and key assumptions include the discount rates etc. Changes to the valuation methodology, discount rates etc. could have a significant impact on the valuation of these financial instruments (refer note 25 and 26).

j) **Ind AS 115 – Revenue from Contracts with Customers**

Ind AS 115 applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

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Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

k) Determination of control/significant influence

Significant management judgement is involved in determining whether the Company has control/ significant influence over another entity in which investment has been made by the Company. The judgement affects the determination of whether an entity is a subsidiary / associate and consequently required to be consolidated in the consolidated financial statements of the Company or not consolidated and required to be carried at fair value through profit or loss account / other comprehensive income. Refer note 5 & 6(a).

l) Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company would have to pay, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available.

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

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Note 3 : Property, Plant and Equipment

(₹ in Crores)

Particulars	Freehold Land	Buildings	Plant and Equipment	Vehicles	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Computers	Total	Capital Work in Progress
Cost or valuation										
At April 1, 2021										
Opening gross carrying amount	51.72	840.78	3,333.18	7.76	22.77	35.77	1.51	25.95	4,319.44	22.92
Additions	5.32	15.78	144.38	0.16	0.49	0.41	-	3.35	169.89	175.28
Disposals	(0.02)	-	(133.29)	(0.28)	(0.17)	-	-	(0.59)	(134.35)	-
Capitalised	-	-	-	-	-	-	-	-	-	(156.52)
At March 31, 2022 (A)	**57.02**	**856.56**	**3,344.27**	**7.64**	**23.09**	**36.18**	**1.51**	**28.71**	**4,354.98**	**41.68**
Depreciation										
At April 1, 2021	**-**	**140.13**	**2,018.59**	**4.78**	**16.81**	**19.47**	**1.27**	**21.20**	**2,222.25**	**-**
Depreciation charge during the year	-	26.42	228.19	0.98	2.09	2.97	-	1.92	262.57	-
Disposals	-	-	(81.68)	(0.27)	(0.16)	-	-	(0.51)	(82.62)	-
At March 31, 2022 (B)	**-**	**166.55**	**2,165.10**	**5.49**	**18.74**	**22.44**	**1.27**	**22.61**	**2,402.20**	**-**
Net book value at March 31, 2022 (A-B)	**57.02**	**690.01**	**1,179.17**	**2.15**	**4.35**	**13.74**	**0.24**	**6.10**	**1,952.78**	**41.68**
Cost or valuation										
At April 1, 2022										
Opening gross carrying amount	57.02	856.56	3,344.27	7.64	23.09	36.18	1.51	28.71	4,354.98	41.68
Additions	0.39	8.64	100.82	0.14	0.43	0.11	-	4.01	114.54	99.04
Disposals	(0.36)	(4.00)	(13.16)	(0.86)	(2.74)	(0.19)	-	(0.92)	(22.23)	-
Capitalised	-	-	-	-	-	-	-	-	-	(121.24)
At March 31, 2023 (A)	**57.05**	**861.20**	**3,431.93**	**6.92**	**20.78**	**36.10**	**1.51**	**31.80**	**4,447.29**	**19.48**
Depreciation										
At April 1, 2022	**-**	**166.55**	**2,165.10**	**5.49**	**18.74**	**22.44**	**1.27**	**22.61**	**2,402.20**	**-**
Depreciation charge during the year	-	26.75	202.30	0.74	1.27	2.89	-	2.29	236.24	-
Disposals	-	(1.43)	(9.61)	(0.82)	(2.60)	(0.15)	-	(0.87)	(15.48)	-
At March 31, 2023 (B)	**-**	**191.87**	**2,357.79**	**5.41**	**17.41**	**25.18**	**1.27**	**24.03**	**2,622.96**	**-**
Net book value at March 31, 2023 (A-B)	**57.05**	**669.33**	**1,074.14**	**1.51**	**3.37**	**10.92**	**0.24**	**7.77**	**1,824.33**	**19.48**

Notes :

(i) All title deeds of immovable property are held in the name of the Company.

(ii) Property, plant and equipment pledged as security - Refer to note 11(a) for information on property, plant and equipment pledged as security by the Company.

(iii) Contractual obligations - Refer to note 31 (a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

(iv) The Company has given certain assets on operating lease, details of which are given below:

(₹ in Crores)

Particulars	March 31, 2023		March 31, 2022	
	Buildings	Plant and Machinery	Buildings	Plant and Machinery
Cost or valuation	11.36	-	11.41	2.90
Accumulated depreciation	5.06	-	4.76	2.76
Net book value	6.30	-	6.65	0.14
Depreciation for the year	0.31	-	0.31	-

(v) Capital Work in Progress (CWIP) ageing schedule

(₹ in Crores)

Capital Work in Progress	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress -2022-23	15.75	3.72	0.01		19.48
Projects in progress -2021-22	41.16	0.52	-	-	41.68
Projects temporarily suspended-2022-23	-	-	-	-	-
Projects temporarily suspended-2021-22	-	-	-	-	-

Completion schedule for capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

(₹ in Crores)

Capital Work in Progress	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
HDPE Water Pipe Line				
As at March 31, 2023	-	-	-	-
As at March 31, 2022	2.32	-	-	-
Sizeing Machine				
As at March 31, 2023	-	-	-	-
As at March 31, 2022	1.32	-	-	-
Rugs Expansion Project Machine				
As at March 31, 2023	-	-	-	-
As at March 31, 2022	3.46	-	-	-
Tsudakoma Airjet Loom				
As at March 31, 2023	-	-	-	-
As at March 31, 2022	1.28	-	-	-
Washer For Bedsheets				
As at March 31, 2023	-	-	-	-
As at March 31, 2022	1.09	-	-	-
Winding Machine-Greig				
As at March 31, 2023	-	-	-	-
As at March 31, 2022	0.58	-	-	-
Hanger System For Packing				
As at March 31, 2023	-	-	-	-
As at March 31, 2022	0.55	-	-	-
Civil Work (New Overbridge)				
As at March 31, 2023	0.43	1.28	-	-
As at March 31, 2022	-	-	-	-
Tumble Dryer				
As at Mar 31, 2023	1.14	0.84	-	-

(₹ in Crores)

Capital Work in Progress	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
As at March 31, 2022	0.23	-	-	-
Civil Restoration Works				
As at March 31, 2023	1.30	-	-	-
As at March 31, 2022	-	-	-	-
Lubricant Oil Pump				
As at March 31, 2023	1.17	-	-	-
As at March 31, 2022	-	-	-	-
Plant and Machinery Others				
As at March 31, 2023	0.76	0.44	0.01	-
As at March 31, 2022	0.68	-	-	-

Note 4 : Intangible assets

(₹ in Crores)

Particulars	Computer Software	Intangible assets under development
Cost or valuation		
At April 1, 2021		
Opening gross carrying amount	48.23	2.04
Additions	2.47	2.30
Discarded	(0.32)	-
Transfers/Capitalised	-	(0.39)
At March 31, 2022 (A)	**50.38**	**3.95**
Amortisation		
At April 1, 2021		
Opening accumulated amortisation	25.33	-
Amortisation charge during the year	8.25	-
Discarded	(0.31)	-
At March 31, 2022 (B)	**33.27**	**-**
Net book value at March 31, 2022 (A-B)	**17.11**	**3.95**
Cost or valuation		
At April 1, 2022		
Opening gross carrying amount	50.38	3.95
Additions	8.69	1.76
Transfers/Capitalised	-	(5.43)
At March 31, 2023 (A)	**59.07**	**0.28**
Amortisation		
At April 1, 2022		
Opening accumulated amortisation	33.27	-
Amortisation charge during the year	9.29	-
Discarded	-	-
At March 31, 2023 (B)	**42.56**	**-**
Net book value at March 31, 2023 (A-B)	**16.51**	**0.28**

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Intangible Asset under Development (IAUD) Ageing Schedule

(₹ in Crores)

Intangible assets under development	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress -2022-23	0.04	0.03	0.21	-	0.28
Projects in progress -2021-22	2.30	1.37	0.28	-	3.95
Projects temporarily suspended-2022-23	-	-	-	-	-
Projects temporarily suspended-2021-22	-	-	-	-	-

Completion schedule for Intangible Asset under Development (IAUD), whose completion is overdue or has exceeded its cost compared to its original plan.

(₹ in Crores)

Intangible assets under development	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Digital Transformation Projects				
As at March 31, 2023	0.04	0.03	0.21	-
As at March 31, 2022	2.43	-	-	-

Note 5 : Non-current equity investment in subsidiaries/ associates

Particulars		As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Subsidiaries			
Unquoted			
10,000	(March 31, 2022 : 10,000) Equity Shares of ₹10 each fully paid up of BESA Developers and Infrastructure Private Limited	0.01	0.01
10,000	(March 31, 2022 : 10,000) Equity Shares of ₹10 each fully paid up of Anjar Integrated Textile Park Developers Private Limited	0.01	0.01
50,700	(March 31, 2022 : 50,700) Equity Shares of ₹10 each fully paid up of Welspun Anjar SEZ Limited	243.25	243.25
2,30,65,503	(March 31, 2022 : 2,30,65,503) Equity Shares of ₹10 each fully paid up of Welspun Global Brands Limited	228.18	228.18
2,27,44,215	(March 31, 2022 : 2,27,44,215) Equity Shares of ₹10 each fully paid up of Welspun Captive Power Generation Limited	80.17	80.17
742	(March 31, 2022 : 742) Equity Shares of USD 100 each fully paid up of Welspun USA Inc.	18.25	18.25
1,500	(March 31, 2022 : 1,500) Equity Shares of GBP 1 each, fully paid up of Welspun Holdings Private Limited, Cyprus	2.97	2.97
55,00,000	(March 31, 2022 : 55,00,000) Equity Shares of ₹10 each fully paid up of Welspun Zucchi Textiles Limited	9.21	9.21
6,50,00,000	(March 31, 2022 : 6,50,00,000) Equity Shares of ₹10 each fully paid up of Welspun Flooring Limited	65.00	65.00
4,250	(March 31, 2022 : 4,250) Equity Shares of USD 1,000 each fully paid up of Welspun Nexgen Inc.	26.93	26.93
	Less : Provision for impairment	26.93	26.93
		-	-
-	(March 31, 2022 : 2,60,000) Equity Shares of ₹10 each fully paid up of Welspun Innovative Products Limited	-	0.26
3,30,10,000	(March 31, 2022 : 3,30,10,000) Equity Shares of ₹10 each fully paid up of Welspun Advanced Materials (India) Limited	33.01	33.01
10,01,000	(March 31, 2022 : 10,01,000) Equity Shares of ₹10 each fully paid up of Anjar Terry Towels Private Limited	1.00	1.00

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Particulars		As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
-	(March 31, 2022: 1,10,000) Equity Shares of ₹10 each fully paid up of Easygo Textiles Private Limited	-	0.11
Associate			
4,800	(March 31, 2022: 4,800) Equity Shares of ₹10 each fully paid up of Welassure Private Limited	0.29	0.29
		681.35	**681.72**
Equity Component of investment in preference shares of subsidiaries			
18,50,00,000	(March 31, 2022 : 18,50,00,000) Compulsorily Convertible Preference Shares of ₹10 each fully paid up of Welspun Flooring Limited	185.00	185.00
Equity Component of investment in debentures of subsidiaries			
36,75,41,044	(March 31, 2022 : 35,35,41,044) 0% Compulsorily Convertible Debentures of ₹ 10 each of Welspun Flooring Limited	367.54	353.54
5,90,00,000	(March 31, 2022 : 4,72,50,000) 0% Compulsorily Convertible Debentures of ₹ 10 each of Welspun Advanced Materials (India) Limited	59.00	47.25
-	(March 31, 2022 : 2,00,000) 0% Compulsorily Convertible Debentures of ₹ 10 each of Easygo Textiles Private Limited	-	0.20
Total		**1,292.89**	**1,267.71**
Aggregate amount of quoted investments and market value thereof		-	-
Aggregate amount of unquoted investments		1,292.89	1,267.71
Aggregate amount of impairment in the value of Investments		26.93	26.93

Note 6 : Financial assets

6 (a) : Non-current investment

Particulars		As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Investment in equity shares (fully paid up)			
i) Quoted - Equity investment at FVOCI			
2,83,500	(March 31, 2022 : 2,83,500) Equity Shares of ₹ 10 each of AYM Syntex Limited	1.73	3.19
80	(March 31, 2022 : 80) Equity Shares of Re. 1 each of Khaitan Chemicals and Fertilizers Limited	*	*
ii) Unquoted - Equity investment at FVPL			
1,300	(March 31, 2022: Nil) Equity Shares of ₹10 each fully paid up of Mounting Renewable Power Limited	*	-
1,900	(March 31, 2022 : 1,900) Equity Shares of ₹10 each fully paid up of Welspun Global Services Limited	*	*
5,70,000	(March 31, 2022: Nil) Equity Shares of ₹10 each fully paid up of Welspun Transformation Services Limited	0.57	-
iii) Unquoted - Equity investment at FVOCI			
24,037	(March 31, 2022: Nil) Equity Shares of ₹10 each fully paid up of Clean Max Thanos Private Limited	3.79	-
Total (equity instruments)	**(A)**	**6.09**	**3.19**
Investment in preference shares (fully paid)			
Unquoted - Preference shares at amortised cost			
13,89,575	(March 31, 2022 : 13,89,575) 0% Redeemable Preference Shares of ₹10 each of Welspun Global Brands Limited	111.40	102.53
Unquoted - Preference shares at FVPL			
10,00,000	(March 31, 2022 : 10,00,000) 1% Redeemable Cumulative Preference Shares of ₹10 each of Welspun Global Brands Limited	0.79	0.79

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Particulars			As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
7,10,42,000	(March 31, 2022 : 7,10,42,000) 7% Non-cumulative Non-convertible Redeemable Preference Shares of ₹10 each of Welspun Anjar SEZ Limited		65.61	63.13
Total (preference shares)		**(B)**	**177.80**	**166.45**
Investment in debentures (fully paid) - at FVPL				
Unquoted				
1,03,000	(March 31, 2022: Nil) Optionally Convertible Debentures of ₹10 each fully paid up of Mounting Renewable Power Limited		0.10	-
Others - FVPL				
	Investment - SBI Life Insurance		0.03	0.03
Others - FVPL		**(C)**	**0.13**	**0.03**
Total		**(A+B+C)**	**184.02**	**169.67**
	Aggregate amount of quoted investments and market value thereof		1.73	3.19
	Aggregate amount of unquoted investments		182.29	166.48
	Aggregate amount of impairment in the value of Investments		-	-

* Amount is below the rounding norms adopted by the Company

6 (a) : Current investments

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Investment in bonds at FVPL (unquoted)	414.67	403.44
Investment in mutual funds at FVPL (unquoted)	11.28	55.35
Total	**425.95**	**458.79**
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	425.95	458.79

6 (b) : Non-current loans

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Unsecured		
Considered doubtful		
Loans to related parties [Refer Note 29 (ii)]	1.56	1.56
Less : Allowance for Doubtful Loans	1.56	1.56
	-	**-**
Loan to employees	0.16	1.65
Total	**0.16**	**1.65**

6 (b) : Current loans

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Loan to employees	1.85	0.35
Total	**1.85**	**0.35**

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

6 (c) : Other non-current financial assets

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Security Deposits to Related Parties [Refer Note 29 (ii)]	3.27	2.05
Security Deposits to Others	15.02	12.99
Fixed deposits with Banks with maturity period more than twelve months	-	0.01
Margin Money Deposit Accounts	0.02	0.02
Net investment in lease [Refer Note 29 (ii)]	44.59	45.10
Total	**62.90**	**60.17**

6 (c) : Other current financial assets

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Security Deposits to Related Parties [Refer Note 29 (ii)]	1.02	3.62
Security Deposits to Others	1.26	1.78
Other Receivables from Related Parties [Refer Note below and Note 29 (ii)]	5.74	7.62
Government Grants Receivable	81.57	104.44
Less : Provision for Doubtful Balances	2.27	2.27
	79.30	**102.17**
Interest Accrued on Bonds/ Certificate of Deposits	8.74	9.89
Interest Accrued on Fixed Deposits/ Others	0.21	0.46
Margin Money for Commodity Hedging	0.71	-
Insurance Claim Receivable	0.90	-
Net investment in lease [Refer Note 29 (ii)]	0.70	-
Total	**98.58**	**125.54**

Note :

No advances has been given in the nature of loans and advances to related parties

6 (d) : Trade receivables

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Receivables from related parties [Refer Note 29 (ii)]	539.22	724.92
Receivables from others	71.22	80.68
Less : Impairment allowance	(1.34)	(1.33)
Total receivables	**609.10**	**804.27**
Current portion	609.10	804.27
Break-up of security details		
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	609.10	804.27
Trade receivables which has significant increase in credit risk	-	-
Trade receivables-credit impaired	1.34	1.33
Total	**610.44**	**805.60**
Impairment allowance (allowance for bad and doubtful debts)		
Impairment allowance	1.34	1.33
Total trade receivables	**609.10**	**804.27**

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Trade receivable ageing schedule as on March 31, 2023 and March 31, 2022

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	539.47	59.80	9.22	0.61	*	-	609.10
	(616.79)	(185.02)	(0.63)	(1.67)	(0.16)	-	(804.27)
(ii) Undisputed Trade Receivables - credit impaired	-	-	-	0.01	-	-	0.01
	-	-	-	-	-	(1.33)	(1.33)
(iii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - credit impaired	-	-	-	-	-	1.33	1.33
	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
	539.47	**59.80**	**9.22**	**0.62**	*	**1.33**	**610.44**
	(616.79)	**(185.02)**	**(0.63)**	**(1.67)**	**(0.16)**	**(1.33)**	**(805.60)**
Less : Provision for doubtful Debts							1.34
							(1.33)
Gross Trade Receivable							**609.10**
							(804.27)

Note: Previous year figures are given in brackets.

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

* Amount is below the rounding norms adopted by the Company

6 (e) : Cash and cash equivalents

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Balances with banks		
- In current accounts	37.01	43.97
Fixed deposits with Banks with original maturity period of less than three months	-	31.00
Cash on Hand	0.05	0.12
Total	**37.06**	**75.09**

6 (f) : Bank balances other than cash and cash equivalents

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Other Bank balances		
- Fixed deposits	6.63	2.54
- Unpaid dividend account [Refer note (a) below]	1.58	2.23
Total	**8.21**	**4.77**

Note:

(a) These are restricted bank balances. The restrictions are on account of balances held in unpaid dividend bank accounts.

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Note 7 : Non-current tax assets

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Non-current tax assets (Net)	37.79	37.79
Total	**37.79**	**37.79**

Note 8 : Other non-current assets

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Capital Advances to Related Parties [Refer Note 29 (ii)]	3.98	3.98
Capital Advances to Others	4.15	7.29
Balances with Customs, Excise, Sales Tax and other Government Authorities		
- Considered Good	0.21	0.22
- Considered Doubtful	0.24	0.24
	0.45	**0.46**
Less : Provision for Doubtful Balances	0.24	0.24
	0.21	**0.22**
Advance to Vendors		
- Considered Good	-	15.00
Total	**8.34**	**26.49**

Note 8 : Other current assets

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Balances with Customs, Excise, Sales Tax and other Government Authorities		
- Considered Good	10.06	17.88
Prepaid Expenses	7.07	11.39
Advance to Vendors		
- Considered Good	68.74	34.83
- Considered Doubtful	1.28	1.44
	70.02	**36.27**
Less : Provision for Doubtful Advances	1.28	1.44
	68.74	**34.83**
Advance to Employees	0.30	0.24
Total	**86.17**	**64.34**

Note 9 : Inventories (at lower of cost or net realisable value)

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Raw Materials (Includes in transit ₹ 2.27 crore; March 31, 2022 : ₹ 4.94 crore)	811.52	551.69
Work-in-Progress	290.28	322.36
Finished Goods (Includes in transit ₹ 5.20 crore; March 31, 2022 : Nil)	87.85	146.04
Packing Materials	9.74	10.33
Stores, Spares, Dyes and Chemicals	44.54	39.35
Total	**1,243.93**	**1,069.77**

Note :

Cost of inventories recognised as (income)/ expense of ₹ 6.10 crore [Previous year: ₹ 15.80 crore] is in respect of write down of inventories.

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Note 10 : Equity share capital and other equity

10 (a) : Equity share capital

(i) Authorised equity share capital

Particulars	Number of Shares	Amount (₹ in Crores)
As at March 31, 2021	1,55,55,00,000	155.55
As at March 31, 2022	1,55,55,00,000	155.55
As at March 31, 2023	1,55,55,00,000	155.55

Equity Shares of Re. 1 each (March 31, 2022 : Re. 1 each)

(ii) Issued equity share capital

Particulars	Number of Shares	Amount (₹ in Crores)
As at March 31, 2021	**1,00,47,25,150**	**100.48**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at March 31, 2021	**1,00,47,25,150**	**100.48**
Changes in equity share capital during the current year [Refer Note 34]	(1,66,66,666)	(1.67)
As at March 31, 2022	**98,80,58,484**	**98.81**
Changes in equity share capital during the current year	-	-
As at March 31, 2023	**98,80,58,484**	**98.81**

Equity Shares of Re. 1 each (March 31, 2022 : Re. 1 each fully paid up)

(iii) Shares held by holding company (Holding company as defined in Ind AS-24 : "Related Party Disclosure")

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Amount (₹ in Crores)	Number of Shares	Amount (₹ in Crores)
Welspun Group Master Trust (WGMT) (with effect from May 21, 2019)	68,62,95,432	68.63	68,62,95,432	68.63
	68,62,95,432	**68.63**	**68,62,95,432**	**68.63**

(iv) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	%	Number of Shares	%
Equity Shares :				
Welspun Group Master Trust (WGMT)	68,62,95,432	69.46%	68,62,95,432	69.46%

(v) Shares held by promoters (Promotor as defined in the Companies Act, 2013)

As at March 31, 2023

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Balkrishan Gopiram Goenka (Welspun Group Master Trust)	68,62,95,432	-	68,62,95,432	69.46%	0.00%
B. K. Goenka (HUF)	1,93,320	-	1,93,320	0.02%	0.00%
Balkrishan Gopiram Goenka	4,90,660	-	4,90,660	0.05%	0.00%
Dipali B. Goenka	7,50,400	-	7,50,400	0.08%	0.00%
Radhika Balkrishan Goenka	20,08,600	-	20,08,600	0.20%	0.00%
Rajesh R. Mandawewala	1,030	-	1,030	0.00%	0.00%
Aryabhat Vyapar Private Limited	54,24,020	-	54,24,020	0.55%	0.00%
MGN Agro Properties Private Limited	1,000.00	-	1,000	0.00%	0.00%

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

As at March 31, 2022

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Balkrishan Gopiram Goenka (Welspun Group Master Trust)	69,44,65,432	(81,70,000)	68,62,95,432	69.46%	(0.81%)
B. K. Goenka (HUF)	1,93,320	-	1,93,320	0.02%	0.00%
Balkrishan Gopiram Goenka	4,90,660	-	4,90,660	0.05%	0.00%
Dipali B. Goenka	7,50,400	-	7,50,400	0.08%	0.00%
Radhika Balkrishan Goenka	20,08,600	-	20,08,600	0.20%	0.00%
Rajesh R. Mandawewala	1,030	-	1,030	0.00%	0.00%
Aryabhat Vyapar Private Limited	54,24,020	-	54,24,020	0.55%	0.00%
MGN Agro Properties Private Limited	-	1,000	1,000	0.00%	0.00%

(vi) Rights, preferences and restrictions attached to equity shares

The company has one class of equity shares having a par value of Re. 1 per share (March 31, 2022 : Re. 1). Each shareholder is eligible for one vote per share held. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(vii) Buyback in the peirod of five years immediately preceeding March 31, 2023 [Refer Note 34]

The Company has bought back 1,66,66,666 equity shares of Re. 1 each at a price of ₹ 120 per equity share in accordance with the provisions of Companies Act, 2013 and SEBI (Buy-Back of Securities) Regulations, 2018. The settlement of bids by the Clearing Corporation on the stock exchange was completed on July 14, 2021.

Note 10 (b) : Reserves and surplus

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Capital Redemption Reserve [Refer Note (a) below]		
Balance as at the beginning of the year	49.51	47.84
Add : Additions during the year [Refer Note 34]	-	1.67
Balance as at the end of the year	**49.51**	**49.51**
Capital Reserve [Refer Note (b) below]		
Balance as at the beginning of the year	147.48	147.48
Add : Additions during the year	-	-
Balance as at the end of the year	**147.48**	**147.48**
Securities Premium [Refer Note (c) below]		
Balance as at the beginning of the year	123.81	323.81
Add : Additions during the year	-	-
Less : Premium paid on buyback of equity shares [Refer Note 34]	-	198.33
Less : Transfer to capital redemption reserve [Refer Note 34]	-	1.67
Balance as at the end of the year	**123.81**	**123.81**
General Reserve [Refer Note (d) below]		
Balance as at the beginning of the year	71.14	71.14
Add : Additions during the year	-	-
Balance as at the end of the year	**71.14**	**71.14**
Share-based Payment Reserve [Refer Note (e) below]		
Balance as at the beginning of the year	2.57	-
Add : Employee stock options granted during the year	2.13	2.57
Less : Exercise of shares options	0.33	-
Balance as at the End of the Year	**4.37**	**2.57**

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Treasury Reserve [Refer Note (g) below]		
Balance as at the beginning of the year	-	-
Add : Treasury shares acquired by Welspun India Employees Welfare Trust [Refer Note (g) below]	(74.71)	-
Balance as at the end of the year	**(74.71)**	**-**
Retained earnings		
Balance as at the beginning of the year	2,979.20	2,647.13
Add : Profit for the year	151.68	392.13
	3,130.88	**3,039.26**
Add : Transfer from Share-based Payment Reserve	0.33	-
Add : Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post-employment benefit obligation, net of tax	0.42	1.21
Less : Final dividend on Equity Shares	14.82	15.07
Less : Tax on buyback of equity shares	-	46.20
Balance as at the end of the year	**3,116.81**	**2,979.20**
Total	**3,438.41**	**3,373.71**

Note 10 (c) : Other Reserve

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
FVOCI - Equity investments		
Balance as at the beginning of the year	2.63	0.76
Add/ (Less) : Change in fair value of FVOCI equity instrument (Refer Note (f) below)	(1.46)	1.87
Balance as at the end of the year	**1.17**	**2.63**

Notes : Nature and purpose of reserves and surplus and other reserves

(a) Capital Redemption Reserve

Capital Redemption Reserve is created 1) when preference shares are redeemed out of profits of the Company, a sum equal to the nominal amount of the shares to be redeemed has to be transferred to this reserve and 2) when company purchases its own shares out of free reserves, a sum equal to the nominal value of shares so purchased has to be transferred to this reserve. This reserve may be used for paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.

(b) Capital Reserve

Out of total, Capital Reserve of ₹ 142.66 crore related to Gujarat high court approved composite scheme of arrangement between group companies. Balance ₹ 4.82 crore was accrued on Forfeiture of Share warrants. Capital reserve is not available for distribution.

(c) Securities Premium

Securities premium Account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(d) General Reserve

General Reserve is a free reserve and is available for distribution as dividend, issue of bonus shares, buyback of the Company's securities. It was created by transfer of amounts out of distributable profits.

(e) Share-based Payment Reserve

The share options-based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

(f) FVOCI equity investments

The management has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The management transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(g) Treasury Reserve

This reserve represents own equity shares held by Welspun India Employees Welfare Trust.

The Shareholders of the Company, by resolutions passed by way of Postal Ballot, results of which were declared on July 30, 2022, approved, inter alia, acquisition of equity shares by Welspun India Employees Welfare Trust for implementation of Welspun India Employee Benefit Scheme – 2022. Welspun India Employees Welfare Trust ("Trust") was formed with objects of welfare of employees of the Company and subsidiaries, inter alia, by way of acquiring, holding and allocating equity shares of the Company to eligible employees by way of stock options. By March 31, 2023, the Trust has acquired cumulative equity shares 97,68,566 of the Company for a total acquisition cost of ₹ 74.71 crores. No options have so far been granted to any employee or director.

Note 11 : Financial liabilities

11 (a) : Non-current borrowings

Sr. No.	Particulars	Maturity Date	Terms of Repayment	As at March 31, 2023		As at March 31, 2022	
				Coupon/ Interest Rate* (%)	Amount (₹ in Crores)	Coupon/ Interest Rate* (%)	Amount (₹ in Crores)
	Term Loans - From Banks						
	(Secured, Measured at amortised cost)						
(a)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Last instalment due in September 2024.	Repayable in 31 quarterly instalments commencing from March 2017	6.25	71.83	7.50	140.88
(b)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Last instalment due in June 2025.	Repayable in 34 quarterly instalments commencing from March 2017	6.50	36.69	7.50	51.27
(c)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Last instalment due in June 2024.	Repayable in 27 quarterly instalments commencing from January 2018	-	-	7.25	67.50
	Total Non-current borrowings				**108.52**		**259.65**
	Less : Current maturities of long-term debt [included in Note 11 (a)]				72.74		113.08
	Non-current borrowings (as per balance sheet)				**35.78**		**146.57**

* The rate of interest on the Non-current borrowings in the table above are in the range of 6.25% to 6.50% (March 31, 2022 : 7.25% to 7.50%). These loans are eligible for Central and State Government Interest Subsidies/ Rebates. Interest rate disclosed are before interest subvention and interest subsidy.

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Note 11 (a) : Current borrowings

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Secured :		
Measured at amortised cost		
- Working Capital Loans from Banks [Refer Note (i) below]	757.92	743.04
Current Maturities of Long Term Debt		
- Rupee Term Loans from Banks [Refer Note below and Note 11(a)]	72.74	113.08
Unsecured :		
Measured at amortised cost		
- Supplier financing [Refer Note (ii) below]	45.90	180.10
- Commercial Paper [Refer Note (iii) below]	-	125.00
Total current borrowings	**876.56**	**1,161.22**

Notes :

(i) The working capital loans, which includes cash credit and packing credit from banks, are secured by hypothecation of raw materials, stock-in-process, finished goods, semi finished goods, stores, spares and book debts and other current financial assets of the Company and second charge on entire fixed assets of the Company.

(ii) The bills of the vendors evidencing supply of material are discounted on presentation and the vendors are directly paid by the banks and the Company bears the discounting charge upfront. Later on the due date (depending on the tenor of financing), the Company pays the discounting bank the principal amount. This financing is unsecured and therefore there is no hypothecation against stock or debtors.

(iii) Commercial paper is an unsecured short term debt instrument issued by the Company generally for the period up to 181 days to meet the regular working capital requirements.

(iv) The rate of interest on the current borrowings except current maturities of long term debt are in the range of 2.60% to 6.85% (March 31, 2022 : 4.50% to 6.00%)

(v) The company have filled the quarterly returns or statements with the banks according to the sanctioned working capital facilities, which are in agreement with the books of accounts.

Note 11 (b) : Other current financial liabilities

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Interest Accrued but not due on Borrowings	0.85	1.98
Security Deposits	11.20	14.17
Creditors for Capital Purchases	0.88	3.10
Derivatives not designated as hedges		
- Foreign exchange forward cover	0.02	-
Unpaid dividends	1.58	2.23
Other Payables	-	0.02
Total	**14.53**	**21.50**

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Note 11 (c) : Trade payables

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Total Outstanding Dues of Micro Enterprises and Small Enterprises [Refer Note 37]	36.35	41.87
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		
- Others	626.55	527.88
Total	**662.90**	**569.75**

Trade payable ageing schedule as on March 31, 2023 and March 31, 2022

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					Total
	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	35.46 (40.15)	0.86 (1.72)	0.03 -	- -	- -	36.35 (41.87)
Total outstanding dues of creditors other than micro enterprises and small enterprises	368.04 (341.10)	255.19 (184.05)	0.74 (0.11)	0.11 (1.29)	2.47 (1.33)	626.55 (527.88)
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-

Note: Previous year figures are given in brackets.

Note 12 : Non-current tax liabilities

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Taxation (Net)	220.08	220.08
Total	**220.08**	**220.08**

Note 12 : Current tax liabilities

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Taxation (Net)	49.86	53.72
Total	**49.86**	**53.72**

Note 13 : Current employee benefit obligations

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Provision for Compensated Absences (Refer Note 20)	18.87	20.78
Provision for Gratuity (Refer Note 20)	23.21	14.96
Employee Benefits Payable**	51.81	68.86
Total	**93.89**	**104.60**

** Includes salary, wages, bonus, leave travel allowance and director commission

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Note 14 : Deferred tax liabilities (Net)

The balance comprises temporary differences attributable to:

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Deferred Tax Liabilities arising on account :		
- Property, plant, equipment and Intangible Assets	349.38	335.43
Deferred Tax Asset arising on account of :		
- Provision for Doubtful Debts/ Advances	1.68	1.72
- Provision for Unpaid Statutory Dues under Section 43B of the Income Tax Act, 1961	2.96	4.50
- Government Grants	9.80	22.48
- Provision for Employee Benefits	10.45	8.59
- Others	0.47	0.38
Total	**324.02**	**297.76**

The Company has tax loss of ₹ 40.30 crore (March 31, 2022 : ₹ 39.52 crore) which are available for offsetting against future taxable profits as per the below mentioned table:

Loss pertaining to assessment year (A.Y)	Nature of Capital Loss	Amount (₹ in Crores)	Set off available upto A.Y
2016-17	Long Term	0.12	2024-25
2017-18	Long Term	0.13	2025-26
2021-22	Long Term	39.27	2029-30
2022-23	Short Term	0.78	2030-31
Total		**40.30**	

Deferred tax assets has not been recognised in respect of these losses due to lack of reasonable certainty with respect of utilisation of these losses against future capital gains.

Movement in deferred tax liabilities/(assets)

(₹ in Crores)

Particulars	Property, plant and equipment	Defined Benefit Obligation	Government grants	Provisions*/ Expenses allowed on payment basis	Other items	Total
April 1, 2021	272.44	(7.46)	(0.89)	(6.75)	(0.38)	256.96
Charged / (Credited) :						
Statement of Profit and Loss	49.19	(1.54)	(21.59)	0.53	#	26.59
Statement of Profit and Loss (pertaining to earlier years)	13.80	-	-	-	-	13.80
Other Comprehensive Income	-	0.41	-	-	-	0.41
March 31, 2022	**335.43**	**(8.59)**	**(22.48)**	**(6.22)**	**(0.38)**	**297.76**
Charged / (Credited) :						
Statement of Profit and Loss	13.95	(2.00)	12.68	1.58	(0.09)	26.12
Other Comprehensive Income	-	0.14	-	-	-	0.14
March 31, 2023	**349.38**	**(10.45)**	**(9.80)**	**(4.64)**	**(0.47)**	**324.02**

* Provisions includes provision for doubtful debts/advances and provision for unpaid statutory dues under section 43B of the Income Tax Act, 1961

Amount is below the rounding norms adopted by the Company

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Note 15 : Other non-current liabilities

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Deferred Income (Refer Note below)	115.76	81.02
Total	**115.76**	**81.02**

Note 15 : Other current liabilities

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Advances from Customers	3.97	13.87
Statutory dues	11.76	17.88
Deferred Income (Refer Note below)	8.59	17.59
Total	**24.32**	**49.34**

Note :

Deferred income relates to government grant for the purchase of property, plant and equipment and are credited to statement of profit or loss on a straight-line basis over the expected lives of the related assets. Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income.

Note 16 : Revenue from operations

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
(a) Sale of Products		
Finished Goods	5,225.13	6,057.51
Traded Goods	146.51	374.64
Sub Total	**5,371.64**	**6,432.15**
(b) Other operating income		
Sale of Scrap	46.73	59.34
Government Grant :		
VAT/ State Goods and Service Tax incentive (SGST) [Refer Note (i) below]	233.47	215.30
Rebate/ drawback of taxes and duties [Refer Note (ii) below]	2.78	(3.32)
Sub Total	**282.98**	**271.32**
Total	**5,654.62**	**6,703.47**

(i) **Value Added Tax (VAT)/State Goods and Service Tax (SGST) Concession:** Reimbursement of VAT/SGST collected on end product/intermediate product to the extent of the eligible capital investments in plant and machinery for the specified period as per the Scheme.

(ii) Revenue from contracts with customers

1) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Revenue	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
India	5,415.30	6,416.39
Outside India	3.07	75.10
Total revenue from contracts with customers	**5,418.37**	**6,491.49**

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

2) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

Particulars	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Trade receivables*	609.10	804.27
Contract liabilities - Advances from customers**	3.97	13.87

* Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days.

** Contract Liability represents short term advances received from customer to deliver the goods. The company has recognized revenue of ₹ 13.87 crores (March 31, 2022 – ₹ 2.94 crores) that was included in contract liability balance at the beginning of the year.

3) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Revenue as per contracted price	5,421.92	6,491.52
Less: Rebates, discounts, chargebacks, markdowns, etc.	3.55	0.03
Revenue from contracts with customers	**5,418.37**	**6,491.49**

4) Reconciliation of revenue from operations with revenue from contracts with customers

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Revenue from operations	5,654.62	6,703.47
Less: VAT/State Goods and Service Tax Incentive	233.47	215.30
Rebate/ drawback of taxes and duties	2.78	(3.32)
Revenue from contracts with customers	**5,418.37**	**6,491.49**

Note 17 : Other income

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Dividend income from investments		
From related parties	0.57	0.10
Interest income from financial assets measured at amortised cost		
On Fixed Deposits	0.27	0.45
On Loans given to related parties and others	0.21	-
On Preference shares from related parties	8.87	8.17
Interest income from financial assets measured at fair value through profit or loss		
On Bonds	43.87	19.00
Interest income on Others (Refer Note 35)	4.59	3.28
Unwinding of discount on security deposits	0.22	0.41
Net gain on financial assets measured at fair value through profit or loss	3.62	6.68
Rent	13.32	13.23
Insurance Claim	0.28	-
Liabilities Written Back as no Longer Required	0.82	0.98
Profit on Sale of Investment	-	0.02
Profit on Sale of Fixed Assets	10.66	-
Exchange Gain (Net)	7.19	-
Service Charges	1.53	1.53
Commission on Corporate Guarantees Issued	4.90	3.77
Miscellaneous	39.98	28.44
Total	**140.90**	**86.06**

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Note 18 : Cost of materials consumed

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Raw material consumed		
Opening inventory	551.69	578.19
Add: Purchases (net)	3,402.39	3,273.09
Less : Inventory at the end of the year	811.52	551.69
	3,142.56	**3,299.59**
Packing material consumed		
Opening inventory	10.33	17.92
Add : Purchases (net)	144.71	207.04
Less : Inventory at the end of the year	9.74	10.33
	145.30	**214.63**
Total	**3,287.86**	**3,514.22**

Note 19 : Changes in inventory of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
(Increase)/ decrease in Stocks		
Stock at the end of the year :		
Finished Goods	87.85	146.04
Work-in-Progress	290.28	322.36
Total A	**378.13**	**468.40**
Less : Stock at the beginning of the year :		
Finished Goods	146.04	93.85
Work-in-Progress	322.36	343.48
Total B	**468.40**	**437.33**
(Increase) / decrease in Stocks (B-A)	**90.27**	**(31.07)**

Note 20 : Employee benefits expense

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Salaries, Wages, Allowances and Other Benefits	408.90	455.78
Gratuity and ex-gratia	15.71	15.91
Contribution to Provident and Other Funds	31.41	30.18
Managerial Remuneration	15.28	32.45
Employee stock option scheme [Refer Note 45]	1.68	1.74
Staff and Labour Welfare	14.16	14.49
Total	**487.14**	**550.55**

The Company has classified the various benefits provided to employees as under :-

I. Defined Contribution Plans

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
- Employers' Contribution to Provident Fund*	12.61	10.07
- Employers' Contribution to Employees' State Insurance *	2.96	3.56
- Employers' Contribution to Employees' Pension Scheme*	15.27	16.03
- Employers' Contribution to Superannuation Scheme*	0.57	0.52
	31.41	**30.18**

* Included in Contribution to Provident and Other Funds

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

II. Defined Benefit Plan

Contribution to Gratuity Fund (Funded Defined Benefit Plan)

The Company operates a gratuity plan through the "Welspun India Limited Employees Gratuity Trust". Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier.

Risk exposure

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

a. Major Assumptions

Major Assumptions	As at March 31, 2023	As at March 31, 2022
Discount Rate (% p.a.)	7.58	7.25
Expected Rate of Return on Plan Assets (% p.a.)	7.58	7.25
Salary Escalation Rate @	6.00% p.a. for the next 5 years,5.00% p.a. thereafter, starting from the 6th year	6.00% p.a. for the next 5 years,5.00% p.a. thereafter, starting from the 6th year
Rate of Employee Turnover	For service 0 years and below 18.60% p.a. For service 1 years to 2 years 8.46% p.a. For service 3 years to 4 years 2.79% p.a. For service 5 years and above 4.67% p.a.	For service 0 years and below 24.00% p.a. For service 1 years to 2 years 8.00% p.a. For service 3 years to 4 years 3.00% p.a. For service 5 years and above 4.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

@ The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

b. Change in the Present Value of Obligation

Particulars	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Opening Present Value of Obligation	51.92	48.86
Current Service Cost	8.65	9.02
Interest Cost	3.76	3.37
Total amount recognised in profit or loss	**12.41**	**12.39**
(Liability Transferred Out/ Divestments)	-	(0.60)
Remeasurements		
(Gain)/Loss from change in demographic assumptions	0.68	0.96
(Gain)/Loss from change in financial assumptions	(1.18)	(2.25)
Experience (Gains)/Losses	(1.83)	(0.86)
Total amount recognised in other comprehensive Income	**(2.33)**	**(2.15)**
Benefit/ Exgratia paid	(8.10)	(6.58)
Closing Present Value of Obligation	**53.90**	**51.92**

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

c. Change in Fair Value of Plan Assets

Particulars	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Opening Fair Value of Plan Assets	36.96	38.68
Interest Income	2.68	2.67
Total amount recognised in profit or loss	**2.68**	**2.67**
Remeasurements		
Return on Plan Assets, Excluding Interest Income	(1.77)	(0.53)
Total amount recognised in other comprehensive Income	**(1.77)**	**(0.53)**
Contributions	-	2.00
Benefits paid	(7.18)	(5.86)
Closing Fair Value of Plan Assets	**30.69**	**36.96**

d. Balance Sheet Reconciliation

Particulars	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Opening Net (Liability)	(14.96)	(10.18)
Expenses Recognized in Statement of Profit or Loss	(9.73)	(9.72)
Income Recognized in OCI	0.56	1.62
Employer's Contribution	-	2.00
Benefits directly paid by the employer	0.92	0.72
Net (Liability) Transfer Out	-	0.60
Closing Net (Liability)	(23.21)	(14.96)

e. Amount recognised in the Balance sheet

Particulars	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Present value of Obligation	(53.90)	(51.92)
Fair Value of Plan Assets	30.69	36.96
Funded Status (Deficit)	(23.21)	(14.96)
Net (Liability) Recognised in the Balance Sheet	(23.21)	(14.96)

f. Expenses Recognised in the Statement of Profit and Loss

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Current Service Cost	8.65	9.02
Interest Cost	3.76	3.37
Interest Income	(2.68)	(2.67)
Total Expenses recognized in the statement of profit and loss*	**9.73**	**9.72**

* Included in Employee Benefits Expense

g. Expenses recognized in the Other Comprehensive Income

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Re-measurement		
Actuarial (Gains)/Losses on Obligation For the year	(2.33)	(2.15)
Return on Plan Assets, Excluding amounts included in Interest Income	1.77	0.53
Net (Income)/Expenses for the Period Recognized in OCI	**(0.56)**	**(1.62)**

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

h. Sensitivity Analysis

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Projected Benefit Obligation on Current Assumptions	53.90	51.92
Delta Effect of +1% Change in Rate of Discounting	(4.17)	(4.49)
Delta Effect of -1% Change in Rate of Discounting	4.86	5.30
Delta Effect of +1% Change in Rate of Salary Increase	4.92	5.34
Delta Effect of -1% Change in Rate of Salary Increase	(4.29)	(4.60)
Delta Effect of +1% Change in Rate of Employee Turnover	1.06	1.05
Delta Effect of -1% Change in Rate of Employee Turnover	(1.21)	(1.21)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

i. The major categories of plans assets are as follows:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount (₹ in Crores)	%	Amount (₹ in Crores)	%
Insurer Managed funds	30.69	100.00	36.96	100.00

j. Defined benefit liability and employer contributions

Funding is done only for employees more than 5 years in the firm, for less than 5 years employees are paid separately.

Expected contributions to post-employment benefit plans for the year ending March 31, 2024 are ₹ 18.20 crore.

The weighted average duration of the defined benefit obligation is 10 years (March 31, 2022 : 11 years). The expected maturity analysis of undiscounted gratuity is as follows:

(₹ in Crores)

Particulars	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Between 6 - 10 years	11 years and above	Total
March 31, 2023						
Defined benefit obligation (gratuity)	3.97	6.38	11.86	21.39	81.06	124.66
Total	**3.97**	**6.38**	**11.86**	**21.39**	**81.06**	**124.66**
March 31, 2022						
Defined benefit obligation (gratuity)	3.68	3.04	13.04	18.29	88.81	126.86
Total	**3.68**	**3.04**	**13.04**	**18.29**	**88.81**	**126.86**

III Other Employee Benefit

The liability for compensated absences as at year end is ₹ 18.87 crore (March 31, 2022 : ₹ 20.78 crore).

Notes
To the Standalone Financial Statements for the year ended March 31, 2023

Note 21 : Depreciation and amortization expense

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Depreciation of property, plant and equipment [Refer Note 3]	236.24	262.57
Amortisation of intangible assets [Refer Note 4]	9.29	8.25
Depreciation of Right-of-use assets [Refer Note 35]	4.79	5.27
Total depreciation and amortization expense	**250.32**	**276.09**

Note 22 : Other Expenses

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Stores and Spares Consumed	87.74	109.12
Dyes and Chemicals Consumed	250.79	312.44
Contract Labour Charges	44.46	60.66
Job Work Expenses	21.72	73.26
Power, Fuel and Water Charges	617.16	626.97
Repairs and Maintenance:		
Plant and Machinery	23.74	27.07
Factory Building	2.11	2.34
Others	19.21	26.76
Brokerage and Commission	0.11	0.23
Freight, Forwarding and Coolie Charges	10.71	22.16
Directors' Sitting Fees	0.63	0.88
Rent [Refer Note 35]	2.29	2.89
Rates and Taxes	2.35	4.16
Travelling and Conveyance	17.26	15.66
Legal and Professional Charges	32.06	28.73
Security Expenses	5.61	5.17
Insurance	30.18	31.29
Communication	2.53	2.44
Loss on Sale/ Discarding of Fixed Assets (Net)	-	2.06
Loss on Sale of Investment in Subsidiaries	0.45	-
Provision for Doubtful Debts	0.01	-
Provision for Doubtful Advances	0.10	2.86
Exchange Loss (Net)	-	3.63
Advances written off	0.29	0.49
Less: Allowance for doubtful advance written back	0.25	0.49
	0.04	*
Loss on Cancellation of Forward/ Swap Contracts	0.10	-
Design and Development Expenses	2.73	2.80
Advertising and Sales Promotion	5.30	3.83
Donations	10.16	0.02
Corporate Social Responsibility Expenses [Refer Note 22 (b) below]	13.22	10.38
Payments to auditors [Refer Note 22 (a) below]	0.95	1.13
Miscellaneous	11.51	18.98
Total Other Expenses	**1,215.23**	**1,397.92**

*Amount is below the Rounding norms adopted by the company

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Note 22 (a) : Details of Payments to auditors

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Payments to auditors		
As auditor:		
Audit fee	0.71	0.66
Tax audit fee	0.06	0.06
Certification fees	0.11	0.41
Re-imbursement of expenses	0.07	-
Total payments to auditors	**0.95**	**1.13**

Note 22 (b) : Details of CSR expenditure

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
(i) Gross amount required to be spent by the Company during the year	13.22	10.38
(ii) Amount spent during the year		
(a) Construction/acquisition of any asset	-	-
(b) on purposes other than (a) above*	13.22	10.38
(iii) Details related to spent :		
(a) Contribution to Charitable Trust - Welspun Foundation for Health and Knowledge [Refer Note 29 (ii)]	6.22	10.38
(b) Contribution to Har Ghar Tiranga Campaign*	7.00	-

Nature of CSR activities :

Promoting education, healthcare, empowerment of women and socially backward, ensuring environmental sustainability, disaster relief, livelihood enhancement project, development of art and culture, CSR capacity building of own personnel.

* This includes amount spent for distribution of Indian National Flag as per MCA circular No. 08/2022 dated July 26, 2022 amounting to ₹ 7.00 Crore

Note 23 : Finance Costs

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Interest expense on:		
- Long term borrowings (net of interest subsidy of ₹ Nil, Previous Year : ₹ 4.10 crore)	13.56	20.85
- Short term borrowings	37.89	40.91
- Lease liabilities [Refer Note 35]	1.72	1.47
- Others	0.62	4.23
Discounting and Bank Charges	7.36	13.87
Total Finance Costs	**61.15**	**81.33**

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Note 24 : Income tax expense

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

The Company has create current tax provision under the new tax regime based on normal tax rates i.e 25.17% (previous year: old tax regime 34.94%). The company has created deferred tax @25.17% (previous year: 25.17%, based on management estimates that the company is expected to move to new tax regime from the 2022-23).

a) Statement of Profit and Loss

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Income tax expense		
Current Tax		
Current Tax on profits for the year.	48.63	186.86
Total current tax expense	**48.63**	**186.86**
Deferred Tax		
Relating to originating and reversal of temporary differences	26.12	26.59
Deferred tax charge related to earlier years	-	13.80
Total deferred tax expense	**26.12**	**40.39**
Income tax expense	**74.75**	**227.25**

b) Other Comprehensive Income (OCI)

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Net gain on remeasurement of defined benefit plans	(0.14)	(0.41)

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

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Profit for the year before income tax expense	226.43	619.38
Tax at the Indian tax rate @ 25.17% (previous year @ 34.94%)	56.99	216.41
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Impact on account of change in tax rate	-	5.48
Donation & Corporate social responsibility expenditure	5.88	1.84
Deduction under section 80 IA	-	(9.38)
Adjustment of tax related to earlier years	-	13.80
Adjustment on account of fair value/ Impairment of investment	(2.95)	(5.08)
Other Items	14.83	4.18
Income tax expense	**74.75**	**227.25**

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Note 25 : Fair value measurements

Financial instruments by category

(₹ in Crores)

Particulars	March 31, 2023			March 31, 2022		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	0.57	5.52	-	-	3.19	-
- Preference shares	66.40	-	111.40	63.92	-	102.53
- Bonds and debentures	414.67	-	-	403.44	-	-
- Mutual funds	11.28	-	-	55.35	-	-
- Others	0.13	-	-	0.03	-	-
Trade receivables	-	-	609.10	-	-	804.27
Loans	-	-	2.01	-	-	2.00
Cash and cash equivalents	-	-	37.06	-	-	75.09
Bank balance other than Cash and cash equivalents	-	-	8.21	-	-	4.77
Security deposits	-	-	20.57	-	-	20.44
Fixed deposit with bank	-	-	0.02	-	-	0.03
Interest accrued on fixed deposit, bonds and certificates	-	-	8.95	-	-	10.35
Government Grant	-	-	79.30	-	-	102.17
Net investment in lease	-	-	45.29	-	-	45.10
Others financial assets	-	-	7.35	-	-	7.62
Total financial assets	**493.05**	**5.52**	**929.26**	**522.74**	**3.19**	**1,174.37**
Financial liabilities						
Borrowings and interest accrued thereon	-	-	913.19	-	-	1,309.77
Trade payables	-	-	662.90	-	-	569.75
Security Deposits	-	-	11.20	-	-	14.17
Creditors for Capital Purchases	-	-	0.88	-	-	3.10
Lease liabilities	-	-	12.70	-	-	9.94
Other financial liabilities	-	-	1.60	-	-	2.25
Total financial liabilities	**-**	**-**	**1,602.47**	**-**	**-**	**1,908.98**

(i) Fair value of Financial assets and liabilities measured at amortised cost

(₹ in Crores)

Particulars	March 31, 2023		March 31, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Investments				
- Preference Shares	111.40	111.18	102.53	102.32
Loans	2.01	2.01	2.00	2.00
Security deposits	20.57	20.57	20.44	20.44
Fixed deposits with Banks with maturity period more than twelve months	0.02	0.02	0.03	0.03
Interest Accrued on Deposits	8.95	8.95	10.35	10.35
Government Grant, TUF & Incentive	79.30	79.30	102.17	102.17
Net investment in lease	45.29	48.84	45.10	45.10
Others	661.72	661.72	891.75	891.75
Total	**929.26**	**932.59**	**1,174.37**	**1,174.16**

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

(₹ in Crores)

Particulars	March 31, 2023		March 31, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liabilities				
Borrowings	913.19	913.19	1,309.77	1,309.77
Others	676.58	676.58	589.27	589.27
Total	**1,589.77**	**1,589.77**	**1,899.04**	**1,899.04**

The carrying amount of trade receivable, current loans, current portion of interest accrued on fixed deposit, bonds and certificates, cash and cash equivalents, bank balances other than cash and cash equivalents, trade payable, capital creditors, current security deposits (liability) and other current financial liabilities are considered to be approximately same as their fair value, due to their short-term nature and have been classified as level 3 in the fair value hierarchy. Similarly, carrying values of government grants, TUF and incentive and interest subvention due to it sovereign nature and expected collection term are considered to approximate their fair value and have been classified as level 3 in the fair value hierarchy.

The fair value for loans, security deposits, advance recoverable in cash, fixed deposit with bank, interest accrued on fixed deposit and investments in preference shares is calculated based on cash flows discounted using a current lending rates. Further, security deposits, advance recoverable in cash and investments in preference share are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair value for long term security deposits are based on discounted cash flow using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

The carrying amount of long term borrowings is approximately equal to it's fair value since the borrowings are at floating rate of interest. Also, the carrying amount of short term borrowing is considered to be approximately same as it's fair value due to it's short term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(ii) 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.

(₹ in Crores)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
At March 31, 2023					
Financial assets :					
Financial Investments at FVPL					
Preference Shares	6 (a)	-	-	66.40	66.40
Equity instruments	6 (a)	-	-	0.57	0.57
Investment-Others	6 (a)	-	-	0.13	0.13
Bonds and Government Securities	6 (a)	-	-	414.67	414.67
Mutual funds	6 (a)	-	11.28	-	11.28
Financial Investments at FVOCI					
Listed Equity Investment	6 (a)	5.52	-	-	5.52
Total financial assets		**5.52**	**11.28**	**481.77**	**498.57**

(₹ in Crores)

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
At March 31, 2022					
Financial assets					
Financial Investments at FVPL					
Preference Shares	6 (a)	-	-	63.92	63.92
Investment-Others	6 (a)	-	-	0.03	0.03
Bonds and Government Securities	6 (a)	-	-	403.44	403.44
Mutual funds	6 (a)	-	55.35	-	55.35
Financial Investments at FVOCI					
Listed Equity Investment	6 (a)	3.19	-	-	3.19
Total financial assets		**3.19**	**55.35**	**467.39**	**525.93**

Assets and Liabilities that are disclosed at Amortised Cost for which Fair values are disclosed and are classified as Level 3

Current financial asset and current financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature. Non current financial assets and non current financial liabilities have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows.

The above mentioned grouping into Level 1 to Level 3, is described below.

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (such as traded bonds, debentures, government securities and commercial papers) is determined using Fixed Income Money Market and Derivatives Association of India (FIMMDA) inputs and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The mutual funds are valued using the closing Net Assets Value (NAV). NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted preference shares and security deposits included in level 3.

There are no internal transfers of financial assets and financial liabilities between Level 1, Level 2 and Level 3 during the period. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy level as at the end of reporting period.

iii) Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- NAV quoted by mutual funds
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

(iv) Fair value measurements using significant unobservable inputs (level 3) for FVPL instruments

The following table presents the changes in level 3 items for the periods ended March 31, 2023 and March 31, 2022 :

(₹ in Crores)

Particulars	Preference shares
As at April 1, 2021	**57.42**
Redemptions	-
Gains/ (losses) recognised in profit or loss	6.50
As at March 31, 2022	**63.92**
Acquisitions	-
Gains/ (losses) recognised in profit or loss	2.48
As at March 31, 2023	**66.40**

v) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (iii) above for the valuation techniques adopted

Particulars	Fair Value (₹ in Crores)		Significant unobservable inputs	Probability-weighted range		Sensitivity
	March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022	
Preference Shares	66.40	63.92	Discount Rate	8% to 10%	8% to 10%	March 31, 2023 : Increase in discount factor by 50 basis points (bps) would decrease fair value by ₹ 3.25 crore and decrease in discount rate by 50 bps would increase fair value by ₹ 3.34 crore. March 31, 2022 : Increase in discount factor by 50 basis points (bps) would decrease fair value by ₹ 3.84 crore and decrease in discount rate by 50 bps would increase fair value by ₹ 3.97 crore.

vi) Valuation processes :

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO).

Discussions of valuation processes and results are held between the CFO, and the valuation team meets once every three months, in line with the Company's quarterly reporting periods.

The main level 3 inputs for preference shares used by the Company are derived and evaluated as follows:

- Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk grading determined by the Company's internal credit risk management team.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the quarterly valuation discussion between the CFO and the valuation team. As part of this discussion the team presents a report that explains the reason for the fair value movements.

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Note 26 : Financial Risk Management

The Company's activities are exposed to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Ageing analysis	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian Rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward Foreign Exchange Contracts
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Company maintains a mix of floating and fixed rate borrowings
Market risk – security prices	Investments in Bonds	Sensitivity analysis	Portfolio diversification

The Company's risk management is carried out by a central treasury department under policies approved by the Board of Directors. Company's treasury team identifies, evaluates and hedges financial risks in close cooperation with the Company's respective department heads. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(A) Credit risk

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to wholesale customers including outstanding receivables.

(i) Credit Risk Management

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

The Company determines default by considering the business environment in which the Company operates and other macro-economic factors. The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business;

ii) Actual or expected significant changes in the operating results of the counterparty;

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;

iv) Significant increase in credit risk on other financial instruments of the same counterparty;

v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the company.

Trade Receivable

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain.

The Company uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables.

Concentrations of credit risk with respect to trade receivables are limited, due to major customers being subsidiaries of the Company which in turn have a large and diverse customer base. No single customer (other than the Group Companies) contributed for 10% or more of the revenue in any of the years presented.

Expected credit loss for trade receivables as at March 31, 2023 is 1.34 crores (March 31, 2022: ₹1.33 crores)

During the year and previous years, the Company made no write-offs of trade receivables.

As at March 31, 2023

(₹ in crores)

Ageing of Trade receivables Gross Carrying Amount	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade Receivables	539.47	59.80	9.22	0.62	#	1.33	610.44
Expected loss rate	-	-	-	1.29%	-	100%	0.22%
Allowance for doubtful debts	-	-	-	0.01	-	1.33	1.34
Carrying amount of trade receivables (net of impairment)	**539.47**	**59.80**	**9.22**	**0.61**	**#**	**-**	**609.10**

Amount is below the rounding norms adopted by the Company

As at March 31, 2022

(₹ in crores)

Ageing of Trade receivables Gross Carrying Amount	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade Receivables	616.79	185.02	0.63	1.67	0.16	1.33	805.60
Expected loss rate	-	-	-	-	-	100%	0.17%
Allowance for doubtful debts	-	-	-	-	-	1.33	1.33
Carrying amount of trade receivables (net of impairment)	**616.79**	**185.02**	**0.63**	**1.67**	**0.16**	**-**	**804.27**

Reconciliation of loss allowance provision - Trade receivables

Particulars	Amount (₹ in crores)
Allowance for doubtful debts on March 31, 2021	1.33
Expected Credit loss recognised	-
Written off during the year	-
Allowance for doubtful debts on March 31, 2022	**1.33**
Expected Credit loss recognised	0.01
Written off during the year	-
Allowance for doubtful debts on March 31, 2023	**1.34**

The Company does not expect to receive future cash flows or recoveries from collection of cash flows previously written off.

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, Derivative financial instruments, investments in government securities and bonds, and investments in mutual funds. The Company has diversified portfolio of investment with various number of counter-parties which have good credit ratings, good reputation, good past track records and reviews and hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company.

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

(B) Liquidity Risk

Liquidity risk refers to the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

(i) Financing arrangements

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

(₹ in crores)

As at	March 31, 2023		March 31, 2022	
	Fund based	Non Fund based	Fund based	Non Fund based
Fixed rate				
Expiring within one year (packing credit, bank overdraft and other facilities)	1,500.22	329.62	955.47	269.14
	1,500.22	**329.62**	**955.47**	**269.14**

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Non utilised fund based limit can be utilised under Non Fund based limit. Maximum limit for fund based is ₹ 2,423.00 crores (March 31, 2022 : ₹ 2,105.83 crores) and for Non fund based is ₹ 1,169.50 crores (March 31, 2022 : ₹ 1,051.03 crores)

(ii) Maturities of Financial liabiliities

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

- all non derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows.

As at March 31, 2023

(₹ in crores)

Contractual maturities of financial liabilities	Less than 3 Months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Beyond 5 years	Total
Non-derivatives							
Borrowings (Including Interest)	827.77	19.60	37.21	35.93	0.94	-	921.45
Trade payables	662.90	-	-	-	-	-	662.90
Other financial liabilities	13.68	-	-	-	-	-	13.68
Lease Liabilities	1.52	1.48	2.54	5.11	4.46	0.45	15.56
Total non-derivative liabilities	**1,505.87**	**21.08**	**39.75**	**41.04**	**5.40**	**0.45**	**1,613.59**

As at March 31, 2023

(₹ in crores)

Derivatives Fianancial instruments (based on contracted rates)	Less than 3 Months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Beyond 5 years	Total
Forward contracts USD-INR	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

As at March 31, 2022

(₹ in crores)

Contractual maturities of financial liabilities	Less than 3 Months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Beyond 5 years	Total
Non-derivatives							
Borrowings (Including Interest)	846.49	266.51	64.09	110.69	44.05	-	1,331.83
Trade payables	569.75	-	-	-	-	-	569.75
Other financial liabilities	19.53	-	-	#	-	-	19.53
Lease Liabilities	1.10	1.11	2.20	3.70	3.44	0.58	12.13
Total non-derivative liabilities	**1,436.87**	**267.62**	**66.29**	**114.39**	**47.49**	**0.58**	**1,933.24**

Amount is below the rounding norms adopted by the Company

As at March 31, 2022

(₹ in crores)

Derivatives Fianancial instruments (based on contracted rates)	Less than 3 Months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Beyond 5 years	Total
Forward contracts USD-INR	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(C) Market risk

(i) Foreign currency risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments, highly probable forecast transactions and foreign currency required at the settlement date of certain receivables/ payables. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's risk management policy and procedures.

(a) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period in India Rupees are as follows :

(₹ in crores)

As at	March 31, 2023			March 31, 2022		
Foreign Currency	USD	EUR	Others*	USD	EUR	Others*
Financial Assets						
Trade Receivable	3.03	-	-	1.18	-	-
Other Receivables	-	-	-	-	-	-
Net exposure to foreign currency risk (assets)	**3.03**	**-**	**-**	**1.18**	**-**	**-**
Financial liabilities						
Borrowing	-	-	-	-	-	-
Trade payables and provisions	10.75	1.86	0.04	45.16	2.49	0.29
Other financial liabilities	-			-		
Foreign exchange forward contracts	-	-	-	-	-	-
Net exposure to foreign currency risk (liabilities)	**10.75**	**1.86**	**0.04**	**45.16**	**2.49**	**0.29**
Net open exposures (assets-liabilities) - assets /(liabilities)	**(7.72)**	**(1.86)**	**(0.04)**	**(43.98)**	**(2.49)**	**(0.29)**

* Others consists of JPY, CHF, CNY, AED & GBP

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

(b) Foreign currency sensitivity

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

(₹ in Crores)

Particulars	Impact on profit before tax	
	March 31, 2023	March 31, 2022
USD sensitivity		
USD - INR - Increase by 5 % (March 31, 2022 - 5%)*	(0.39)	(2.20)
USD - INR - Decrease by 5 % (March 31, 2022 - 5%)*	0.39	2.20
EURO sensitivity		
EURO - INR - Increase by 5 % (March 31, 2022 - 5%)*	(0.09)	(0.12)
EURO - INR - Decrease by 5 % (March 31, 2022 - 5%)*	0.09	0.12
(EURO sensitivity also calculated for EURO/USD forward contracts outstanding as on March 31, 2023)		

* Holding all other variables constant

(ii) Cash flow and fair value interest rate risk

The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible bonds and short term loans. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Fixed rate borrowings	803.82	1,048.14
Floating rate borrowings	108.52	259.65
Total borrowings	**912.34**	**1,307.79**

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	March 31, 2023			March 31, 2022		
	Weighted average interest rate	Balance (₹ in Crores)	% of total loans	Weighted average interest rate	Balance (₹ in Crores)	% of total loans
Borrowings -Term Loan	6.33%	108.52	12%	7.44%	259.65	20%

(b) Sensitivity

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

(₹ in Crores)

Particulars	Impact on profit before tax	
	March 31, 2023	March 31, 2022
Increase by 25 basis points (March 31, 2022- 25 basis points)*	(0.27)	(0.65)
Decrease by 25 basis points (March 31, 2022- 25 basis points)*	0.27	0.65

* Holding all other variables constant including change in interest subsidy

Notes
To the Standalone Financial Statements for the year ended March 31, 2023

(iii) Price risk

(a) Exposure

The Company is mainly exposed to the price risk due to its investment in mutual funds and bonds. The price risk arises due to uncertainties about the future market values of these investments. In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies.

(b) Sensitivity

The table below summarises the impact of increases/decreases of 0.75% increase in price of Mutual Fund / Bond.

(₹ in Crores)

Particulars	Impact on profit before tax	
	March 31, 2023	March 31, 2022
Increase in price 0.75% (March 31, 2022- 0.75%)	3.19	3.44
Decrease in price 0.75% (March 31, 2022- 0.75%)	(3.19)	(3.44)

* Holding all other variables constant

Note 27 : Capital management

(a) Risk Management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation and other long term borrowings. The Company's policy is to use short-term and long-term borrowings to meet anticipated funding requirements.

The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements.

Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents) and short-term investments. Equity comprises of all components including other equity.

The Company's strategy is to maintain a gearing ratio within 2:1. The gearing ratios were as follows:

The following table summarizes the capital of the Company:

Particulars	March 31, 2023 (₹ in Crores)	March 31, 2022 (₹ in Crores)
Non-current borrowings	35.78	146.57
Current borrowings	876.56	1,161.22
Less: cash and cash equivalent	37.06	75.09
Net debt	875.28	1,232.70
Total equity	3,538.39	3,475.15
Gearing ratio	0.25	0.35

In order to achieve this overall objective, the Companies capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants, in certain cases, may permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

(b) Dividend

Particulars	March 31, 2023 (₹ in Crores)	March 31, 2022 (₹ in Crores)
Equity Share		
Final dividend for the year ended March 31, 2022 of ₹ 0.15 (March 31, 2021 of ₹ 0.15) per fully paid equity share	14.82	15.07
Dividend not recognised at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 0.10 per fully paid equity share (March 31, 2022 of ₹ 0.15). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	9.88	14.82

Note 28 : Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April 1, 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after April 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. The amendments are not expected to have a material impact on the Companies financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments to Ind AS 1 are applicable for annual periods beginning on or after April 1, 2023. Consequential amendments have been made in Ind AS 107. The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after April 1, 2023.

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Note 29 : Related Party Disclosures

(i) Relationships

(a)	Enterprises where control exists	
	Parent	Welspun Group Master Trust (WGMT)
	Subsidiary companies	Besa Developers and Infrastructure Private Limited (BESA)
		Welspun Global Brands Limited (WGBL)
		Welspun Holdings Private Limited, Cyprus (WHPL)
		Welspun Home Textiles UK Limited (WHTUKL) (Held through WHPL)
		Welspun UK Limited (WUKL) (Held through CHTL)
		CHT Holdings Limited (CHTHL) (Held through WHTUKL)
		Welspun USA Inc., USA (WUSA)
		Welspun Captive Power Generation Limited (WCPGL)
		Anjar Integrated Textile Park Developers Private Limited (AITPDPL)
		Welspun Anjar SEZ Limited (WASEZ)
		Welspun Mauritius Enterprises Limited (WMEL)
		Novelty Home Textiles SA de CV (NHTSC) (Held through WMEL)
		Christy Home Textiles Limited (CHTL) (Held through CHTHL)
		Christy 2004 Limited (CHT 2004) (Held through WUKL)
		Christy Welspun GmbH (CWG) (Held through WUKL)
		Christy UK Limited (CUKL) (Held through CHTL)
		ER Kingsley (Textiles) Limited (ERK) (Held through CHTL)
		Christy Lifestyle LLC, USA (CLL) (Held through WUKL)
		Welspun Flooring Limited (WFL)
		Welspun Zucchi Textiles Limited (WZTL)
		Welspun Nexgen Inc., USA (WNI)
		Welspun Innovative Products Limited (WIPL) (till November 21, 2022)
		Tilt Innovation Inc., USA (TII) (Held through WUSA)
		TMG (Americas) LLC, USA (held through WUSA)
		Welspun Advanced Materials (India) Limited (WAMIL)
		Anjar Terry Towels Limited (ATTL) (with effect from September 25, 2021)
		Easygo Textiles Private Limited (ETPL) (till November 21, 2022)
	Associate Company	Welassure Private Limited (WPL)

		Name	Nature of relationship
(b)	Key Management Personnel	Balkrishan Goenka	Director & Chairman
		Rajesh Mandawewala	Executive Vice Chairman
		Dipali Goenka	Managing Director & CEO
		Arun Todarwal	Independent Director (till July 1, 2022)
		Arvind Singhal	Independent Director
		Pradeep Poddar	Independent Director
		Anisha Motwani	Independent Director
		K. H. Vishwanathan	Independent Director (with effect from July 1, 2022)
		Sanjeev Sancheti	Chief Financial Officer (till May 14, 2021)
		Sanjay Gupta	Chief Financial Officer (with effect from May 15, 2021)
		Shashikant Thorat	Company Secretary
(c)	Relatives of Key Management Personnel	Radhika Goenka	
		Yashvardhan Agarwal	
		Vanshika Goenka	
		Aneesh Misra	
(d)	List of entities over which key management personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year	For listing of parties, refer disclosure in Note 29(ii)	

(i) Terms and conditions:

All transactions were made on normal commercial terms and conditions and at market rates.

All outstanding balances are unsecured and repayable in cash.

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

29 (ii) Following are the transactions with related parties for the year ended March 31, 2023

(₹ in Crores)

Particulars	Parent	Subsidiary companies																Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year								Amount
	WGMT	BESA	WGBL	WUKL	CHTHL	WUSA	WHPL	WCPGL	AITPDPL	WASEZ	WFL	WNI	WIPL	WAMIL	ATTL	ETPL	WZTL	Welspun Corp Limited	Welspun Steel Limited	Welspun Tradings Limited	AYM Syntex Limited	Welspun Realty Private Limited	Koolkanya Private Limited	Welassure Private Limited	Wel-treat Enviro Management Organisation Limited	Balance Carried Forward
Transactions during the year																										
Loans, Advances and Deposits given	-	-	-	-	-	-	-	-	-	-	10.00	-	-	17.00	-	-	-	-	-	-	-	-	-	-	-	27.00
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of Loans, Advances and Deposits given	-	-	-	-	-	-	-	-	-	-	10.00	-	-	17.00	-	-	-	-	-	-	-	1.03	-	-	-	28.03
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(#)	-	-	-	(1.02)	-	-	-	(1.02)
Loan Advance & Deposits Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(#)	-	-	-	-	-	-
Purchase of Goods/ MEIS Licenses *	-	-	434.43	-	-	-	-	208.18	-	-	0.32	-	-	17.13	-	-	-	65.69	-	-	2.42	-	-	-	-	728.17
	-	-	(206.23)	-	-	-	-	(363.42)	-	-	(0.15)	-	-	(2.07)	-	-	-	(0.17)	(32.73)	-	(40.96)	-	-	-	-	(645.73)
Purchase of Services/ Expenses incurred *	-	-	#	0.01	-	0.21	-	-	-	0.22	0.08	-	-	-	-	-	0.27	1.40	-	-	-	2.04	0.11	16.02	-	20.36
	-	-	-	-	-	(0.09)	-	-	-	(0.14)	-	-	-	-	-	-	(0.27)	(1.00)	(0.14)	-	-	(2.04)	-	(19.94)	-	(23.62)
Sale of Goods/ DEPB Licenses *	-	-	5,420.67	-	-	3.07	-	12.71	-	0.04	5.03	-	-	7.32	-	-	-	13.63	0.12	-	0.35	-	-	-	-	5,462.94
	-	-	(6,522.56)	-	-	(-0.60)	-	(12.68)	-	(0.07)	(12.00)	-	-	(1.53)	-	-	-	(4.27)	(4.25)	-	(1.28)	-	-	(0.01)	-	(6,557.45)
Sale of Services/ Expenses incurred *	-	-	12.36	-	-	-	-	4.73	-	-	0.52	-	-	-	-	-	-	0.41	#	0.01	-	-	-	0.36	-	18.39
	-	-	(13.22)	-	-	-	-	(4.99)	-	-	(1.46)	-	-	(0.08)	-	-	-	(0.98)	(0.04)	(#)	-	-	-	(0.15)	-	(20.92)
Purchase of Fixed Assets / Capital Goods	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.10)	-	-	-	-	-	-	-	(0.10)
Interest Income	-	-	-	-	-	-	-	-	-	-	0.02	-	-	0.19	-	-	-	-	-	-	-	-	-	-	-	0.21
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend Received	-	-	-	-	-	-	-	-	-	-	-		-		-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-		-		-	-	-	-	-	-	-	-	-	-	-	-
Remuneration and Commission+++	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Director Sitting Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Dividend Paid ***	10.29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10.29
	(10.42)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(10.42)
Corporate Social Responsibility Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment Made during the year	-	-	-	-	-	-	-	-	-	-	14.00	-	-	11.75	-	-	-	-	-	-	-	-	-	-	-	25.75
	-	-	-	-	-	-	-	-	-	-	(103.65)	-	-	(7.25)	(1.00)	(0.31)	-	-	-	-	-	-	-	-	-	(112.21)
Redemption of debenture investment during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	(99.75)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(99.75)

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

(₹ in Crores)

Particulars	Parent	Subsidiary companies																Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year								Amount
	WGMT	BESA	WGBL	WUKL	CHTHL	WUSA	WHPL	WCPGL	AITPDPL	WASEZ	WFL	WNI	WIPL	WAMIL	ATTL	ETPL	WZTL	Welspun Corp Limited	Welspun Steel Limited	Welspun Tradings Limited	AYM Syntex Limited	Welspun Realty Private Limited	Koolkanya Private Limited	Welassure Private Limited	Wel-treat Enviro Management Organisation Limited	Balance Carried Forward
Sale of equity investment during the year	-	-	-	-	-	-	-	-	-	-	-		0.26	-	-	0.31	-	-	-	-	-	-	-	-	-	0.57
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Guarantee Given	-	-	100.00	-	-	-	-	-	-	-	88.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	188.00
	-	-	(130.00)	-	-	-	-	-	-	-	(2.50)	-	-	(100.06)	-	-	-	-	-	-	-	-	-	-	-	(232.56)
Commission on Corporate Guarantee Given *	-	-	-	-	-	-	-	-	-	-	4.25	-	-	1.53	-	-	-	-	-	-	-	-	-	-	-	5.78
	-	-	-	-	(-0.23)	-	-	-	-	-	(4.07)	-	-	(0.65)	-	-	-	-	-	-	-	-	-	-	-	(4.49)
Contributions made	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-
Closing Balance																										
Loans, Advances and Deposits received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	#	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(#)	-	-	-	-	-	-
Loans, Advances and Deposits given (Including Interest Accrued on Loan)	-	1.56	0.51	0.04	-	-	-	0.39	0.05	-	2.40	-	-	1.46	-	-	0.08	0.10	-	-	-	2.31	#	-	1.90	10.80
	-	(1.56)	(0.06)	(0.04)	(0.09)	-	-	(0.25)	(0.05)	-	(4.13)	-	-	(0.62)	-	-	(0.08)	(0.31)	-	-	-	(3.62)	-	-	(1.90)	(12.71)
Provision for diminution in value of Loans/ Advances	-	1.56	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.56
	-	(1.56)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.56)
Trade Receivables (Net of Bills Discounted with Banks)	-	-	524.45	-	-	3.04	-	0.46	-	0.01	0.35	-	-	0.73	-	-	-	8.20	-	-	0.17	-	-	0.07	-	537.48
	-	-	(708.90)	-	-	(1.09)	-	(1.55)	-	(#)	(7.40)	-	-	(0.01)	-	-	-	(3.96)	(0.22)	(#)	(0.36)	-	-	-	-	(723.49)
Trade and other payables	-	-	256.40	0.01	-	1.77	-	37.95	-	-	0.08	-	-	-	-	-	0.14	5.25	-	-	-	-	-	0.54	-	302.14
	-	-	(46.21)	-	-	(1.43)	-	(42.99)	-	-	(0.16)	-	-	-	-	-	(0.09)	-	(4.63)	-	(0.22)	-	-	(1.23)	-	(96.96)
Investments	-	0.01	340.37	-	-	18.25	11.15	80.17	0.01	308.86	617.54	26.93	-	92.01	1.00	-	9.21	-	-	-	1.73	-	-	0.29	-	1,507.53
	-	(0.01)	(331.49)	-	-	(18.25)	(11.15)	(80.17)	(0.01)	(306.38)	(603.54)	(26.93)	(0.26)	(80.26)	(1.00)	(0.31)	(9.21)	-	-	-	(3.19)	-	-	(0.29)	-	(1,472.45)
Provision for impairment of investments	-	-	-	-	-	-	8.18	-	-	-	-	26.93	-	-	-	-	-	-	-	-	-	-	-	-	-	35.11
	-	-	-	-	-	-	(8.18)	-	-	-	-	(26.93)	-	-	-	-	-	-	-	-	-	-	-	-	-	(35.11)
Corporate Guarantee Given	-	-	920.00	-	-	-	-	-	-	-	1,351.50	-	-	351.96		-	-	-	-	-	-	-	-	-	-	2,623.46
	-	-	(820.00)	-	-	-	-	-	-	-	(1,263.50)	-	-	(351.96)	-	-	-	-	-	-	-	-	-	-	-	(2,435.46)
Other Commitments	-	-	-	-	-	-	-	122.18	-	-	172.14	-	-	30.00	123.80	-	-	-	-	-	-	-	-	-	-	448.12
	-	-	-	-	-	-	-	(1,061.20)	-	-	(196.14)	-	-	(58.75)	(123.80)	-	-	-	-	-	-	-	-	-	-	(1,439.89)
Net investment in lease	-	-	-	-	-	-	-	45.29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45.29
	-	-	-	-	-	-	-	(45.10)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(45.10)

Previous year figures are given in brackets

* Amount is inclusive of taxes

** As the liabilities for defined benefit plans and compensated absences are provided on acturial basis for the Company as a whole the amount pertaining to KMP's are not included in the above table.

*** Equity dividend for FY 2021-22

+++ Commission applicable to Balkrishan Goenka, Rajesh Mandawewala and Dipali Goenka

Amount is below the rounding norms adopted by the Company

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

29 (ii) Following are the transactions with related parties for the year ended March 31, 2023

(₹ in Crores)

Particulars	Amount	Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year												Key Management Personnel **											Relatives of Key Management Personnel	Amount
	Balance Brought Forward	Welspun Foundation for Health and Knowldege	Welspun Enterprises Limited	MGN Agro Properties Private Limited	Welspun Speciality Solutions Limited	Aryabhat Vyapar Private Limited	Welspun Multiventure LLP	Welspun Global Services Limited	Welspun Transformation Services Limited	Mounting Renewable Power Limited	Welspun Metallics Limited	Welspun DI Pipes Limited	Welspun India Limited Employee Gratuity Fund	Balkrishan Goenka	Rajesh Mandawewala	Dipali Goenka	Arun Todarwal	Arvind Singhal	Pradeep Poddar	Anisha Motwani	K. H. Vishwanathan	Sanjay Gupta	Sanjeev Sancheti	Shashikant Thorat	Radhika Goenka	TOTAL
Transactions during the year																										
Loans, Advances and Deposits given	27.00	-	0.01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27.01
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of Loans, Advances and Deposits given	28.03	-	-	-	-	-	0.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28.10
	(1.02)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.02)
Loan Advance & Deposits Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of Goods/ MEIS Licenses *	728.17	-	4.92	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	733.09
	(645.73)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(645.73)
Purchase of Services/ Expenses incurred *	20.36	0.10	0.01	-	-	-	-	8.95	8.19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37.61
	(23.62)	-	-	-	-	-	-	(9.92)	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-	(33.54)
Sale of Goods/ DEPB Licenses *	5,462.94	0.01	#	-	-	-	-	-	-	-	9.91	1.34	-	-	-	-	-	-	-	-	-	-	-	-	-	5,474.20
	(6,557.45)	(0.24)	(0.01)	-	(0.01)	-	-	(0.04)	-	-	(1.18)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(6,558.93)
Sale of Services/ Expenses incurred *	18.39	0.07	0.82	-	-	-	-	1.33	-	-	1.36	0.05	-	-	-	-	-	-	-	-	-	-	-	-	-	22.02
	(20.92)	-	(2.15)	-	-	-	-	(1.43)	-	-	(1.26)	(0.05)	-	-	-	-	-	-	-	-	-	-	-	-	-	(25.81)
Purchase of Fixed Assets / Capital Goods	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(0.10)	-	-	(2.24)	(0.11)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2.45)
Interest Income	0.21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.21
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend Received	-		-	-	-	-	-	0.57	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.57
	-	-	-	-	-	-	-	(0.10)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.10)
Remuneration and Commission+++	-	-	-	-	-	-	-	-	-	-	-	-	-	3.20	4.90	7.18	-	-	-	-	-	2.31	-	0.59	-	18.18
	-	-	-	-	-	-	-	-	-	-	-	-	-	(9.09)	(10.79)	(12.57)	-	-	-	-	-	(1.48)	(0.78)	(0.54)	-	(35.25)
Director Sitting Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.08	0.07	0.12	0.14	0.22	-	-	-	-	0.63
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.31)	(0.10)	(0.19)	(0.28)	-	-	-	-	-	(0.88)
Equity Dividend Paid ***	10.29		-	#	-	0.08	-	-	-	-	-	-	-	0.01	#	0.01	-	-	-	-	-	-	-	-	0.03	10.42
	(10.42)	-	-	-	-	(0.08)	-	-	-	-	-	-	-	(0.01)	(#)	(0.01)	-	-	-	-	-	-	-	-	(0.03)	(10.55)
Corporate Social Responsibility Expenses	-	6.22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.22
	-	(10.38)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(10.38)
Investment Made during the year	25.75	-	-	-	-	-	-	-	0.57	0.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26.42
	(112.21)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(112.21)
Redemption of debenture investment during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(99.75)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(99.75)

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

(₹ in Crores)

Particulars	Amount	Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year												Key Management Personnel **											Relatives of Key Management Personnel	Amount
	Balance Brought Forward	Welspun Foundation for Health and Knowldege	Welspun Enterprises Limited	MGN Agro Properties Private Limited	Welspun Speciality Solutions Limited	Aryabhat Vyapar Private Limited	Welspun Multiventure LLP	Welspun Global Services Limited	Welspun Transformation Services Limited	Mounting Renewable Power Limited	Welspun Metallics Limited	Welspun DI Pipes Limited	Welspun India Limited Employee Gratuity Fund	Balkrishan Goenka	Rajesh Mandawewala	Dipali Goenka	Arun Todarwal	Arvind Singhal	Pradeep Poddar	Anisha Motwani	K. H. Vishwanathan	Sanjay Gupta	Sanjeev Sancheti	Shashikant Thorat	Radhika Goenka	TOTAL
Sale of equity investment during the year	0.57	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.57
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Guarantee Given	188.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	188.00
	(232.56)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(232.56)
Commission on Corporate Guarantee Given *	5.78	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.78
	(4.49)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4.49)
Contributions made	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	(2.00)	-	-	-	-	-	-	-	-	-	-	-	-	(2.00)
Closing Balance																										
Loans, Advances and Deposits received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans, Advances and Deposits given (Including Interest Accrued on Loan)	10.80	-	0.83	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11.63
	(12.71)	-	(2.11)	-	-	-	(0.07)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(14.89)
Provision for diminution in value of Loans/ Advances	1.56	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.56
	(1.56)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.56)
Trade Receivables (Net of Bills Discounted with Banks)	537.48	0.01	-	-	#	-	-	0.34	-	-	-	1.39	-	-	-	-	-	-	-	-	-	-	-	-	-	539.22
	(723.49)	(0.01)	-	-	(#)	-	-	(0.26)	-	-	(1.15)	(0.01)	-	-	-	-	-	-	-	-	-	-	-	-	-	(724.92)
Trade and other payables	302.14	-	0.39	-	-	-	-	0.56	0.59	-	-	-	-	2.88	3.20	3.20	-	-	-	-	0.06	-	-	-	-	313.02
	(96.96)	-	(#)	-	-	-	-	(0.55)	-	-	-	-	-	(8.18)	(9.09)	(9.09)	-	-	-	-	-	-	-	-	-	(123.87)
Investments	1,507.53	-	-	-	-	-	-	#	0.57	0.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,508.20
	(1,472.45)	-	-	-	-	-	-	(#)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,472.45)
Provision for impairment of investments	35.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35.11
	(35.11)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(35.11)
Corporate Guarantee Given	2,623.46	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,623.46
	(2,435.46)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,435.46)
Other Commitments	448.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	448.12
	(1,439.89)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,439.89)
Net investment in lease	45.29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45.29
	(45.10)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(45.10)

Previous year figures are given in brackets

* Amount is inclusive of taxes

** As the liabilities for defined benefit plans and compensated absences are provided on acturial basis for the Company as a whole the amount pertaining to KMP's are not included in the above table.

*** Equity dividend for FY 2021-22

+++ Commission applicable to Balkrishan Goenka, Rajesh Mandawewala and Dipali Goenka

Amount is below the rounding norms adopted by the Company

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Note 30 : Contingent Liabilities

(a) Description on matters considered as contingent liabilities:

Description	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Excise, Customs and Service Tax Matters	6.39	6.13
Income Tax Matters	7.83	7.83
Stamp Duty Matter	0.45	0.45
Sales Tax	1.71	1.84
Corporate Guarantees (Refer Note 32)	1,498.21	1,645.48

(i) It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

(ii) The Company does not expect any reimbursements in respect of the above contingent liabilities.

Note 31 : Capital and Other Commitments

(a) Capital Commitments

Description	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Estimated value of Contracts in Capital Account remaining to be executed (Net of Capital Advances)	7.71	42.33

(b) Other Commitments

Description	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Commitment for purchase of power and steam from Welspun Captive Power Generation Limited over the next three years.	-	1,061.20
Commitment for purchase of power on job work basis from Welspun Captive Power Generation Limited over the next three years.	122.18	-
Commitment for loan to or investment in Welspun Flooring Limited.	172.14	196.14
Commitment for loan to or investment in Welspun Advanced Materials (India) Limited.	30.00	58.75
Commitment for loan to or investment in Anjar Terry Towels Limited.	123.80	123.80

Note 32 : Disclosure required under Sec 186(4) of the Companies Act 2013

Details of corporate guarantees issued by the Company and liability outstanding against corporate guarantees as on March 31, 2023.

Name of Related Party	Purpose of Corporate Guarantee	Corporate Guarantee Amount (₹ in Crores)	Liability Outstanding against Corporate Guarantees issued (₹ in Crores)
Welspun Global Brands Limited	Working Capital	920.00	347.43
Welspun Flooring Limited	Working Capital/ Term Loan/ Forward Contract Risk	1,351.50	842.13
Welspun Advanced Materials (India) Limited	Term Loan/ Export obligations under EPCG	351.96	308.65
Total		**2,623.46**	**1,498.21**

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Details of corporate guarantees issued by the Company and liability outstanding against corporate guarantees as on March 31, 2022.

Name of Related Party	Purpose of Corporate Guarantee	Corporate Guarantee Amount (₹ in Crores)	Liability Outstanding against Corporate Guarantees issued (₹ in Crores)
Welspun Global Brands Limited	Working Capital	820.00	503.60
Welspun Flooring Limited	Working Capital/ Term Loan/ Forward Contract Risk	1,263.50	867.71
Welspun Advanced Materials (India) Limited	Term Loan/ Export obligations under EPCG	351.96	274.17
Total		**2,435.46**	**1,645.48**

Note 33 : Earnings per Share

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit after Tax (A) (₹ in Crores)	151.68	392.13
Weighted average number of equity shares outstanding during the year (B)	98,42,28,482	99,27,61,680
Number of Shares for Diluted Earnings Per Share (C)	98,23,51,052	99,27,72,714
Basic earnings per share (A)/(B)	1.54	3.95
Diluted earnings per share (A)/(C)	1.54	3.95
Nominal value of an equity share (Re.)	1.00	1.00

As at the end of current year, the outstanding potential equity shares had an anti-dilutive effect on EPS. Hence, there is no dilution of EPS of the Company for the current year.

Note 34 : Buy-back of equity shares

During previous year the Company had made an offer for buy-back of fully paid-up equity shares of Re, 1 each of the Company, not exceeding 1,66,66,666 equity shares (representing approximately 1.66% of the total number of equity shares in the issued, subscribed and paid up equity capital) at a price of ₹ 120 per equity share, not exceeding ₹ 200 crore on a proportionate basis by way of tender offer in accordance with the provisions of Companies Act, 2013 and SEBI (Buy-Back of Securities) Regulations, 2018. The tendering period for the buyback offer opened on June 22, 2021 and closed on July 05, 2021. Total 1,66,66,666 equity shares were bought back at a price of ₹120 per equity share and total amount utilised in buy-back was ₹ 200 crore. The settlement of bids by the Clearing Corporation on the stock exchange was completed on July 14, 2021. Accordingly, the equity share capital was reduced by ₹1.67 crore and the premium on buy-back of ₹198.33 crore was adjusted against Securities Premium account. Consequently, the Company has transferred an amount of ₹ 1.67 crore being the nominal value of shares purchased from Securities Premium Account to Capital Redemption Reserve as per the requirement of Section 69 of the Companies Act 2013.

Note 35 : Leases

Company as lessee

The Company has lease contracts for various items of commercial property and other equipment used in its operations. Leases of commercial property generally have lease terms between 2 and 16 years while other equipment generally have lease terms between 2 and 4 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets and some contracts require the Company to maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Company also has certain leases with lease terms of 12 months or less and leases with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

(₹ in Crores)

Particulars	Right to use assets		
	Commercial Property	Other Equipments	Total
As at March 31, 2021	10.47	2.78	13.25
Additions	0.74	-	0.74
Deletions	-	-	-
Depreciation expense	(4.00)	(1.27)	(5.27)
As at March 31, 2022	7.21	1.51	8.72
Additions	7.72	-	7.72
Deletions	(0.41)	-	(0.41)
Depreciation expense	(3.76)	(1.03)	(4.79)
As at March 31, 2023	10.76	0.48	11.24

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Balance at the beginning of the year	9.94	14.55
Additions	7.72	0.74
Deletions	(0.42)	-
Accretion of interest	1.72	1.47
Payments	(6.26)	(6.82)
Balance at the end of the year	12.70	9.94
Current lease liabilities	4.30	3.41
Non-Current lease liabilities	8.40	6.53

The maturity analysis of lease liabilities are disclosed in Note 26.

The effective interest rate for lease liabilities is 10% (Previous Year : 10%)

The following are the amounts recognised in statement of profit and loss:

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Depreciation expense of right-of-use assets	4.79	5.27
Interest expense on lease liabilities	1.72	1.47
Expense relating to short-term leases and low value assets (Included in Note 22 Other Expenses under Rent)	2.19	2.32
Total amount recognised in profit or loss	**8.70**	**9.06**

The Company had total cash outflows for leases of ₹ 8.45 crore in March 31, 2023 (₹ 9.14 crore in March 31, 2022). There are no non-cash additions to right-of-use assets and lease liabilities. There are no future cash outflows relating to leases that have not yet commenced.

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Company as lessor

The Company has entered in to lease agreement with Welspun Captive Power Generation Limited in respect of Boiler. This is accounted as finance lease as the material risks and rewards are transferred to the lessee.

The effective interest rate contracted is 7.35 % per annum (FY 2021-22: 7.35%).

The following amounts are included in the Balance Sheet :

Particulars	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Non-current lease receivables [Refer Note 6 (c)]	44.59	45.10
Current lease receivables [Refer Note 6 (c)]	0.70	-

The following amounts are recognised in the Statement of Profit and Loss:

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Finance income on the net investment in finance leases (Refer Note 17)	4.19	2.28

The table below provides details regarding contractual undiscounted cash flows:

Particulars	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Due in 1st Year	4.00	4.00
Due in 2nd Year	4.00	4.00
Due in 3rd to 5th Year	12.01	12.01
Due beyond 5th Year	77.08	81.08
Total	**97.09**	**101.09**

Note 36 : Disclosure pursuant to the Regulation 34(3) read with Para A of Schedule V of SEBI listing Regulations, 2015

(₹ in Crores)

	Particulars	Balance as at March 31, 2023	Maximum amount outstanding during the year ended March 31, 2023	Balance as at March 31, 2022	Maximum amount outstanding during the year ended March 31, 2022
i	Loans and advances in the nature of loans to subsidiary (excluding interest accrued)				
	- Besa Developers and Infrastructure Private Limited	1.56*	-	1.56*	-
	- Welspun Flooring Limited	-	10.00	-	-
	- Welspun Advanced Materials (India) Limited	-	15.07	-	-
ii.	Loans and advances in the nature of loans to associates	-	-	-	-
iii	Loans and advances in the nature of loans to firms/ companies in which directors are interested	-	-	-	-
iv	Investments by the Loanee in the shares of the Company as at March 31, 2022	-	-	-	-

* Provision for doubtful loans and advance of ₹ 1.56 crore (March 31, 2022 : ₹ 1.56 crore) has been made.

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Note 37 : Disclosure for Micro and Small Enterprises

Particulars	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year		
-Principal	36.22	41.46
-Interest	-	-
The amount of interest paid by the buyer in terms of Section 16 along with the amount of the payment made to the supplier beyond the appointed day during the year		
-Principal	26.34	32.05
-Interest	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid beyond the appointed day during the year) but without adding the interest specified	-	-
The amount of interest accrued and remaining unpaid at the end of year	0.13	0.41

The above information and that given in Note 11 (c) – "Trade Payable" regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 38 : Details of Research and Development expenses incurred during the year, debited under various heads of Statement of Profit and Loss are given below:

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Material Consumption	24.05	15.52
Employee benefits expenses	4.29	6.39
Others	3.90	4.48
Total	**32.24**	**26.39**

Note 39 : As required by Ind AS 108 – "Operating Segments", the Company has disclosed segment information in Consolidated Financial Statements and hence is not required to disclose the same in the Standalone Financial Statements.

Note 40 : Expenditure in Foreign Currency (net, on accrual basis)

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Design and Development Expenses	0.48	0.52
Repairs and Maintenance	0.57	0.77
Legal and Professional Charges	7.20	4.07
Membership and Subscription	0.35	0.73
Advertisement and Sales Promotion	1.47	1.88
Others	0.27	0.37
Total	**10.34**	**8.34**

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Note 41 : Details of Consumption and Purchases

(a) Details of Raw Materials and Packing Materials consumed

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Cotton Yarn	1,245.67	1,283.63
Cotton	1,120.79	1,009.32
Fabric	247.16	285.39
Others	59.94	85.17
Bed Linen Fabrics	296.07	472.83
Fiber	172.93	163.25
Packing Materials	145.30	214.63
Total	**3,287.86**	**3,514.22**

(b) Value of Imported and Indigenous Raw Materials, Packing Materials and Stores, Spare Parts Consumed and Percentage

1) Raw Materials and Packing Materials

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	%	₹ in Crores	%	₹ in Crores
Imported	9.64%	316.82	12.92%	453.90
Indigenous	90.36%	2,971.04	87.08%	3,060.32
Total	**100.00%**	**3,287.86**	**100.00%**	**3,514.22**

2) Stores, Spares, Dyes and Chemicals

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	%	₹ in Crores	%	₹ in Crores
Imported	9.43%	31.92	7.54%	31.80
Indigenous	90.57%	306.61	92.46%	389.76
Total	**100.00%**	**338.53**	**100.00%**	**421.56**

Note 42 : Dividend remitted in foreign exchange

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Number of non-resident shareholders	2,067	1,238
Number of shares on which dividend is remitted	23,12,981	20,55,402
Year to which dividend relates	FY 2021-22	FY 2020-21
Amount remitted (₹ in Crores)	0.03	0.03

Note 43 : Earnings in foreign currency

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Revenue from Exports on FOB basis	3.07	75.70
Commission on Corporate Guarantee	-	0.09
Others (sale of machinery)	1.85	-
Total	**4.92**	**75.79**

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Note 44 : Ratio Analysis and its elements

Sr. No.	Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% Change	Reason for variance
1	Current Ratio (in times)	Current Assets	Current Liabilities	1.45	1.33	9.72%	
2	Inventory turnover ratio (in times)	Cost of Goods Sold	Average Inventory	3.07	3.61	-14.83%	
3	Trade receivables turnover ratio (in times)	Revenue from Operations (excluding government subsidy and export incentives)	Average Accounts Receivable	7.67	8.36	-8.28%	
4	Debt Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.26	0.38	-31.48%	On account of reduction in debt, the ratio has improved during the year
5	Debt Service Coverage Ratio (in times)	Profit after tax + Interest expense + Depreciation and amortisation expense	Long term debt (excluding prepayments) repaid during the period + Interest payments + Lease payments	2.69	4.00	-32.71%	On account of increase in input cost and lower revenue, the margins are affected thus leading to lower profit and lower debt service coverage
6	Return on Equity Ratio (in %)	Profit after tax	Average Shareholder's Equity	4.33%	11.51%	-62.42%	On account of increase in input cost and lower revenue, the margins are affected thus leading to lower return on equity
7	Trade Payables Turnover Ratio (in times)	Purchases	Average Trade Payables	6.04	6.40	-5.54%	
8	Net Capital Turnover Ratio (in times)	Revenue from Operations	Current Assets - Current Liabilities	7.21	10.48	-31.25%	On account of lower revenue the ratio has deteriorated
9	Net Profit Ratio (in %)	Profit after tax	Revenue from Operations	2.68%	5.85%	-54.14%	On account of increase in input cost and lower revenue, the margins are affected thus leading to lower net profit
10	Return on Capital Employed Ratio (in %)	Earnings before interest and taxes	Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)	6.04%	13.85%	-56.36%	On account of increase in input cost and lower revenue, the margins are affected thus leading to lower return on capital employed
11	Return on Investment Ratio (in %)	Interest (Finance Income)	Weighted Average Investment	7.63%	6.61%	15.43%	

Note 45 : Share Based Payments

On July 31, 2021 and November 26, 2021, Nomination and Remuneration Committee of the company made grants of 30,00,000 and 3,00,000 stock options ("ESOPs") respectively, under Welspun India Limited Employee Stock Option Scheme ("WELSOP 2005") representing an equal number of equity shares of face value of Re. 1 each in the Company, at an exercise price (closing market price on date of grants) to certain employees of the Company and certain employees / non-independent directors of the subsidiaries. The salient features of the Scheme are as under:

(i) Vesting: Options to vest over a period of four years from the date of their grants as under

- 20% of the Options granted to vest at each of the 1st and 2nd anniversaries of the date of grant.
- 30% of the Options granted to vest at each of the 3rd and 4th anniversaries of the date of grant.

(ii) Exercise: Options vested with an employee will be exercisable within 3 years from the date of their vesting by subscribing to the number of equity shares in the ratio of one equity share for every option at the Exercise Price. In the event of cessation of employment due to death, resignation or otherwise, the Options may lapse or be exercisable in the manner specifically provided for in the Scheme.

(iii) Method Used: The Fair value of Equity-settled share-based payment are estimated using Black-Scholes-Merton formula.

The expense recognised for employee services received during the year is shown in the following table:

Particulars	March 31, 2023 (₹ in Crores)	March 31, 2022 (₹ in Crores)
Expense arising from equity-settled share-based payment transactions*	1.68	1.74

* Expense disclosed is net off expense recovered from Subsidiary for ESOP amounting to ₹ 0.45 Crore (March 31, 2022: ₹ 0.83 Crore)

There were no cancellations or modifications to the awards in year ending March 31, 2023

Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year :

Particulars	March 31, 2023		March 31, 2022	
	Number	WAEP	Number	WAEP
Options Outstanding at beginning of the year	29,00,000	134.02	-	-
Options Granted during the year	-	-	33,00,000	133.95
Options Forfeited during the year	-	-	-	-
Options Exercised during the year	-	-	-	-
Options Expired during the year	6,00,000	133.45	4,00,000	133.45
Options Outstanding at end of the year	23,00,000	134.17	29,00,000	134.02

Out of the total options outstanding as on March 31, 2023, 4,60,000 options (Previous Year: Nil) were vested but not exercised.

Summary of Valuation Assumptions:

Particulars	Option granted on July 31, 2021	Option granted on November 26, 2021
Share Price on Grant Date	133.45	139.00
Exercise price	133.45	139.00
Dividend Yield	1.05%	1.05%
Expected Volatility	50%	50%
Risk-free interest rate	3.94% - 5.65%	4.29% - 5.65%
Expected Term (years)	1 - 4	1 - 4
Weighted Average remaning contractual life (years)	4.04	4.36
Weighted Average Fair value of Option on the date of grant	44.80	46.86

The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk free rate of interest. The expected term of the share options and SARs is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Note 46 : Other Statutory Information

1. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

2. The following table depicts the details of balances outstanding in respect of transactions undertaken with a company struck-off under section 248 of the Companies Act, 2013:

(₹ in Crores)

Name of Struck off Company	Relationship with the struck-off Company	Nature of transactions with struck-off Company	Balance as at March 31, 2023	Balance as at March 31, 2022	Amount of Transaction for the year ended March 31, 2023	Amount of Transaction for the year ended March 31, 2022
SHRI KRISHNA TEXYARN PVT LTD	Vendor	Purchase of material	-	-	#	#
SHALOM MEDIA SOLUTIONS PVT LIMITED	Vendor	Purchase of services	-	-	0.03	-
UNIVERSAL PEST CONTROL PVT LTD	Vendor	Purchase of services	#	#	-	-
INNOVATIVE TENSILE PRIVATE LIMITED	Vendor	Purchase of services	0.04	0.04	-	-
WELL STONE CONSTRUCTIONS PRIVATE LIMITED	Vendor	Purchase of services	-	-	0.04	0.04

Amount is below the rounding norms adopted by the Company

3. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

4. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

   (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

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

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

7. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

Note 47 : Events after reporting period

The Board of Directors in its meeting held on April 27, 2023, has approved the buy-back of fully paid -up equity shares of face value of Re. 1/- each of the Company, at a price ₹ 120 per equity share (maximum buy-back price) and for an amount of ₹ 195 crore (maximum buy-back size) by way of tender offer in accordance with the provisions contained in the SEBI (Buy-back of Securities) Regulations, 2018 and the Companies Act, 2013 and rules made thereunder.

Note 48 : The figures for the previous year are re-arranged/ re-grouped, wherever necessary.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

per Anil Jobanputra
Partner
Membership No. 110759

Place: Mumbai
Date: April 27, 2023

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN: 00270175

Rajesh Mandawewala
Executive Vice Chairman
DIN: 00007179

Dipali Goenka
MD and CEO
DIN: 00007199

Sanjay Gupta
Chief Financial Officer
Place: Mumbai
Date: April 27, 2023

Shashikant Thorat
Company Secretary
Place: Mumbai
Date: April 27, 2023

Independent Auditor's Report

To the Members of Welspun India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Welspun India Limited (hereinafter referred to as "the Holding Company" including Welspun India Employee Welfare Trust), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate comprising of the consolidated Balance sheet as at March 31, 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2023, their consolidated profits including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and associate 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 audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Measurement of government grant (as described in note 2.7 of the consolidated financial statements)	
The consolidated financial statements include claims of government grant in respect of the following: a. Claims in the form of reimbursement of State Goods and Service Tax (SGST) collected on sale of products based on the extent of the eligible capital investments in plant and machinery for the specified period under the Gujarat Textile Policy (the 'Policy') by the Holding Company. During the current year, there has been a change in the product /sale mix which has been factored by the management for computation of government grant. b. Claims in the form of one time capital subsidy, interest subsidy on eligible capital investments, power subsidy, reimbursement of land and stamp duty and reimbursement of State Goods and Service Tax (SGST) collected on products sold to the extent of the eligible capital investments in plant and machinery for the specified period under Telangana Textile and Apparel Policy (TTAP) by two of the subsidiary companies. The estimates and judgements used by the management in the computation of government grants includes: • Future sales growth rate; • Future product/sales mix and eligibility period • Input tax credit utilisation; • SGST rates on the products; • Eligible capital investments limit; Considering the significance of the estimates and judgements used by the management, we have determined this to be a key audit matter.	We performed the following audit procedures, among others: • We obtained an understanding, evaluated the design and tested operating effectiveness of the controls related to the government grants, including the controls in respect of measurement of the grants. • We analysed the forecast in respect of sales and purchase used by the management in computation of the government grant with respect to reimbursement of SGST. • We compared the forecast in respect to sales and purchase to the business plan and previous forecast to the actual results. • We compared the eligible capital investments considered by the management with the amount sanctioned by the concerned regulatory authority and with the maximum amount of claim which can be utilized over eligibility period. • We analysed the inputs used in the computation of government grant as per the modalities to claim the reimbursement of SGST under the Policy. • We evaluated the basis of management estimates and judgements in respect of: - Future sales growth rate; - Future product/sales mix and eligibility period - Input tax credit utilization; - SGST rates on products; and - Eligible capital investments • We read the legal opinion obtained by the Company in respect of incentive under the policy. • We tested the arithmetical accuracy of the computation of government grant.
Impairment of goodwill (as described in note 2.13 of the consolidated financial statements)	
The consolidated financial statements of the Company has Goodwill of ₹ 186.13 Crores for the year ended March 31, 2023. These goodwill balances are allocated to Cash Generating Units (CGUs) which are tested annually for impairment. This testing is done by using discounted cash-flow models of each CGU's to determine the recoverable value which is then compared with the carrying values of the net assets. A deficit between the recoverable value and the CGU's net assets would result in impairment. The Group uses a discounted cash flow model ('model') to determine value in use. The Key inputs and assumptions used in the model are following: Sales growth rate; Operating cash profit (%); Pre-tax discount rate (%); and Perpetuity growth rate (%) Considering that the impairment assessment requires consideration of above inputs that involve significant degree of management judgement, this is determined as key audit matter.	We performed the following audit procedures, among others: • We assessed the Group's methodology applied in determining the CGUs to which goodwill is allocated. • We evaluated the forecast of future cash flows used by the management in the model to compute the CGU's recoverable value. • We compared the forecast of future cash flows to business plan and previous forecasts to the actual results and analyzed results for material differences, if any. • We evaluated the basis of management assumptions in respect of future sales growth rate, operating cash profit, perpetuity growth rate and discount rate used to compute the CGU's recoverable value. • We involved valuation experts to assist in evaluating the key assumptions and methodologies used by the Holding Company in computing the CGU's recoverable value. • We tested the arithmetical accuracy of the management's impairment testing model. • We read and assessed the disclosures made in the financial statements.

Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
Measurement of Deferred tax and unused tax credits (as described in note 2.8 of the consolidated financial statements)	
A subsidiary company claims deduction under Chapter VIA of the Income Tax Act, 1961. The tax deduction computation involves significant estimates and judgements in respect of selling price of the products and purchase of goods and services from the vendors. Further, the subsidiary company has generated credit of Minimum Alternate Tax (MAT) recorded as deferred tax assets. As at March 31, 2023, the said subsidiary has MAT credit of ₹ 72.65 Crores. The utilization of MAT credit involves significant estimates and judgements in respect of forecasted taxable profits for future years. Due to the significance and materiality of the deferred tax balances of the above subsidiary and the judgment involved in determining these, this matter was considered significant to our audit and hence a key audit matter.	Our procedures over measurement of tax included the following: • We obtained an understanding, evaluated the design and tested the operating effectiveness of the controls related to procurement and sales process. • We evaluated the basis of management assumptions in respect of prices for sales and purchase of goods and services and measurement of deduction claim under chapter VI A of the Income Tax Act, 1961 • We involved tax experts to assist in evaluating measurement of income tax charge for the year including computation of deduction and evaluation of various tax positions and potential exposures Our procedures over recoverability of the deferred tax asset relating to the said subsidiary included the following: • We evaluated the forecast of future taxable income post tax holiday period prepared by the management to assess the recoverability of deferred tax asset. • We read legal opinion obtained by the said subsidiary to assess eligibility of tax holiday period. • We compared the forecast of future taxable income to business plan and previous forecasts to the actual results and analyzed results for material differences, if any. • We tested the arithmetical accuracy of the model used to compute the recoverability of deferred tax asset. • We read and assessed disclosures made in the consolidated financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated 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.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2023 and are therefore the

Independent Auditor's Report (Contd.)

key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of Welspun India Employee Welfare Trust, whose financial statements include total assets of ₹ 80.58 Crores as at March 31, 2023 and total revenues ₹ 0.12 Crore, total net loss after tax of ₹ 0.01 Crore for the year ended on that date and net cash inflow of ₹0.01 Crore for the year ended March 31, 2023. These financial statement and other financial information have been audited by other auditor, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of Welspun India Employee Welfare Trust, is based solely on the reports of such other auditors.

(b) We did not audit the financial statements and other financial information, in respect of 10 subsidiaries, whose financial statements include total assets of ₹ 521.32 Crores as at March 31, 2023, and total revenues of ₹ 289.76 Crores and net cash outflows of ₹ 2.44 Crores for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of ₹ 0.05 Crores for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of an associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, trust and associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of such other auditors.

(c) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 4 subsidiaries whose financial statements and other financial information reflect total assets of ₹ 134.81 Crores as at March 31, 2023, and total revenues of ₹ Nil and net cash inflows of ₹ 0.08 Crores for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. 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, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and associate companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associate and trust, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon 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 of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and of its associate companies, none of the directors of the Group's companies and its associate, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies and its associate companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and its associate, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company, its subsidiaries and its associate incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and its associate, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate in its consolidated financial statements – Refer Note 35 to the consolidated financial statements;

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 26(C)(i)(a) to the consolidated financial statements.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and its associate, incorporated in India during the year ended March 31, 2023.

iv. a) The respective managements of the Holding Company and its subsidiaries and its associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and its associate respectively that, to the best of its knowledge and belief, as disclosed in the note 40(v) to the consolidated 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 Holding Company or any of such subsidiaries and associate to or in any other persons or entities, 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 respective Holding Company or any of such subsidiaries and its associate

Independent Auditor's Report (Contd.)

("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries and its associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief, as disclosed in the note 40(vi) to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries and its associate from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and its associate 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 the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and its associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) The final dividend paid by the Holding Company, its subsidiaries and its associate companies incorporated in India during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 27(b) to the consolidated financial statements, the respective Board of Directors of the Holding Company and its subsidiary incorporated in India have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 1, 2023 for the Holding Company, its subsidiaries and its associate companies incorporated in India, hence reporting under this clause is not applicable.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 23110759BGVZRU4922
Place of Signature: Mumbai
Date: April 27, 2023

Annexure 1

referred to in Paragraph 1 of the section on "Report on other legal and regulatory requirements" of our report of even date

Re: Welspun India Limited ("the Company")

In terms of the information and explanation sought by us and given by the Company and the books of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 23110759BGVZRU4922
Place of Signature: Mumbai
Date: April 27, 2023

Annexure 2

To the Independent Auditor's Report of Even Date on the Consolidated Financial Statements of Welspun India Limted

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Welspun India Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group and its associate, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 9 subsidiaries and an associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and associate incorporated in India.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 23110759BGVZRU4922
Place of Signature: Mumbai
Date: April 27, 2023

Consolidated Balance Sheet

As at March 31, 2023

Particulars	Note	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
ASSETS			
Non-current Assets			
Property, Plant and Equipment	3	3,611.34	3,696.03
Capital work-in-progress	3	45.68	161.73
Goodwill on Consolidation	4	186.13	183.16
Other Intangible assets	4	21.03	21.45
Right-of-use assets	34	99.38	104.70
Intangible assets Under Development	4	0.28	4.22
Financial assets			
- Investments	5 (a)	6.83	3.88
- Loans	5 (b)	0.28	1.90
- Other financial assets	5 (c)	69.00	192.18
Non-current tax assets (net)		40.51	40.34
Deferred tax assets (net)	6	122.65	125.06
Other non-current assets	7	28.87	52.30
Total non-current assets		**4,231.98**	**4,586.95**
Current Assets			
Inventories	8	1,969.83	1,977.87
Financial assets			
- Investments	5 (a)	634.68	693.94
- Trade receivables	5 (d)	960.46	999.29
- Cash & cash equivalents	5 (e)	146.12	231.81
- Bank balances other than cash and cash equivalents above	5 (f)	35.25	33.72
- Loans	5 (b)	2.10	0.60
- Other financial assets	5 (c)	318.75	233.22
Current tax assets (net)		6.13	2.84
Other current assets	7	344.78	676.61
Total current assets		**4,418.10**	**4,849.90**
Total Assets		**8,650.08**	**9,436.85**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	9 (a)	98.81	98.81
Other Equity			
- Reserves and surplus	9 (b)	3,974.85	3,862.03
- Other reserves	9 (c)	14.15	10.84
Equity attributable to owners of Welspun India Limited		**4,087.81**	**3,971.68**
Non-controlling Interests		108.22	104.57
Total Equity		**4,196.03**	**4,076.25**
LIABILITIES			
Non-current liabilities			
Financials liabilities			
- Borrowings	10 (a)	971.95	1,053.61
- Lease liabilities	34	81.34	90.42
- Other financial liabilities	10 (b)	9.03	7.34
Non-current tax liabilities (net)		221.03	222.90
Provisions	11	0.32	2.88
Deferred tax liabilities (net)	13	323.87	298.03
Other non-current liabilities	14	179.52	144.18
Total non-current liabilities		**1,787.06**	**1,819.36**
Current liabilities			
Financials liabilities			
- Borrowings	10 (a)	1,378.45	2,134.77
- Lease liabilities	34	30.08	25.15
- Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	10 (c)	64.75	58.04
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	10 (c)	804.95	872.50
- Other financial liabilities	10 (b)	52.86	84.09
Employee benefit obligations	12	145.70	154.41
Current Tax Liabilities (net)		50.87	66.96
Other Current Liabilities	14	139.33	145.32
Total current liabilities		**2,666.99**	**3,541.24**
Total liabilities		**4,454.05**	**5,360.60**
Total Equity and Liabilities		**8,650.08**	**9,436.85**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

per Anil Jobanputra
Partner
Membership No. 110759

Place: Mumbai
Date: April 27, 2023

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN: 00270175

Rajesh Mandawewala
Executive Vice Chairman
DIN: 00007179

Dipali Goenka
MD and CEO
DIN: 00007199

Sanjay Gupta
Chief Financial Officer
Place: Mumbai
Date: April 27, 2023

Shashikant Thorat
Company Secretary

Consolidated Statement of Profit and Loss

For the year ended March 31, 2023

Particulars	Note	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Income			
Revenue from Operations	15	8,093.76	9,311.47
Other Income	16	121.34	65.84
Total Income		**8,215.10**	**9,377.31**
Expenses			
Cost of materials consumed	17	4,018.32	4,361.89
Purchases of stock-in-trade		201.52	855.78
Changes in inventory of finished goods, work-in-progress and stock-in-trade	18	294.19	(123.60)
Employee benefits expense	19	794.35	866.70
Depreciation and amortization expense	20	442.14	420.47
Other expenses	21	2,032.84	1,991.98
Finance costs	22	129.88	131.25
Total expenses		**7,913.24**	**8,504.47**
Profit before Share of Associate's Net Profit and Tax		**301.86**	**872.84**
Share of Associate's Net Profit		0.05	0.13
Profit before tax		301.91	872.97
Income tax expense	24		
- Current tax		73.73	222.98
- Current tax credit related to earlier years		(5.77)	-
- Deferred tax charge related to earlier years		5.96	13.80
- Deferred tax charge		25.48	29.48
Total Income Tax Expense		**99.40**	**266.26**
Profit for the year		**202.51**	**606.71**
Other Comprehensive Income			
A (i) Items that may be reclassified to profit or loss			
Exchange gain in translation of foreign operation	9 (c)	15.60	4.65
Deferred loss on cash flow hedges	9 (c)	(14.48)	(31.95)
(ii) Income tax effect	24	3.64	8.04
		4.76	**(19.26)**
B (i) Items that will not be reclassified to profit or loss			
Gain / (loss) due to Change in fair value of FVOCI equity instruments	9 (c)	(1.46)	1.87
Gain due to Remeasurement of post employment benefit obligation	19	1.82	1.85
(ii) Income tax effect	24	(0.45)	(0.32)
		(0.09)	**3.40**
Other comprehensive income / (Loss) for the year, net of tax		**4.67**	**(15.86)**
Total Comprehensive Income for the year		**207.18**	**590.85**
Profit is attributable to			
- Owners of Welspun India Limited		198.83	601.17
- Non-controlling interests		3.68	5.54
Other comprehensive income is attributable to:			
- Owners of Welspun India Limited		4.70	(15.45)
- Non-controlling interests		(0.03)	(0.41)
Total Comprehensive Income is attributable to			
- Owners of Welspun India Limited		203.53	585.72
- Non-controlling interests		3.65	5.13
Earnings Per Share (₹) [Nominal value per share : Re.1 (March 31, 2022 : Re.1)]	33		
- Basic		2.02	6.06
- Diluted		2.02	6.06
Summary of significant accounting policies	2		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

per Anil Jobanputra
Partner
Membership No. 110759

Place: Mumbai
Date: April 27, 2023

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN: 00270175

Rajesh Mandawewala
Executive Vice Chairman
DIN: 00007179

Dipali Goenka
MD and CEO
DIN: 00007199

Sanjay Gupta
Chief Financial Officer

Shashikant Thorat
Company Secretary

Place: Mumbai
Date: April 27, 2023

Consolidated Statement of Changes in Equity

For the year ended March 31, 2023

a. Equity Share Capital

(₹ in Crores)

Equity shares of Re. 1 each issued, subscribed and fully paid	No. of shares	Amount
Balance as at March 31, 2021	**1,00,47,24,050**	**100.48**
Changes during the year (Refer Note 38)	(1,66,66,666)	(1.67)
Balance as at March 31, 2022	**98,80,57,384**	**98.81**
Changes during the year	-	-
Balance as at March 31, 2023	**98,80,57,384**	**98.81**

b. Other Equity

(₹ in Crores)

Particulars	Note	Reserves and Surplus								Other Reserves				Total other equity	Non-controlling interests	Total
		Capital redemption reserve	Capital reserve	Securities premium	General reserve	Share-based Payment Reserve	Treasury Shares	Retained earnings	Total	FVOCI Equity instruments	Hedging reserve	Foreign currency translation reserve	Total			
Balance as at April 1, 2021		**160.76**	**147.53**	**323.81**	**93.14**	**-**	**-**	**2,791.13**	**3,516.37**	**0.76**	**33.05**	**(5.98)**	**27.83**	**3,544.20**	**98.55**	**3,642.75**
Profit for the year		-	-	-	-	-	-	601.16	601.16	-	-	-	-	601.16	5.54	606.70
Other Comprehensive Income	9(b), 9(c)	-	-	-	-	-	-	1.53	1.53	1.87	(23.44)	4.58	(16.99)	(15.46)	(0.41)	(15.87)
Total Comprehensive Income for the year		-	-	-	-	-	-	602.69	602.69	1.87	(23.44)	4.58	(16.99)	585.70	5.13	590.83
Transactions with owners in their capacity as owners :																
Dividends paid	27(b)	-	-	-	-	-	-	(15.07)	(15.07)	-	-	-	-	(15.07)	-	(15.07)
Transfer to Capital Redemption Reserve	9(b)	1.67	-	(1.67)	-	-	-	-	-	-	-	-	-	-	-	-
Buyback of equity shares	38	-	-	(198.33)	-	-	-	(46.20)	(244.53)	-	-	-	-	(244.53)	-	(244.53)
Share-based payments	23	-	-	-	-	2.57	-	-	2.57	-	-	-	-	2.57	-	2.57
Transactions with non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	-	-	0.89	0.89
Acquisition of a subsidiary		-	*	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2022		**162.43**	**147.53**	**123.81**	**93.14**	**2.57**	**-**	**3,332.55**	**3,862.03**	**2.63**	**9.61**	**(1.40)**	**10.84**	**3,872.87**	**104.57**	**3,977.44**
Balance as at April 1, 2022		**162.43**	**147.53**	**123.81**	**93.14**	**2.57**	**-**	**3,332.55**	**3,862.03**	**2.63**	**9.61**	**(1.40)**	**10.84**	**3,872.87**	**104.57**	**3,977.44**
Profit for the year		-	-	-	-	-	-	198.83	198.83	-	-	-	-	198.83	3.68	202.51
Other Comprehensive Income	9 (b), 9 (c)	-	-	-	-	-	-	1.39	1.39	(1.46)	(10.62)	15.39	3.31	4.70	(0.03)	4.67
Total Comprehensive Income for the year		**-**	**-**	**-**	**-**	**-**	**-**	**200.22**	**200.22**	**(1.46)**	**(10.62)**	**15.39**	**3.31**	**203.53**	**3.65**	**207.18**

Consolidated Statement of Changes in Equity
For the year ended March 31, 2023

(₹ in Crores)

Particulars	Note	Reserves and Surplus								Other Reserves				Total other equity	Non-controlling interests	Total
		Capital redemption reserve	Capital reserve	Securities premium	General reserve	Share-based Payment Reserve	Treasury Shares	Retained earnings	Total	FVOCI Equity instruments	Hedging reserve	Foreign currency translation reserve	Total			
Transactions with owners in their capacity as owners:																
Add/(Less):																
Dividends paid	27(b)	-	-	-	-	-	-	(14.82)	(14.82)	-	-	-	-	(14.82)	-	(14.82)
Share-based payments	23	-	-	-	-	1.80	-	0.33	2.13	-	-	-	-	2.13	-	2.13
Equity shares of the company purchased by Welspun India Employees Welfare Trust	9(b)	-	-	-	-	-	(74.71)	-	(74.71)	-	-	-	-	(74.71)	-	(74.71)
Balance as at March 31, 2023		**162.43**	**147.53**	**123.81**	**93.14**	**4.37**	**(74.71)**	**3,518.28**	**3,974.85**	**1.17**	**(1.01)**	**13.99**	**14.15**	**3,989.00**	**108.22**	**4,097.22**

* Amount is below the rounding norms adopted by the Company

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

per Anil Jobanputra
Partner
Membership No. 110759

Place: Mumbai
Date: April 27, 2023

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN: 00270175

Rajesh Mandawewala
Executive Vice Chairman
DIN: 00007179

Dipali Goenka
MD and CEO
DIN: 00007199

Sanjay Gupta
Chief Financial Officer
Place: Mumbai
Date: April 27, 2023

Shashikant Thorat
Company Secretary

Consolidated Statement of Cash Flows

For the year ended March 31, 2023

Particulars	Year Ended March 31, 2023 (₹ in Crores)	Year Ended March 31, 2022 (₹ in Crores)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	301.91	872.97
Adjustments for :		
Depreciation and amortisation expense	442.14	420.47
Income from government grants	(332.30)	(271.49)
Employee share-based payment expense	2.13	2.57
Unrealised Foreign Exchange Differences	26.92	10.88
Loss/ (Gain) on disposal of property, plant and equipment	(9.70)	2.42
Loss on Sale of Investments	-	0.39
Unwinding of discount on security deposits	(0.69)	(0.69)
Net gain on financial assets measured at fair value through profit or loss	(0.46)	(0.27)
Dividend income classified as investing cash flows	(0.57)	(0.10)
Liabilities Written Back	(1.12)	(1.36)
Provision / written off for Doubtful Debts/ Advances (net)	2.67	7.41
Share of Associate's Net Profit	(0.05)	(0.13)
Interest income classified as investing cash flows	(56.28)	(27.84)
Finance expenses	129.88	131.25
	202.57	**273.51**
Operating Profit Before Working Capital Changes	**504.48**	**1,146.48**
Adjustments for changes in working capital :		
Decrease in trade receivables	39.57	172.66
Decrease in trade payables	(63.33)	(162.64)
Increase / (decrease) in provisions	(2.56)	0.14
Increase / (decrease) in employee benefit obligations	(6.87)	21.66
Increase in Other current liabilities	36.50	11.12
Increase in non current liabilities	1.69	2.09
(Increase) / decrease in inventories	8.04	(204.76)
Increase in other financial assets	(16.60)	(34.77)
(Increase) / decrease in other non-current assets	12.61	(13.66)
(Increase) / decrease in other current assets	331.82	(187.64)
	340.87	**(395.80)**
Cash Flow Generated from Operations	**845.35**	**750.68**
Taxes Paid (net of refunds)	(89.38)	(164.00)
Net Cash Flow from Operating Activities	**755.97**	**586.68**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, capital work-in-progress and intangible assets	(275.08)	(529.68)
Sale of property, plant and equipment	30.36	23.65
Receipt of Government Grant	378.25	409.05
Maturity /(Investment) in fixed deposit and margin money (net)	(2.07)	65.89
Sales/ (Purchase) of Investment (Net)	55.36	(584.43)
Dividend received	0.57	0.10
Interest received	55.37	15.25
Net Cash Flow used in Investing Activities	**242.76**	**(600.17)**

Consolidated Statement of Cash Flows

For the year ended March 31, 2023

Particulars	Year Ended March 31, 2023 (₹ in Crores)	Year Ended March 31, 2022 (₹ in Crores)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long term borrowings	88.11	244.06
Repayment of Long term borrowings	(197.64)	(126.65)
(Repayment of) / Proceeds from short term borrowings (Net)	(741.24)	229.00
Payment of lease liabilities	(28.21)	(24.78)
Consideration on disposal of subsidiary	0.12	0.02
Dividend Paid	(14.82)	(15.07)
Buy back of equity shares including transaction cost	-	(246.20)
Equity shares of the company purchased by Welspun India Employees Welfare Trust [Refer Note 9(b)(i)]	(74.71)	-
Receipt of interest subsidy	49.60	42.63
Interest Expenses paid	(167.16)	(157.74)
Net Cash Flow used in Financing Activities	**(1,085.95)**	**(54.73)**
Net decrease in Cash and Cash Equivalents (A + B + C)	**(87.22)**	**(68.22)**
Cash and Cash Equivalents at the beginning of the year	231.81	299.42
Effects of exchange rate changes on cash and cash equivalents	1.64	0.61
Less : Cash and Cash Equivalents on disposal of subsidiary	0.11	-
Cash and Cash Equivalents at the end of the year	146.12	231.81
Net decrease in Cash and Cash Equivalents	**(87.22)**	**(68.22)**
Cash and cash equivalents comprise of:		
Cash on Hand	0.23	0.32
Money in Transit	16.52	36.15
Bank balances		
- In current accounts	127.89	159.41
- Fixed deposits with Banks with original maturity period of less than three months	1.48	35.93
Total	**146.12**	**231.81**

Change in Liability arising from financing activities

(₹ in Crores)

Particulars	April 1, 2022	Cash flow	Foreign exchange movement	March 31, 2023
Borrowing-Non Current [Refer Note 10 (a)]	1,214.18	(109.53)	(11.55)	1,116.20
Borrowing-Current [Refer Note 10 (a)]	1,974.20	(741.24)	(1.24)	1,234.20
	3,188.38	**(850.77)**	**(12.79)**	**2,350.40**

Note:

The Consolidated Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

The accompanying notes are an integral part of these financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

per Anil Jobanputra
Partner
Membership No. 110759

Place: Mumbai
Date: April 27, 2023

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN: 00270175

Rajesh Mandawewala
Executive Vice Chairman
DIN: 00007179

Dipali Goenka
MD and CEO
DIN: 00007199

Sanjay Gupta
Chief Financial Officer

Shashikant Thorat
Company Secretary

Place: Mumbai
Date: April 27, 2023

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Note 1: Corporate Information

The consolidated financial statements comprise financial statements of Welspun India Limited (the group) and its subsidiaries (collectively, the Group) for the year ended March 31, 2023. The Group is a public limited group incorporated and domiciled in India. The Group is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The address of its registered office is "Welspun City", Village Versamedi, Tal. Anjar, Dist Kutch, Gujarat - 370110, India. The Group is a leading manufacturer of wide range of home textile products, mainly terry towels, bed linen products, rugs and flooring products. These Group's consolidated financial statements were approved for issue by the board of directors on April 27, 2023.

Note 2: Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented. The financial statements are for the Group consisting of the Group and its subsidiaries.

2.1 Basis of preparation of financial statements

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. The financial statements have been prepared on accrual and going concern basis. The financial statements have been prepared on a historical cost basis, except for certain assets and liabilities that is measured at fair value as stated in subsequent policies.

2.2 Principles of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at March 31, 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent group, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in the statement of profit and loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

2.3 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred. The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

Over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in the statement of profit and loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in the statement of profit and loss or other comprehensive income, as appropriate.

2.4 Segment reporting

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

2.5 Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (INR), which is Group's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated and recorded into the functional currency using the exchange rates prevailing on the date of the transaction. 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 statement of profit and loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other expenses or other income, as applicable.

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

c) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statement of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in statement of profit and loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation on or after April 1, 2016 and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

2.6 Revenue recognition

a) Revenue from contracts with customers

Revenue from contracts with customers is recognised at transaction price (net of variable consideration) when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue excludes amounts collected on behalf of third parties.

The disclosures of significant accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided in note 2.25 (i).

- **Sale of goods**

For sale of goods, revenue is recognised when control of the goods has transferred at a point in time i.e. when the goods have been delivered to the specific location (delivery). Following delivery, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Group when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. Payment is due within 0-120 days. The Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

- **Sale of power and steam**

Revenue from supply of power and steam is recognised for each unit of electricity/steam delivered at the pre-determined contracted price during the period.

- **Variable consideration**

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with rebates (including mark-downs, chargebacks etc.). The rights to rebates give rise to variable consideration.

The Group provides retrospective rebates including, markdowns, chargebacks etc. to certain customers once the conditions relating to such rebates are satisfied in terms of the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Group applies the most likely amount method for contracts. The Group then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

- **Contract balances:**

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note no. 2.15 Financial Instruments – Financial Assets.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

Cost to obtain a contract and cost to fulfill a contract

The Group pays sales commission to its selling agents for each contract that they obtain for the Group. The Group has elected to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense sales commissions (under Other Expenses) because the amortisation period of the asset that the Group otherwise would have used is less than one year.

Costs to fulfill a contract i.e. freight, insurance and other selling expenses are recognised as an expense in the period in which related revenue is recognised.

Rendering of service

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

b) Revenue

Rebate / Drawback of Taxes and Duties

In case of sale made by the Group as Support Manufacturer, rebate / drawback of taxes and duties arising from Remissions of Duties and Taxes on Exported Products (RoDTEP), Duty Drawback scheme, Merchandise Export Incentive Scheme and Rebate of State and Central Taxes and Levies (ROSCTL), and other applicable export incentives are recognised on post export basis at the rate at which the entitlements accrue and is included in the 'Other Operating Income' (Revenue from operation).

Interest Income from the financial assets are recognised using effective interest rate method.

Other Income is accounted for on accrual basis except where the receipt of income is uncertain.

2.7 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Group will comply with all attached conditions. Grants related to assets are government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. Grants related to income are government grants other than those related to assets.

Government grants relating to an expense item are recognised in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented either under "other operating income" (Revenue from operation) or are deducted in reporting the related expense. The 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 income and are credited to statement of profit and loss over the periods and in proportions in which depreciation expense on those assets is recognised.

2.8 Income Tax

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

Current and deferred tax is recognised in the statement of profit and loss except to the extent it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income respectively.

a) Current income tax

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities.

b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Such deferred tax assets and liabilities are computed separately for each taxable entity and for each taxable jurisdiction. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax liability not recognised if they arise from initial recognition of goodwill.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

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

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the balance sheet, if and only when, (a) the Group has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the Deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The respective Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

In the situations where one or more entities in the group are entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where they operate, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate. However, the group restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

2.9 Exceptional items

Exceptional items comprise items of income and expense, including tax items, that are material in amount and unlikely to recur and which merit separate disclosure in order to provide an understanding of the Group's underlying financial performance.

2.10 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Property : 1 to 15 Years
- Plant & Machinery : 13 Years
- Motor Vehicle : 1 to 4 Years
- Other Equipment : 1 to 5 Years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 2.13 Impairment of non-financial assets.

b) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or change in the assessment of an option to purchase the underlying asset.

c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from

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the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit and loss due to its operating nature.

2.11 Property, plant and equipment

Property Plant and equipment except for freehold land are stated in the balance sheet at cost less accumulated depreciation and impairment losses, if any. 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 cost of decommissioning. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred. The group has elected to continue with the carrying value for all of its property plant and equipment as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Export Promotion Capital Goods (EPCG) grant relating to property, plant and equipment relate to duty saved on import of capital goods and spares under the EPCG scheme. Under the scheme, the Group is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Group would be required to pay the duty saved along with interest to the regulatory authorities. Such grants are initially recognised / added in the cost of underlying property, plant and equipment and a corresponding liability which is released to the statement of profit and loss based on fulfilment of related export obligations.

Depreciation methods, estimated useful lives and residual value

Freehold land is not depreciated. Leasehold improvements are amortised over the shorter of estimated useful life or the related lease term.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term.

For following items of property, plant and equipment, depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Assets	Estimated Useful Life (years)
Office Equipment	3 to 10 Years
Furniture and Fixtures	2 to 10 Years
Computer and Servers	3 to 6 Years
Vehicles	5 to10 Years
Electrical Installations	5 to 40 Years
Factory Building	12 to 30 Years
Residential and other Buildings	27 to 60 Years
Road, Fencing, etc.	3 to 10 Years

Plant and Machinery (except electrical installations) is depreciated on written down value method over the useful life ranging between 7 years to 20 years.

The useful lives have been determined based on technical evaluation done by the management's expert which is equal to or lower than those specified by Schedule II to the Companies Act 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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.

Major inspection/overhauling including turnaround and maintenance costs are depreciated over the estimated life of the economic benefit derived from the inspection/ overhaul. The carrying amount of the remaining previous overhaul cost is charged to the statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

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 asset. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss within other expenses or other income, as applicable.

2.12 Intangible assets

a) Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

b) Other intangible assets

Other intangible assets with finite useful lives acquired by the group are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged on a straight-line basis over the estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation methods and periods

Intangible assets comprise of computer software which is amortised on a straight-line basis over its expected useful life over a period of five years.

2.13 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.14 Inventories

Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and stores comprises cost of purchases on 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. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. 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.

Traded goods

Inventories are stated at the lower of cost and net realisable value. Cost of inventories include all other costs incurred in bringing

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the inventories to their present location and condition. Costs of inventory is determined on first-in-first-out basis. Costs of 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.

2.15 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.

Financial Assets

a) Classification

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

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost.
- The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.
- For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or other comprehensive income;
- For investments in debt instruments, this will depend on the business model in which the investment is held;
- For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

b) Initial Recognition and Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

c) Subsequent Measurement

- **Debt Instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

i) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on such assets are subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

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

iii) Fair value through profit or loss: A financial asset which is not classified in any of the above categories are measured at Fair value through profit or loss

- **Equity Investments**

  The Group subsequently measures all other equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there will be no subsequent reclassification of fair value gains and losses to the statement of profit and loss. Dividends from such investments are recognised in the statement of profit and loss as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

- **Cash and cash equivalents**

  Cash and cash equivalents includes cash in hand, deposits held with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within current liabilities in statement of financial position and which are considered as integral part of group's cash management policy.

- **Trade receivable**

  Trade receivable are recognised initially at transaction price which approximates the fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

d) Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount;
- For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 financial instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

e) Derecognition of financial assets

A financial asset is derecognised only when

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

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

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

f) **Income recognition**

- **Interest income**

  Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

- **Dividends**

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

Financial liabilities

a) **Initial Recognition and 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. Liabilities from finance lease agreements are measured at the lower of fair value of the leased asset or present value of minimum lease payments.

b) **Subsequent Measurement**

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

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

  Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the statement of profit and loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

  Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

- **Trade and other payables**

  These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

- **Compound instrument**

  Compound financial instrument issued by the Group comprises of compulsorily redeemable non-convertible preference shares. Compound financial instruments are split into separate equity and liability components. The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have discretionary dividend feature/ off market interest rate. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently re-measured. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

  Interest related to the liability component of compound instrument is recognised in the statement of profit and loss (unless it qualifies for inclusion in the cost of an asset).

- **Financial guarantee contracts**

  Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation, where appropriate.

- **Derivatives and hedging activities**

  In order to hedge its exposure to foreign exchange, interest rate, and commodity price risks, the Group enters into forward, option, swap contracts and other derivative financial instruments. The Group does not hold derivative financial instruments for speculative purposes.

  Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

  Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

  For the purpose of hedge accounting, hedges are classified as:

  i) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.

  ii) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

  At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

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The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined)

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

i) **Fair value hedges**

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss the change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in the statement of profit and loss. Refer to note 26 for more details.

ii) **Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the Effective portion of cash flow hedges, while any ineffective portion is recognised immediately in the statement of profit and loss. The Effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, the ineffective portion relating to foreign currency contracts is recognised in the statement of profit and loss. Refer to note 26 for more details.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to the statement of profit and loss as reclassification adjustment in the same period or periods during which the hedged cash flows affect the statement of profit and loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to the statement of profit and loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

When option contracts are used to hedge forecast transactions, the Company designates only the intrinsic value of the option contract as the hedging instrument. Gains or losses relating to the effective portion of the change in intrinsic value of the option contracts are recognised in the cash flow hedging reserve within equity. The changes in the time value of the option contracts that relate to the hedged item ('aligned time value') are recognised within other comprehensive income in the costs of hedging reserve within equity.

With respect to gain or loss relating to the effective portion of the intrinsic value of option contracts, both the deferred hedging gains and losses and the deferred aligned time value of the option contracts are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example, through cost of sales).

- **Embedded Derivatives**

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

- **Embedded foreign currency derivatives:**

  Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

  i) the functional currency of any substantial party to that contract,

  ii) the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,

  iii) a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e., relatively liquid, and stable currency).

  Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit or loss. The group currently does not have any such derivatives which are not closely related.

c) 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 and loss.

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 group or the counterparty.

2.16 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

2.17 Employee benefits

a) Short-term obligations

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

b) Other long-term employee benefit obligations

The liabilities for earned and sick 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

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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 the statement of profit and loss.

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

c) Post-employment obligations

The group operates the following post-employment schemes:

i) defined benefit plans such as gratuity, and

ii) defined contribution plans such as provident fund and superannuation Fund

- **Defined Benefit Plans**

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in Indian Rupees ('INR') is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

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

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

Remeasurements are not reclassified to statement of profit and loss in the subsequent periods.

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

- **Defined contribution plans**

i) Provident Fund, Employee State Insurance Corporation (ESIC), Pension Fund and other Social Security Funds

The Contribution towards provident fund, ESIC, pension fund and Social Security Funds for certain employees is made to the regulatory authorities where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations apart from the contributions made on a monthly basis.

ii) Superannuation Fund

Contribution towards superannuation fund for certain employees is made to SBI Life Insurance Group where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from contribution made on monthly basis.

d) Bonus Plan

The group recognises a liability and an expense for bonuses. The group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.18 Share Based Payments

Senior executives of the Group receive remuneration in the form of share-based payment, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Refer note 23.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.19 Provisions and contingent liabilities

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

Provisions for restructuring are recognised by the group when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the group will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

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

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

b) **Contingent liabilities** 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 group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

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

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2.20 Contributed Equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.21 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.22 Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares. (Refer note 33).

b) 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.

2.23 Current versus Non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

a) An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

b) A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.24 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores with two decimal as per the requirement of Schedule III, unless otherwise stated.

2.25 Significant accounting judgements, estimates and assumptions:

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 judgement in applying the group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement 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 judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

a) Current tax expense and deferred tax

The calculation of the Group's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Further a subsidiary Company has claimed deduction under section 80IA of the Income Tax Act, 1961 which involves significant estimates and judgements in respect of sales price of power and steam, purchase of goods and services from vendors (Refer note 24).

Recognition of deferred tax assets/ liabilities

The recognition of deferred tax assets in respect of mat credit entitlement is expected to be utilised after the tax holiday period of ten years. There is significant management judgement involved in determination of forecast of future taxable profits beyond the ten years tax holiday (which also involves key assumptions like future growth rate, profit margins etc.) against which the aforesaid MAT credit entitlement is expected to be utilised. Any changes to these assumptions could significantly affect the recoverability of deferred tax asset on account of MAT credit entitlement. (Refer notes 6 and 13).

Uncertain tax position and tax related contingency

The Group has taken certain tax positions particularly those relating to deductions / allowance under Section 80 IA and Section 36(1)(iii) of the Income Tax Act, 1961 by the Group. The taxation authorities may challenge these tax deductions and accordingly these matters are / might be subject to legal proceedings in the ordinary course of business. The outcome of the legal proceedings might be different from that estimated on the date of approval of these consolidated IndAS financial statements.

b) **Contingent Liabilities.**

The Group exercises judgement in measuring the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability, if any may be different from the originally estimated as contingent liability. (Refer note 35).

c) **Provision / Liability**

A provision / liability is a present obligation of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits that can be reasonably estimated. Estimation involves judgements based on the latest available, reliable information. An estimate may need revision if changes occur in the circumstances on which the estimate was based or as a result of new information or more experience. The Group actualises the provision / liability when the invoices are received and the resultant income / expense are recognised in the statement of profit and loss. The Group also periodically reviews the provision / liability which are no longer required and the same are reversed and recognised as an income in the statement of profit and loss. Refer note 10 and 11.

d) **Useful life of Property, Plant and Equipment and Intangible assets**

Property, Plant and Equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation (for property, plant and equipment and intangible assets) is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. For the relative size of the Group's property, plant and equipment and intangible assets (Refer notes 3 and 4).

e) **Provision for Inventory**

The Group writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not realised. The identification of write-downs requires the use of estimates of net selling prices, age and condition / quality of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed. Refer note 8 for details of inventory and provisions.

f) **Defined Benefit Obligation**

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employments plans

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include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Group considers the interest rates of government bonds of maturity approximating the terms of the related plan liability. Refer note 19 for the details of the assumptions used in estimating the defined benefit obligation.

g) Government Grants

The group has accrued income for Government grant related to fixed assets, in the ratio of related expenses, based on eligibility amount. Critical judgement is involved in determining whether the Group has fulfilled the conditions related to the grant. Estimates are involved in calculation of grant income where the eligibility amount is not confirmed by the government, but application is made and the Group is complying all terms & conditions for eligibility. Further, key assumptions used in calculation of government grant to be recognised as revenue, receivables and deferred income include, the future sales growth rate, mix of inter and intra state purchases and corresponding input tax credit, utilisation of input tax credit, indirect tax rates on the products, period of eligibility etc. Changes in the assumptions selected by the management could significantly affect the recognition of revenue, receivables and deferred income related to such government grants. Refer note 15.

h) Fair value of Financial Instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Management uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. The key judgement includes selection of valuation methodology and key assumptions include the discount rates etc. Changes to the valuation methodology, discount rates etc. could have a significant impact on the valuation of these financial instruments. Refer note 25.

i) Ind AS 115 – Revenue from Contracts with Customers

Ind AS 115 applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

j) Determination of control/significant influence

Significant management judgement is involved in determining whether the Group has control/ significant influence over another entity in which investment has been made by the Group. The judgement affects the determination of whether an entity is a subsidiary / associate and consequently required to be consolidated in the consolidated financial statements of the Group or not consolidated and required to be carried at fair value through profit or loss account / other comprehensive income. Refer note 5 (a).

k) Impairment of non-financial assets

The Group determines Cash Generating Units (CGU) based on management judgement after considering cash inflows generated from business activities of assets / group of assets for annual impairment testing as required by Ind AS 36. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the determined period and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in note 4.

l) Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group would have to pay, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available.

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate. Refer note 34.

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Note 3 : Property, Plant and Equipment

(₹ in Crores)

Particulars	Freehold Land	Buildings	Plant and Equipment	Vehicles	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Computers	Total	Capital Work in Progress
Cost or valuation										
At April 1, 2021										
Opening gross carrying amount	**420.98**	**1,182.19**	**4,309.05**	**8.70**	**31.17**	**46.56**	**12.95**	**44.49**	**6,056.09**	**170.92**
Additions	7.61	106.33	452.20	0.18	4.36	2.80	12.21	6.72	592.41	540.34
Disposals	(21.89)	(0.25)	(32.63)	(0.28)	(0.22)	-	-	(1.53)	(56.80)	-
Transfers/ Capitalised	(0.05)	3.35	(6.03)	0.18	0.56	1.38	-	0.25	(0.36)	(549.53)
Exchange Differences	*	2.43	0.13	-	0.01	(0.09)	0.39	0.27	3.14	-
At March 31, 2022 (A)	**406.65**	**1,294.05**	**4,722.72**	**8.78**	**35.88**	**50.65**	**25.55**	**50.20**	**6,594.48**	**161.73**
Depreciation										
At April 1, 2021	**-**	**180.91**	**2,266.41**	**4.90**	**21.06**	**25.31**	**12.57**	**33.18**	**2,544.34**	**-**
Depreciation charge during the year	-	43.85	324.01	1.12	3.07	4.16	1.56	4.75	382.52	-
Disposals	-	(0.01)	(27.06)	(0.27)	(0.21)	-	-	(1.39)	(28.94)	-
Exchange Differences	-	0.08	0.05	-	(0.01)	(0.10)	0.39	0.12	0.53	-
At March 31, 2022 (B)	**-**	**224.83**	**2,563.41**	**5.75**	**23.91**	**29.37**	**14.52**	**36.66**	**2,898.45**	**-**
Net book value at March 31, 2022 (A-B)	**406.65**	**1,069.22**	**2,159.31**	**3.03**	**11.97**	**21.28**	**11.03**	**13.54**	**3,696.03**	**161.73**
Cost or valuation										
At April 1, 2022										
Opening gross carrying amount	406.65	1,294.05	4,722.72	8.78	35.88	50.65	25.55	50.20	6,594.48	161.73
Additions	13.87	47.13	251.91	0.15	1.68	0.55	0.08	5.83	321.20	201.98
Disposals	(5.16)	(4.00)	(13.31)	(0.86)	(5.11)	(16.14)	-	(8.90)	(53.48)	(12.42)
Transfers/ Capitalised	-	-	-	-	-	-	-	-	-	(305.61)
Exchange Differences	0.01	5.77	0.80	-	0.18	0.78	1.96	1.33	10.83	-
At March 31, 2023 (A)	**415.37**	**1,342.95**	**4,962.12**	**8.07**	**32.63**	**35.84**	**27.59**	**48.46**	**6,873.03**	**45.68**
Depreciation										
At April 1, 2022	**-**	**224.83**	**2,563.41**	**5.75**	**23.91**	**29.37**	**14.52**	**36.66**	**2,898.45**	**-**
Depreciation charge during the year	-	45.63	340.79	0.88	2.29	3.81	2.67	5.55	401.62	-
Disposals	-	(1.43)	(9.62)	(0.82)	(4.97)	(16.56)	-	(9.05)	(42.45)	-
Exchange Differences	-	0.41	0.66	-	0.15	0.75	1.06	1.04	4.07	-
At March 31, 2023 (B)	**-**	**269.44**	**2,895.24**	**5.81**	**21.38**	**17.37**	**18.25**	**34.20**	**3,261.69**	**-**
Net book value at March 31, 2023 (A-B)	**415.37**	**1,073.51**	**2,066.88**	**2.26**	**11.25**	**18.47**	**9.34**	**14.26**	**3,611.34**	**45.68**

*Amount is below the rounding norms adopted by the company

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To the Consolidated Financial Statements for the year ended March 31, 2023

Notes :

(i) Property, plant and equipment pledged as security - Refer to note 10(a) for information on property, plant and equipment pledged as security by the Group.

(ii) Contractual obligations - Refer to note 31 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iii) Capital work-in-progress mainly comprises of new plant and machinery for flooring plant being constructed in India.

(iv) Capital work-in-progress includes Employee Benefit Expenses, Professional charges, Travelling Expenses & Other expenses of ₹ NIL as at March 31, 2023 (March 31, 2022: ₹ 1.55 Crore) directly attributable to project.

(v) Additions to Property, plant and equipment during the year include capital expenditure of ₹0.41 Crore (March 31, 2022: ₹ 1.02 Crore) incurred on in-house Research and Development activities [Refer note 36]

(vi) Borrowing Costs aggregating ₹ NIL Crore (March 2022: ₹9.70 Crore) attributable to the acquisition or construction of qualifying assets are capitalised during the year as part of the cost of such assets.

(vii) A subsidiary has some immovable property which is not in the name of that subsidiary i.e registration of property in the name of that subsidiary is in process on March 31, 2023.

Description of Property	Gross Carrying Value (₹ in Crores)	Held in Name of	Whether promoter,director or their relative or employee	Period held – indicate range,where appropriate	Reason for not being held in name of subsidiary
Owned-Freehold land	14.60	Telangana State Industrial Infrastructure Corporation (TSIIC)	No	2.2 years	The Process for registration of sale deed is in progress and is expected to be completed in financial year 2023-24

(viii) The Company has given certain assets on operating lease, details of which are given below:

(₹ in Crores)

Particulars	March 31, 2023		March 31, 2022	
	Buildings	Plant and Machinery	Buildings	Plant and Machinery
Cost or valuation	-	-	0.05	2.90
Accumulated Depreciation	-	-	0.02	2.76
Net book value	-	-	0.03	0.15
Depreciation for the year	-	-	*	-

*Amount is below the rounding norms adopted by the company

(ix) Capital Work in Progress (CWIP) ageing schedule

(₹ in Crores)

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress -2022-23	37.83	7.61	0.24	-	45.68
Projects in progress -2021-22	152.03	9.70	-	-	161.73
Projects temporarily suspended-2022-23	-	-	-	-	-
Projects temporarily suspended-2021-22	-	-	-	-	-

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To the Consolidated Financial Statements for the year ended March 31, 2023

Completion schedule for capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in Crores)

Capital Work in Progress	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Hdpe Water Pipe Line				
As at March 31, 2023	-	-	-	-
As at March 31, 2022	2.32	-	-	-
Sizeing Machine				
As at March 31, 2023	-	-	-	-
As at March 31, 2022	1.32	-	-	-
Rugs Expansion Project Machine				
As at March 31, 2023	-	-	-	-
As at March 31, 2022	3.46	-	-	-
Tsudakoma Airjet Loom (Terry Towel)				
As at March 31, 2023	-	-	-	-
As at March 31, 2022	1.28	-	-	-
Washer For Bedsheets (Dye)				
As at March 31, 2023	-	-	-	-
As at March 31, 2022	1.09	-	-	-
Piece Count.Existing Greig M/C Modification				
As at March 31, 2023	-	-	-	-
As at March 31, 2022	0.58	-	-	-
Rugs Expansion-Hanger System For Packing				
As at March 31, 2023	-	-	-	-
As at March 31, 2022	0.55	-	-	-
Civil Work (New over bridge)				
As at March 31, 2023	0.43	1.28	-	-
As at March 31, 2022	-	-	-	-
Tumble Dryer				
As at March 31, 2023	1.14	0.84	-	-
As at March 31, 2022	0.23	-	-	-
Civil Restoration Works				
As at March 31, 2023	1.30	-	-	-
As at March 31, 2022	-	-	-	-
Engine P570G3, Horizontal Lub Oil Pump				
As at March 31, 2023	1.17	-	-	-
As at March 31, 2022	-	-	-	-
Projects in progress - Hyderabad				
As at March 31, 2023	-	-	-	-
As at March 31, 2022	15.80	-	-	-
Project in progress - Road Phase I (Anjar)				
As at March 31, 2023	9.67	-	-	-
As at March 31, 2022	3.74	-	-	-
Plant and Machinery Others				
As at March 31, 2023	0.76	0.44	0.01	-
As at March 31, 2022	0.91	-	-	-

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To the Consolidated Financial Statements for the year ended March 31, 2023

Note 4 : Intangible assets

(₹ in Crores)

Particulars	Goodwill on consolidation	Computer software	Intangible assets under development
Cost or valuation			
At April 1, 2021			
Opening gross carrying amount	185.79	57.56	2.13
Exchange differences	0.18	0.06	-
Additions	-	2.91	2.48
Disposals	-	(0.32)	-
Transfers/Capitalised	-	0.37	(0.39)
At March 31, 2022 (A)	**185.97**	**60.58**	**4.22**
Amortisation			
At April 1, 2021	**2.81**	**29.24**	**-**
Amortisation charge during the year	-	10.14	-
Disposals	-	(0.31)	-
Exchange differences	-	0.06	-
At March 31, 2022 (B)	**2.81**	**39.13**	**-**
Net book value at March 31, 2022 (A-B)	**183.16**	**21.45**	**4.22**
Cost or valuation			
At April 1, 2022			
Opening gross carrying amount	185.97	60.58	4.22
Exchange differences	2.97	0.15	-
Additions	-	10.70	1.76
Disposals	-	-	(0.27)
Transfers/Capitalised	-	-	(5.43)
At March 31, 2023 (A)	**188.94**	**71.43**	**0.28**
Amortisation			
At April 1, 2022	2.81	39.13	-
Amortisation charge during the year	-	11.13	-
Impairment of Goodwill	-	-	
Disposals	-	(0.01)	-
Transfers/Capitalised		-	
Exchange differences	-	0.15	-
At March 31, 2023 (B)	**2.81**	**50.40**	**-**
Net book value at March 31, 2023 (A-B)	**186.13**	**21.03**	**0.28**

Note :

(i) Intangible assets under development mainly comprises of software development expenses.

(ii) Intangible Assets under Development (IAUD) Ageing Schedule

(₹ in Crores)

Intangible assets under development	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress -2022-23	0.04	0.03	0.21	-	0.28
Projects in progress -2021-22	2.48	1.47	0.28	-	4.22
Projects temporarily suspended-2022-23	-	-	-	-	-
Projects temporarily suspended-2021-22	-	-	-	-	-

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

(iii) Completion schedule for Intangible Asset under Development (IAUD), whose completion is overdue or has exceeded its cost compared to its original plan.

(₹ in Crores)

Intangible assets under development	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Digital Transformation Projects				
As at March 31, 2023	0.04	0.03	0.21	-
As at March 31, 2022	2.43	-	-	-

(i) Impairment tests for goodwill

Goodwill acquired through business combination pertains to the Home Textile Segment which is one of the reportable segment.

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Home Textile Segment	186.13	183.16

(ii) Significant estimate: Key assumptions used for value-in-use calculations

The group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations on a discounted cash flow method which require the use of assumptions. Management prepare forecast for a period of 5-6 years and applies perpetuity growth rate ranging from 2.5% to 3.5% onwards. The calculations use cash flow projections calculated using the estimated growth and pre-tax discount rates stated below.

The following table sets out the key assumptions for those CGUs that have significant goodwill allocated to them:

Assumptions	As At March 31, 2023	As At March 31, 2022
Sales Growth (% annual growth rate)	5% to 20%	3% to 41%
EBITDA (%)	0% to 4%	0% to 38%
Post-tax discount rate (%)	10% to 16%	10% to 16%

Management has determined the values assigned to each of the above key assumptions as follows:

Assumption	Approach used for determining values
Sales Growth	Average annual growth rate over the forecasted period; based on past performance and management's expectations of market development.
EBITDA (%)	Based on past performance and management's expectations for the future.
Pre-tax discount rate (%)	Reflect specific risks relating to the relevant segments and the countries in which they operate.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Note 5 (a) : Non-current investment

Particulars		As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Investment in equity instruments (fully paid up)			
In Associates			
4,800	(March 31, 2022: 4,800) Equity Shares of ₹10 each fully paid up of Welassure Private Limited	0.58	0.53
Investment in equity shares (fully paid up)			
a) Quoted - Equity investment at FVOCI			
2,83,500	(March 31, 2022 : 2,83,500) Equity Shares of ₹10 each fully paid up of AYM Syntex Limited	1.73	3.19
80	(March 31, 2022 : 80) Equity Shares of Re. 1 each fully paid up of Khaitan Chemicals & Fertilizers Limited	*	*
b) Unquoted - Equity investment at FVOCI fully paid up			
24,037	(March 31, 2022: Nil) Equity Shares of ₹10 each fully paid up of Clean Max Thanos Private Limited	3.79	-
c) Unquoted - Equity investment at FVPL fully paid up			
100	(March 31, 2022 : 100) Equity Shares of ₹10 each fully paid up of Weltreat Enviro Management Organisation	*	*
1,900	(March 31, 2022: 1,900) Equity Shares of ₹10 each fully paid up of Welspun Global Services Limited	*	*
5,70,000	(March 31, 2022: Nil) Equity Shares of ₹10 each fully paid up of Welspun Transformation Services Limited	0.57	-
1,300	(March 31, 2022: Nil) Equity Shares of ₹10 each fully paid up of Mounting Renewable Power Limited	*	-
Total (equity instruments)		**6.09**	**3.19**
Investment in debentures (fully paid)			
Unquoted			
1,03,000	(March 31, 2022: Nil) Optionally Convertible Debentures of ₹10 each fully paid up of Mounting Renewable Power Limited	0.10	-
Others Investments at FVPL		0.06	0.16
Total Non Current Investments		**6.83**	**3.88**
Aggregate amount of quoted investments and market value thereof		1.73	3.19
Aggregate amount of unquoted investments		5.10	0.69

* Amount is below the rounding norms adopted by the Company

Note 5 (a) : Current investments

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Investments in equity instruments (fully paid-up)		
Investments in Mutual Funds at FVPL (unquoted)	86.86	185.01
Investments in Bonds at FVPL (unquoted)	547.82	508.93
Total	**634.68**	**693.94**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	-	-
	634.68	**693.94**

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Note 5 (b) : Non-Current Loans

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Loan to Employees	0.28	1.90
Total	**0.28**	**1.90**

Note 5 (b) : Current Loans

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Loan to Employees	2.10	0.60
Total	**2.10**	**0.60**

Note 5 (c) : Other non-current financial assets

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Security Deposits to		
- Related Parties (Refer Note 30)	3.27	2.05
- Others	23.98	18.92
Government Grants Receivable*	41.73	171.08
Fixed deposits with Banks with maturity period more than twelve months	-	0.11
Margin Money Deposit Accounts	0.02	0.02
Total	**69.00**	**192.18**

*Government Grants Receivable includes Receivable against VAT/SGST Incentives, Rebate / Drawback of Taxes and Duties and Interest subsidies.

Note 5 (c) : Other current financial assets

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Security Deposits to		
- Related Parties (Refer Note 30)	7.30	12.38
- Others	3.29	3.95
Advances to Related Parties (Refer Note 30)	0.93	3.20
Government Grants Receivable*	289.37	167.48
Mark-to-Market gain (Net) on Forward/ Swap Contracts	-	22.16
Other Receivables	-	3.25
Interest Accrued on Bonds/ Certificate of Deposits	13.76	13.58
Interest Accrued on Deposits	2.49	1.76
Margin Money for Commodity Hedging	0.71	-
Insurance Claim Receivable	0.90	5.46
Total	**318.75**	**233.22**

*Government Grants Receivable includes Receivable against VAT/SGST Incentives, Rebate / Drawback of Taxes and Duties and Interest subsidies.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Note 5 (d) : Trade receivables

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Unsecured, considered good		
- Trade receivables	920.16	961.58
- Receivables from related parties (Refer Note 30)	46.58	47.25
Less : Impairment allowance	6.28	9.54
Total	**960.46**	**999.29**
Current portion	960.46	999.29
Non-current portion	-	-
Break-up of security details		
Secured, considered good	-	-
Unsecured, considered good	961.53	997.13
Trade receivable which have significant increase in credit risk	-	0.14
Trade receivable - Credit impaired	5.21	11.56
Total	**966.74**	**1,008.83**
Impairment allowance (allowance for bad and doubtful debts)		
Impairment allowance	(6.28)	(9.54)
Total Trade Receivable	**960.46**	**999.29**

As at March 31, 2023

Trade Receivables Ageing Schedule for the year ended as on March 31, 2023 and March 31, 2022

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	796.39	139.52	21.63	3.21	0.55	0.14	961.44
	(852.89)	(141.84)	(0.59)	(1.02)	(0.43)	(0.27)	(997.04)
(ii) Undisputed Trade Receivables - credit impaired	-	1.52	0.42	0.95	0.11	0.74	3.74
	(0.01)	(2.14)	(1.05)	(4.79)	(0.67)	(2.90)	(11.56)
(iii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	0.09	0.09
	-	-	-	-	-	(0.09)	(0.09)
(v) Disputed Trade Receivables - credit impaired	-	-	-	-	0.03	1.44	1.47
	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
	-	-	-	(0.03)	(0.11)	-	(0.14)
	796.39	**141.04**	**22.05**	**4.16**	**0.69**	**2.41**	**966.74**
	(852.90)	**(143.98)**	**(1.64)**	**(5.84)**	**(1.21)**	**(3.26)**	**(1,008.83)**
Less: Provision	-	-	-	-	-	-	6.28
	-	-	-	-	-	-	(9.54)
Balance as on 31 March 2023	**-**	**-**	**-**	**-**	**-**	**-**	**960.46**
Balance as on 31 March 2022	**-**	**-**	**-**	**-**	**-**	**-**	**(999.29)**

Note: Previous year figures are given in brackets.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the Company has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as secured borrowing.

Note 5 (e) : Cash and cash equivalents

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Cash on Hand	0.23	0.32
Cheques on Hand/ Money in Transit	16.52	36.15
Balances with banks		
- In Current Accounts	127.89	159.41
Fixed deposits with Banks with original maturity period of less than three months	1.48	35.93
Total	**146.12**	**231.81**

Note 5 (f) : Bank balances other than cash and cash equivalents

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Fixed Deposits	9.94	8.46
- In Margin Money Deposit Accounts	23.73	23.03
Unpaid Dividend Account (Refer note (a) below)	1.58	2.23
Total	**35.25**	**33.72**

(a) These are restricted bank balances. The restrictions are on account of balances held in unpaid dividend bank accounts.

Note 6 : Deferred tax assets

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
The balance comprises temporary differences attributable to:		
Deferred Tax Asset arising on account of temporary differences in:		
- Provision for Doubtful Debts/ Advances	1.01	0.71
- Provision for Employee Benefits	4.61	4.38
- Expenses inadmissible under section 40(a) of the Income Tax Act, 1961	0.31	1.14
- Provision for Inventory	28.73	38.29
- Unabsorbed Depreciation and Business Losses	11.20	3.16
- Others	19.00	15.47
Minimum Alternative Tax Credit Entitlement	74.03	76.34
Deferred Tax Liabilities arising on account of temporary differences in :		
- Property, plant, equipment and Intangible Assets	11.82	11.13
- Government grants	4.60	-
- On Cash Flow Hedges	(0.18)	3.30
Total	**122.65**	**125.06**

Note: The Group's subsidiary has recognised deferred tax asset in respect of Minimum Alternate Tax (MAT) Credit of ₹ 74.03 Crores (March 31, 2022 : ₹ 76.34 Crores) which is expected to be utilised after the tax holiday period of ten years. The management based on the projections prepared for a period of fifteen years expects to fully utilise the MAT credit entitlement. Also refer Note 2.25(a).

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Particulars	Property, plant, equipment and Intangible Assets	Cash Flow Hedges	Government grants	Minimum Alternative Tax Credit Entitlement	Provision for Doubtful debts/ Advances	Provision for Employee Benefits	Provision for unpaid statutory dues	Expenses inadmissible under section 40(a) of the Income Tax Act, 1961	Provision in Inventory	Unabsorbed depreciation and Business Losses	Other items	Total
April 01, 2021	**(14.22)**	**-**	**-**	**75.93**	**1.05**	**-**	**0.08**	**4.69**	**42.37**	**0.05**	**2.08**	**112.03**
(Charged) / Credited :												-
to Statement of Profit and Loss	3.09	-	-	0.41	(0.34)	4.38	(0.08)	(3.55)	(4.08)	3.11	13.39	16.33
to Other Comprehensive Income	-	(3.30)	-	-	-	-	-	-	-	-	-	(3.30)
March 31, 2022	**(11.13)**	**(3.30)**	**-**	**76.34**	**0.71**	**4.38**	**-**	**1.14**	**38.29**	**3.16**	**15.47**	**125.06**
(Charged) / Credited :												-
to Statement of Profit and Loss	(0.69)		(4.60)	(2.31)	0.30	0.23	-	(0.83)	(9.56)	8.04	3.53	(5.89)
to Other Comprehensive Income	-	3.48	-	-	-	-	-	-	-	-		3.48
March 31, 2023	**(11.82)**	**0.18**	**(4.60)**	**74.03**	**1.01**	**4.61**	**-**	**0.31**	**28.73**	**11.20**	**19.00**	**122.65**

Note 7 : Other Non-current assets

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Capital Advances to		
- Related Parties (Refer Note 30)	3.98	3.98
- others	21.71	28.58
Security Deposits to Others	2.70	2.67
Advances Recoverable in Cash or in Kind or for Value to be Received		
- Considered Good	-	15.00
- Considered Doubtful	-	-
	-	**15.00**
Less : Provision for Doubtful Advances	-	-
	-	**15.00**
Balances with Customs, Excise, Sales Tax and other Government Authorities		
- Considered Good	0.48	0.51
- Considered Doubtful	0.26	0.77
	0.74	**1.28**
Less : Provision for Doubtful Balances	0.26	0.77
	0.48	**0.51**
Prepaid Expenses	-	1.56
Total	**28.87**	**52.30**

Note 7 : Other Current assets

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Balances with Customs, Excise, Sales Tax and other Government Authorities	221.84	591.56
Prepaid Expenses	35.79	29.37
Advance to vendors	82.26	53.72
Advance to Employees	2.74	1.96
Others	2.15	-
Total	**344.78**	**676.61**

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Note 8 : Inventories

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Raw Materials	925.28	688.09
Work-in-Progress	333.55	351.39
Finished Goods and Traded Goods (including in transit)	627.56	860.16
Packing Materials	15.08	14.81
Stores, Spares, Dyes and Chemicals	68.36	63.42
Total	**1,969.83**	**1,977.87**

Note :Cost of inventories recognised as (income)/ expense of ₹ 29.17 Crores (March 31, 2022: ₹ 35.99 Crores) is in respect of write down of inventories.

9 (a) : Equity share capital

(i) Authorised equity share capital

Particulars	Equity Shares of Re. 1 each	
	Number of Shares	Amount (₹ in Crores)
As at April 1, 2021	**1,55,55,00,000**	**155.55**
Increase during the year	-	-
As at March 31, 2022	**1,55,55,00,000**	**155.55**
Increase during the year	-	-
As at March 31, 2023	**1,55,55,00,000**	**155.55**
Equity Shares of Re. 1 each (March 31, 2022 : Re. 1 each)		

ii) Issued, subscribed and paid up

Particulars	Equity Shares of Re. 1 each fully paid up	
	Number of Shares	Amount (₹ in Crores)
As at April 1, 2021	**1,00,47,25,150**	**100.48**
Less: Changes in equity share capital during the current year (Refer note 38)	1,66,66,666	1.67
As at March 31, 2022	**98,80,58,484**	**98.81**
Less: Changes in equity share capital during the current year	-	-
As at March 31, 2023	**98,80,58,484**	**98.81**
Equity Shares of Re. 1 each (March 31, 2022 : Re. 1 each)		

(iii) Shares held by holding company (Holding company as defined in Ind AS-24 : "Related Party Disclosure")

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Amount (₹ in Crores)	Number of Shares	Amount (₹ in Crores)
Equity Shares :				
Welspun Group Master Trust (WGMT)	68,62,95,432	68.63	68,62,95,432	68.63
	68,62,95,432	**68.63**	**68,62,95,432**	**68.63**

(iv) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	%	Number of Shares	%
Equity Shares :				
Welspun Group Master Trust (WGMT)	68,62,95,432	69.46%	68,62,95,432	69.46%

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

(v) Shares held by promoters (Promoter as defined in the Companies Act, 2013)

As at March 31, 2023

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Balkrishan Gopiram Goenka (Welspun Group Master Trust)	68,62,95,432	-	68,62,95,432	69.46%	-
B. K. Goenka (HUF)	1,93,320	-	1,93,320	0.02%	-
Balkrishan Gopiram Goenka	4,90,660	-	4,90,660	0.05%	-
Dipali B. Goenka	7,50,400	-	7,50,400	0.08%	-
Radhika Balkrishan Goenka	20,08,600	-	20,08,600	0.20%	-
Rajesh R. Mandawewala	1,030	-	1,030	0.00%	-
Aryabhat Vyapar Private Limited	54,24,020	-	54,24,020	0.55%	-
MGN Agro Properties Private Limited	1,000	-	1,000	0.00%	-

As at March 31, 2022

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Balkrishan Gopiram Goenka (Welspun Group Master Trust)	69,44,65,432	(81,70,000)	68,62,95,432	69.46%	-0.81%
B. K. Goenka (HUF)	1,93,320	-	1,93,320	0.02%	-
Balkrishan Gopiram Goenka	4,90,660	-	4,90,660	0.05%	-
Dipali B. Goenka	7,50,400	-	7,50,400	0.08%	-
Radhika Balkrishan Goenka	20,08,600	-	20,08,600	0.20%	-
Rajesh R. Mandawewala	1,030	-	1,030	0.00%	-
Aryabhat Vyapar Private Limited	54,24,020		54,24,020	0.55%	-
MGN Agro Properties Private Limited	-	1,000	1,000	0.00%	0.00%

(vi) Rights, preferences and restrictions attached to Equity shares

The company has one class of equity shares having a par value of Re. 1 per share (March 31, 2022 : Re. 1). Each shareholder is eligible for one vote per share held. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(vii) Buyback in the period of five years immediately preceding March 31, 2023 [Refer Note 38]

The Company has bought back 1,66,66,666 equity shares of Re. 1 each at a price of ₹ 120 per equity share in accordance with the provisions of Companies Act, 2013 and SEBI (Buy-Back of Securities) Regulations, 2018. The settlement of bids by the Clearing Corporation on the stock exchange was completed on July 14, 2021.

Note 9 (b) : Reserves and surplus

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Capital Redemption Reserve		
Balance as at the beginning of the year	162.43	160.76
Add : Additions during the year (Refer note 38)	-	1.67
Balance as at the end of the Year	**162.43**	**162.43**
Capital Reserve		
Balance as at the beginning of the year	147.53	147.53
Add : Additions during the year (Refer note b below)	-	*
Balance as at the end of the year	**147.53**	**147.53**

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Securities Premium Reserve		
Balance as at the beginning of the year	123.81	323.81
Less : Transfer to Capital Redemption Reserve (Refer note 38)	-	1.67
Less : Premium utilised on buy back of shares (Refer note 38)	-	198.33
Balance as at the end of the year	**123.81**	**123.81**
General Reserve		
Balance as at the beginning of the year	93.14	93.14
Add : Additions during the year	-	-
Balance as at the end of the year	**93.14**	**93.14**
Employee Share-based Payment Reserve		
Balance as at the beginning of the year	2.57	-
Add : Expenses for Employee stock option granted	2.13	2.57
Less : Employee Stock Option Lapsed	0.33	-
Balance as at the end of the year	**4.37**	**2.57**
Retained earnings		
Balance as at the beginning of the year	3,332.54	2,791.12
Add : Profit for the year	198.83	601.17
	3,531.37	**3,392.29**
Add : Transfer from Share-based Payment Reserve	0.33	-
Add : Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post-employment benefit obligation, net of tax	1.39	1.53
Less : Dividend		
Final dividend on Equity Shares	14.82	15.07
Expenses on buyback of Shares	-	46.20
Balance as at the end of the year	**3,518.27**	**3,332.54**
Treasury Shares [Refer Note (i) below]		
Balance as at the beginning of the year	-	-
Add : Equity shares acquired by Welspun India Employees Welfare Trust [Refer Note below]	(74.71)	-
Balance as at the end of the year	**(74.71)**	**-**
Total	**3,974.84**	**3,862.03**

* Amount is below the rounding norms adopted by the Company

Note 9 (c) : Other reserves

(₹ in Crores)

Particulars	FVOCI - Equity Investments (Refer note (f) below)	Hedging reserve (Refer note (g) below)	Foreign currency Translation reserve (Refer note (h) below)	Total other reserves
As at April 1, 2021	**0.76**	**33.05**	**(5.98)**	**27.83**
Change in fair value of FVOCI equity instrument	1.87	-	-	1.87
Amount recognised in Hedging Reserve during the year	-	(31.95)	-	(31.95)
Gain transferred to Statement of Profit and Loss	-	0.63	-	0.63
Deferred tax	-	7.88	-	7.88
Foreign currency translation differences	-	-	4.58	4.58
As at 31 March, 2022	**2.63**	**9.61**	**(1.40)**	**10.84**
Change in fair value of FVOCI equity instrument	(1.46)	-	-	(1.46)
Gain transferred to Statement of Profit and Loss	-	(14.19)	-	(14.19)
Deferred tax	-	3.57	-	3.57
Foreign currency translation differences	-	-	15.39	15.39
As at 31 March, 2023	**1.17**	**(1.01)**	**13.99**	**14.15**

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Notes: Nature and purpose of reserves and surplus and other reserves

(a) Capital Redemption Reserve

Capital Redemption Reserve is created 1) when preference shares are redeemed out of profits of the Group, a sum equal to the nominal amount of the shares to be redeemed has to be transferred to this reserve and 2) when Group purchases its own shares out of free reserves, a sum equal to the nominal value of shares so purchased has to be transferred to this reserve. This reserve may be used for paying up unissued shares of the Group to be issued to members of the Group as fully paid bonus shares.

(b) Capital Reserve

Out of total, Capital Reserve of ₹ 142.66 crores related to Gujarat high court approved composite scheme of arrangement between group companies and ₹ 4.82 Crores was accrued on Forfeiture of Share warrants. Capital reserve is not available for distribution.

(c) Securities premium reserve

Securities premium Account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act 2013.

(d) General Reserve

General Reserve is a free reserve and is available for distribution as dividend, issue of bonus shares, buyback of the Group's securities. It was created by transfer of amounts out of distributable profits.

(e) Employee Share-based Payment Reserve

The Employee share-based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

(f) FVOCI equity investments

The group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(g) Hedging reserve

The group uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale and inventory purchases and interest rate risk associated with variable interest rate borrowings as described within note 26. For hedging foreign currency risk, the group uses foreign currency forward contracts and foreign currency option contracts, both of which are designated as cash flow hedges.To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects profit or loss (e.g. sales and interest payments). When the forecast transaction results in the recognition of a non-financial asset (e.g. inventory), the amount recognised in the cash flow hedging reserve is adjusted against the carrying amount of the nonfinancial asset.

The group designates the spot component of foreign currency forward contracts and the intrinsic value of foreign currency option contracts as hedging instruments in cash flow hedge relationships. The group defers changes in the forward element of foreign currency forward contracts and the time value element of foreign currency option contracts in the costs of hedging reserve. The deferred costs of hedging are included in the initial cost of the related inventory when it is recognised or reclassified to profit or loss when the hedged item affects profit or loss.

(h) Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

(i) Treasury Reserve

This reserve represents own equity shares held by Welspun India Employees Welfare Trust.

The Shareholders of the Company, by resolutions passed by way of Postal Ballot, results of which were declared on July 30, 2022, approved, inter alia, acquisition of equity shares by Welspun India Employees Welfare Trust for implementation of Welspun India Employee Benefit Scheme – 2022. Welspun India Employees Welfare Trust ("Trust") was formed with objects of welfare of employees of the Company and subsidiaries, inter alia, by way of acquiring, holding and allocating equity shares of the Company to eligible employees by way of stock options. By March 31, 2023, the Trust has acquired cumulative equity shares 97,68,566 of the Company for a total acquisition cost of ₹ 74.71 Crores. No options have so far been granted to any employee or director.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

The financial results of the Trust have been included in the standalone and consolidated financial results of the Company in accordance with the requirements of IND-AS and cost of such treasury shares has been presented as a deduction in Other Equity. Such number of equity shares (which are lying with Trust) have been reduced while computing basic and diluted earnings per share.

Note 10 (a) : Non-current borrowings

(₹ in Crores)

Sr. No.	Particulars	Maturity Date	Terms of Repayment	As on March 31, 2023	As on March 31, 2022
1	**Secured Loans:**				
	Measured at amortised cost				
(A)	**Term Loans**				
(i)	**- From Banks**				
(a)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Last instalment due in September 2024.	Repayable in 31 quarterly instalments commencing from March 2017	71.83	140.89
(b)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Last instalment due in June 2025.	Repayable in 34 quarterly instalments commencing from March 2017	36.69	51.27
(c)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company	Last instalment due in June 2024.	Repayable in 27 quarterly instalments commencing from January 2018	-	67.50
(d)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties, all intangible assets, all accounts and on project rights, titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies of the Company and second pari passu charge over present and future book debts, operating cash flows, receivables, commission, revenue; Negative Lien on 51% of the total paid up equity shares as well as 51% of NCDs/CCDs/Sponsor sub debt etc..	Last Instalment due in Quarter ending March 2029.	Repayable in 33 quarterly instalments commencing from Quarter ending March 2021.	615.84	655.41
(e)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties, all intangible assets, all accounts and on project rights, titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies of the Company and second pari passu charge over present and future book debts, operating cash flows, receivables, commission, revenue; Negative Lien on 51% of the total paid up equity shares as well as 51% of NCDs/CCDs/Sponsor sub debt etc.	Last Instalment due in Quarter ending March 2031.	Repayable in 33 quarterly instalments commencing from Quarter ending March 2023.	149.07	128.91

(₹ in Crores)

Sr. No.	Particulars	Maturity Date	Terms of Repayment	As on March 31, 2023	As on March 31, 2022
	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties, all intangible assets, all accounts, project rights, titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies of the Company; Negative Lien on 51% of the total paid up equity shares and second pari passu charge over present and future book debts, operating cash flows, receivables, commission, revenue.	Last Instalment due in Quarter ending March 2028.	Repayable in 16 quarterly instalments commencing from Quarter ending June 2024.	39.57	-
(f)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties, all intangible assets, all accounts, project rights, titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies of the Company; Negative Lien on 51% of the total paid up equity shares and second pari passu charge over present and future book debts, operating cash flows, receivables, commission, revenue.	Last instalment due in December 2030	Repayable in quarterly instalments commencing from December 2022	203.20	170.20
	Total borrowings			**1,116.20**	**1,214.18**
	Less : Current maturities of long-term debt (included in Note 10(a))			144.25	160.57
	Total			**971.95**	**1,053.61**

Notes :

The rate of interest on the Non-current borrowings in the table above are in the range of 3.41 % to 9 % (March 31, 2022 : 3.41 % to 9.25 %). These loans are eligible for Central and State Government Interest Subsidies/ Rebates.

Note 10 (a) : Current borrowings

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Secured:		
Measured at amortised cost		
- Working Capital Loans from Banks [Refer Note (i) below]	865.63	1,415.69
- Export bills discounted [Refer Note (iii) below]	322.67	253.41
Current maturities of long term debt		
- Rupee Term Loans from Banks [Refer note 10 (a)]	144.25	160.57
Unsecured :		
Measured at amortised cost		
- Supplier financing [Refer note (ii) below]	45.90	180.10
- Commercial Paper [Refer note (iv) below]	-	125.00
Total current borrowings	**1,378.45**	**2,134.77**

Note :

(i) The working capital loans, which includes cash credit, packing credit and short term loan from banks, are generally secured by hypothecation of raw materials, stock-in-process, finished, semi finished goods, stores, spares and book debts and current financial assets of borrowing companies and second charge on entire fixed assets of borrowing companies and by corporate guarantees issued by certain companies within the Group.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

(ii) The bills of the vendors evidencing supply of material are discounted on presentation and the vendors are directly paid by the banks and the Group bears the discounting charge upfront. Later on the due date (depending on the tenor of financing), the Group pays the discounting bank the principal amount. This financing is unsecured and therefore there is no hypothecation against stock or debtors.

(iii) Export bills are discounted with the banks and the net amount after deduction of discounting charges is received by the Group. Once the bills are realised the same is utilized to settle the outstanding amount with the bank.

(iv) Commercial paper is an unsecured short term debt instrument issued by the Company generally for the period up to 181 days to meet the regular working capital requirements.

(v) The rate of interest on the current borrowings except current maturities of long-term debt are in the range of 1.21% to 8.55% (March 31, 2022 : 4.50% to 8.55%)

Note 10 (b) : Other Non-current financial liabilities

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Security Deposits	9.03	7.34
Total	**9.03**	**7.34**

Note 10 (b) : Other current financials liabilities

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Interest Accrued but not due on Borrowings	4.51	4.63
Security Deposits	12.57	15.43
Creditors for Capital Purchases	5.70	58.62
Provision for mark-to-market losses on derivatives	23.02	0.02
Unpaid Dividends	1.58	2.23
Other Payables	5.48	3.16
Total	**52.86**	**84.09**

Note 10 (c) : Trade payables

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
- Total Outstanding Dues of Micro Enterprises and Small Enterprises	64.75	58.04
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	804.95	872.50
Total	**869.70**	**930.54**

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To the Consolidated Financial Statements for the year ended March 31, 2023

Trade Payable Ageing Schedule for the year ended as on March 31, 2023 and March 31, 2022

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					Total
	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	50.91	13.68	0.15	0.01	-	64.75
	(55.63)	(2.40)	(0.01)	-	-	(58.04)
Total outstanding dues of creditors other than micro enterprises and small enterprises	627.18	167.39	3.12	0.32	6.94	804.95
	(687.35)	(172.58)	(6.18)	(1.60)	(4.79)	(872.50)
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	-	-	-	-	-	-
Balance as on March 31, 2023	678.09	181.07	3.27	0.33	6.94	869.70
Balance as on March 31, 2022	**(742.98)**	**(174.98)**	**(6.19)**	**(1.60)**	**(4.79)**	**(930.54)**

Note : Previous years figures are given in brackets

Note 11 : Non-current provisions

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Provision for litigation [Refer note below]	0.32	2.88
Total	**0.32**	**2.88**

Particulars	Provisions for litigation [Refer note below]
As at March 31, 2021	**2.74**
Charged/ (credited) to profit or loss	0.14
Provisions utilised/adjusted during the year	-
As at March 31, 2022	**2.88**
Charged/ (credited) to profit or loss	-
Provisions utilised/adjusted during the year	(2.56)
As at March 31, 2023	**0.32**

Note : Provision for litigation are relating to disputed matters pertaining to Value Added Tax (VAT).

Note 12 : Current employee benefit obligations

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Provision for Compensated Absences [Refer Note 19]	27.66	29.70
Provision for Gratuity [Refer Note 19]	37.24	27.44
Employee Benefits Payable*	80.80	97.27
Total	**145.70**	**154.41**

* Includes salary, wages, bonus, leave travel allowance and director commission

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Note 13 : Deferred tax liabilities

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
The balance comprises temporary differences attributable to:		
Deferred Tax Liabilities arising on account of temporary differences in :		
- Property, Plant and Equipment and Intangible assets	418.90	335.92
- Government grants	9.80	-
Deferred Tax Asset arising on account of temporary differences in:		
- Provision for Doubtful Debts / Advances	1.68	1.72
- Provision for Unpaid Statutory Dues under Section 43B of the Income Tax Act, 1961	2.96	4.50
- Provision for Employee Benefits	10.45	8.59
- Expenses inadmissible under section 40(a) of the Income Tax Act, 1961	0.10	0.08
- Government grants	9.80	22.48
- Provision for Inventory	0.15	0.21
- Unabsorbed Depreciation and Business Losses of Subsidiaries	79.31	-
- Others	0.38	0.31
Total	**323.87**	**298.03**

Notes :

i) The Group has capital loss of ₹ 40.30 Crores (March 31, 2022 : ₹ 57.45 Crores) which are available for offsetting against future taxable profits. Deferred tax assets has not been recognised in respect of these losses due to lack of reasonably certainty with respect of utilisation of these losses against future capital gains.

ii) The Group has not recognised deferred tax liabilities for taxes amounting to ₹ 155.51 Crores (March 31, 2022 : ₹ 140.99 Crores) that would be payable on the Group's share in unremitted earnings of its subsidiaries because the Group controls when the liability will be incurred and it is probable that the liability will not be incurred in the foreseeable future.

iii) In case of one subsidiary which has continued losses in the current year, the deferred tax assets on losses have been restricted to the extent of deferred tax liabilities and hence deferred tax assets of ₹ 36.26 crore (March 31, 2022 : ₹ 50.88 crore) has not been recognised.

Particulars	Property, Plant and Equipment and Intangible assets	Hedging reserves	Provision for Doubtful debts/ Advances	Provision for unpaid statutory dues	Employee Benefits Expenses	Expenses inadmissible under section 40(a) of the Income Tax Act, 1961	Provision in Inventory	Unabsorbed Depreciation and Business Losses	Government grants	Other items	Total
April 01, 2021	**309.56**	**11.34**	**(1.64)**	**(5.74)**	**(10.91)**	**(1.59)**	**(10.34)**	**(39.62)**	**-**	**(1.63)**	**249.43**
Charged / (Credited):											
to Statement of Profit and Loss	12.56	*	(0.08)	1.24	2.00	1.51	10.13	39.62	(22.48)	1.32	45.82
to Statement of Profit and Loss (pertaining to earlier years)	13.80	-	-	-	-	-	-	-	-	-	13.80
to Other Comprehensive Income	-	(11.34)	-	-	0.32	-	-	-	-	-	(11.02)
March 31, 2022	**335.92**	**-**	**(1.72)**	**(4.50)**	**(8.59)**	**(0.08)**	**(0.21)**	**-**	**(22.48)**	**(0.31)**	**298.03**
Charged / (Credited):											
to Statement of Profit and Loss	77.02	0.16	0.04	1.54	(1.86)	(0.47)	0.06	(79.31)	22.48	(0.07)	19.59

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Particulars	Property, Plant and Equipment and Intangible assets	Hedging reserves	Provision for Doubtful debts/ Advances	Provision for unpaid statutory dues	Employee Benefits Expenses	Expenses inadmissible under section 40(a) of the Income Tax Act, 1961	Provision in Inventory	Unabsorbed Depreciation and Business Losses	Government grants	Other items	Total
to Statement of Profit and Loss (pertaining to earlier years)	5.96										5.96
to Other Comprehensive Income	-	(0.16)	-	-	-	0.45	-	-	-	-	0.29
March 31, 2023	**418.90**	**-**	**(1.68)**	**(2.96)**	**(10.45)**	**(0.10)**	**(0.15)**	**(79.31)**	**-**	**(0.38)**	**323.87**

* Amount is below the rounding norms adopted by the Company

Note 14 : Other Non current liabilities

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Deferred Income [Refer Note below]	179.52	144.18
Total	**179.52**	**144.18**

Note 14 : Other current liabilities

Particulars	As At March 31, 2023 (₹ in Crores)	As At March 31, 2022 (₹ in Crores)
Advances from Customers	54.34	15.08
Unearned Revenue	0.76	0.53
Statutory dues	51.42	75.57
Deferred Income (Refer Note below)	32.71	54.11
Others	0.10	0.03
Total	**139.33**	**145.32**

Note :

Deferred income relates to government grant for the purchase of property, plant and equipment and are credited to profit or loss on a straight-line basis over the expected lives of the related assets. Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Note 15 : Revenue from operations

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
(a) Sale of Products		
Finished Goods and Traded Goods	7,082.79	8,292.94
Power & Steam	63.09	53.81
Sub Total	**7,145.88**	**8,346.75**
(b) Other operating income		
Government Grant:		
Vat/ State Goods and Service Tax incentive (SGST) [Refer Note (i) below]	332.30	271.49
Rebate / Drawback of Taxes and Duties [Refer Note (ii) below]	521.46	594.14
Sale of Coal	3.50	11.28
Sale of Scrap	59.90	64.02
Job Work and Processing Charges	30.72	23.79
Sub Total	**947.88**	**964.72**
Total	**8,093.76**	**9,311.47**

Notes:

(i) Value Added Tax (VAT)/State Goods and Service Tax (SGST) Concession: Reimbursement of VAT/SGST collected on end product/intermediate product to the extent of the eligible capital investments in plant and machinery for the specified period as per the Scheme.

(ii) 'Pursuant to the approval granted by the Union Cabinet on July 14, 2021 for continuation of Rebate of State and Central Taxes and Levies (RoSCTL) with the same rates as notified by Ministry of Textiles vide notification dated March 8, 2019 on exports of Apparel /Garments and Made ups, during the year ended March 31, 2022, the Group had recognised RoSCTL benefit of ₹ 105.02 Crores pertaining to the eligible export sales for the period from January 1, 2021 to March 31, 2021.

Pursuant to the scheme guidelines for Remission of Duties and Taxes on Exported Products (RoDTEP) notified by Ministry of Commerce and industries vide notification 19 /2015-2020 dated August 17, 2021 for other textile products, during the year ended March 31, 2022, the Group had recognised the benefit of RoDTEP of ₹ 4.04 Crores pertaining to eligible export sales for the period from January 1, 2021 to March 31, 2021.

(iii) Revenue from contracts with customers

1) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Revenue	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
India	1,530.14	1,335.73
Outside India	5,709.86	7,110.11
Total revenue from contracts with customers	**7,240.00**	**8,445.84**

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

2) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Trade receivables*		
Contract liabilities (advances from customers) **	960.46	999.29
Refund liabilities (Rebates, discounts, chargebacks, markdowns, etc.)	54.34	15.08
	165.98	134.92

* Trade receivables are non-interest bearing and are generally on terms of 0 to 120 days.

** Contract Liability represents short term advances received from customer to deliver the goods. The company has recognized revenue of ₹15.08 crores (March 31, 2022 : ₹ 27.10 crores) that was included in contract liability balance at the beginning of the year.

3) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Revenue as per contracted price	7,578.21	8,782.21
Less: Rebates, discounts, chargebacks, markdowns, etc.	338.21	336.37
Revenue from contracts with customers	**7,240.00**	**8,445.84**

4) Reconciliation of revenue from operations with revenue from contracts with customers :

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Revenue from operations	8,093.76	9,311.47
Less: VAT/State Goods and Service Tax Incentive	332.30	271.49
Export Benefits	521.46	594.14
Revenue from contracts with customers	**7,240.00**	**8,445.84**

Note 16 : Other income

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Interest income from financial assets measured at amortised cost		
On Fixed Deposits	2.15	1.92
Interest income from financial assets measured at fair value through profit or loss		
On Bonds and Certificate of Deposits	53.73	25.48
Interest income on Others	0.40	0.41
Interest income on income tax refund	-	0.03
Rent	5.57	6.08
Dividend income from investments	0.57	0.10
Unwinding of discount on security deposits	0.69	0.69
Net gain on financial assets measured at fair value through profit or loss	0.46	0.27
Liabilities Written Back as no Longer Required	1.12	1.36
Profit on Sale/ Discarding of Property, Plant and Equipment (Net)	9.70	-
Service Charges	1.53	1.53
Insurance Claim	5.99	0.73
Miscellaneous	39.43	27.24
Total	**121.34**	**65.84**

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Note 17 : Cost of materials consumed

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Raw material consumed		
Opening inventory	688.09	642.99
Add: Purchases (net)	4,013.50	4,086.35
Less : Inventory at the end of the year	925.28	688.09
	3,776.31	**4,041.25**
Packing material consumed		
Opening inventory	14.81	23.16
Add: Purchases (net)	242.28	312.29
Less : Inventory at the end of the year	15.08	14.81
	242.01	**320.64**
Total	**4,018.32**	**4,361.89**

Note 18 : Changes in inventory of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Decrease / (Increase) in Stocks		
Stock at the end of the year :		
Finished Goods and Traded Goods	618.19	850.94
Work-in-Process	333.55	351.39
Total A	**951.74**	**1,202.33**
Less : Stock at the beginning of the year :		
Finished Goods and Traded Goods	894.54	707.95
Work-in-Process	351.39	370.78
Total B	**1,245.93**	**1,078.73**
Decrease / (Increase) in Stocks (A-B)	**294.19**	**(123.60)**

Note 19 : Employee benefits expense

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Salaries, Wages, Allowances and Other Benefits	722.34	797.93
Contribution to Provident and Other Funds	46.92	46.35
Employee Stock Option Scheme	2.13	2.57
Staff and Labour Welfare	22.96	19.85
Total	**794.35**	**866.70**

The amount of Employee cost capitalised during the year ended March 31, 2023 was ₹ 0.74 Crores (March 31,2022 : ₹ 7.73 Crore)

I Defined Contribution Plans

During the year, the Group has recognised the following amounts in the Statement of Profit and Loss:	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Employers' Contribution to Provident Fund & Pension Scheme	38.50	37.59
Employers' Contribution to Employees' State Insurance	3.40	3.98
Employers' Contribution to Superannuation Scheme	0.81	0.91
Other social security funds	4.21	3.87
Total	**46.92**	**46.35**

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

II Defined Benefit Plan

Contribution to Gratuity Fund (Funded Defined Benefit Plan)

Certain Companies operate gratuity plan through the Employees Trusts. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier.

Risk exposure

These defined benefit plans expose the Group to actuarial risk such as longitivity risks, interest rate risks, market (investment) risks.

a. Major Assumptions

Particulars	As at March 31, 2023	As at March 31, 2022
Discount Rate	% p.a. 7.50 to 7.60	% p.a. 7.27 to 7.29
Salary Escalation Rate @	5.00 to 6.00	5.00 to 6.50

@ The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors

b. Change in the Present Value of Obligation

Particulars	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Opening Present Value of Obligation	**69.34**	**63.86**
Current Service Cost	11.67	12.23
Past Service Cost	-	0.26
Interest Cost	5.04	4.40
Total amount recognised in profit or loss	**16.71**	**16.89**
Remeasurement		
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic assumptions	1.49	0.93
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial assumptions	(1.49)	(3.08)
Actuarial (Gains)/Losses on Obligations - Due to Experience assumptions	(3.72)	(0.72)
Total amount recognised in other comprehensive income	**(3.72)**	**(2.87)**
Benefit Paid Directly by the Employer	(0.26)	(0.90)
Benefit/ Exgratia paid	(9.17)	(7.73)
Liability transferred out / divestment	-	0.09
Closing Present Value of Obligation	**72.90**	**69.34**

c. Change in Fair Value of Plan Assets

Particulars	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Opening Fair Value of Plan Assets	41.91	44.85
Interest Income	3.04	3.09
Total amount recognised in profit or loss	**3.04**	**3.09**
Remeasurement		
Return on Plan Assets, excluding amounts included in Interest Income	(1.90)	(1.02)
Total amount recognised in other comprehensive income	**(1.90)**	**(1.02)**
Contributions	0.50	2.00
Benefits paid	(7.89)	(7.01)
Closing Fair Value of Plan Assets	**35.66**	**41.91**

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

d. Balance Sheet Reconciliation

Particulars	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Opening Net Liability	(27.44)	(19.01)
Income Recognized in Statement of Profit or Loss	(13.68)	(13.80)
Expenses/(Income) Recognized in OCI	1.82	1.85
Benefit Paid Directly by the Employer	1.56	0.90
Liability transferred out / divestment	-	(0.09)
Employer's Contribution	0.50	2.71
Net Liability Recognised in the Balance Sheet	**(37.24)**	**(27.44)**

e. Amount recognised in the Balance sheet

Particulars	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Present value of Obligation	72.90	69.35
Fair Value of Plan Assets	35.66	41.91
Funded Status Deficit	**(37.24)**	**(27.44)**
Expense recognised in statement of profit or loss	-	-
Net Liability Recognised in the Balance Sheet	**(37.24)**	**(27.44)**

f. Expenses Recognised in the Statement of Profit and Loss

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Current Service Cost	11.67	12.23
Net Interest Cost	2.00	1.31
Past Service Cost	-	0.26
Total Expenses recognized in the statement of profit and loss*	**13.67**	**13.80**

g. Expenses recognized in the Other Comprehensive Income

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Re-measurement		
Return on Plan Assets	1.90	1.02
Net Actuarial (Gain)/Loss recognised in the year	(3.72)	(2.87)
Net (Income)/Expenses for the Period Recognised in OCI	**(1.82)**	**(1.85)**

h. Sensitivity Analysis

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Projected Benefit Obligation on Current Assumptions	72.90	69.35
Delta Effect of +1% Change in Rate of Discounting	(5.51)	(5.99)
Delta Effect of -1% Change in Rate of Discounting	6.40	7.07
Delta Effect of +1% Change in Rate of Salary Increase	6.47	7.13
Delta Effect of -1% Change in Rate of Salary Increase	(5.66)	(6.15)
Delta Effect of +1% Change in Rate of Employee Turnover	1.35	1.39
Delta Effect of -1% Change in Rate of Employee Turnover	(1.53)	(1.60)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

i. The major categories of plans assets are as follows:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount (₹ in Crores)	%	Amount (₹ in Crores)	%
Insurer Managed funds	35.66	100.00	41.91	100.00

j. Defined benefit liability and employer contributions

Funding is done only for employees more than 5 years in the group, for less than 5 years employees are paid separately.

Expected contributions to post-employment benefit plans for the year ending March 31, 2024 are ₹ 24.67 crore

The weighted average duration of the defined benefit obligation is 7-12 years (March 31, 2022: 9-13 years). The expected maturity analysis of gratuity is as follows:

(₹ in Crores)

Particulars	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Between 6 - 10 years	11 years and above	Total
March 31, 2023						
Defined benefit obligation (gratuity)	5.46	7.83	16.33	32.52	102.29	164.43
Total	**5.46**	**7.83**	**16.33**	**32.52**	**102.29**	**164.43**
March 31, 2022						
Defined benefit obligation (gratuity)	5.33	3.83	15.54	28.19	116.28	169.17
Total	**5.33**	**3.83**	**15.54**	**28.19**	**116.28**	**169.17**

III Other Employee Benefit

The liability for leave entitlement and compensated absences as at year end is ₹ 27.66 Crores (March 31, 2022: ₹ 29.70 Crores).

Note 20 : Depreciation and Amortisation Expense

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Depreciation of property, plant and equipment (Refer note 3)	401.62	382.52
Amortisation of intangible assets (Refer note 4)	11.13	10.14
Depreciation on right-of-use assets (Refer note 34)	29.39	27.81
Total depreciation and amortization expense	**442.14**	**420.47**

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To the Consolidated Financial Statements for the year ended March 31, 2023

Note 21 : Other Expenses

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Stores and Spares Consumed	109.13	140.63
Dyes and Chemicals Consumed	251.00	312.46
Contract Labour Charges	60.66	78.64
Job Work Expenses	23.91	76.44
Power, Fuel and Water Charges	463.25	294.21
(Net of subsidy ₹ 15.37 Crores, Previous Year : ₹ 21.39 Crores)		
Warehouse Expenses	100.00	95.40
Repairs and Maintenance:		
Plant and Machinery	42.27	43.14
Factory Building	2.11	2.34
Others	30.46	36.84
Brokerage and Commission	46.29	47.33
Freight, Forwarding and Coolie Charges	342.13	396.20
Director's Sitting Fees	0.87	1.12
Rent	54.39	32.13
Rates and Taxes	7.29	8.74
Printing and Stationery	1.34	1.70
Travelling and Conveyance	44.28	29.81
Legal and Professional Charges	81.45	80.45
Security Expenses	6.39	5.54
Insurance	46.42	44.73
Communication	11.88	11.94
Postage and Courier	11.32	9.65
Loss on Sale/ Discarding of Property, Plant and Equipment's (Net)	-	2.42
Provision for Doubtful Advances	0.19	1.26
Loss on Sale of Investments	-	0.39
Provision for Doubtful Debts/Advances	1.91	5.98
Exchange Loss (Net)	38.28	8.51
Bad Debts Written off	0.53	0.16
Advances Written off	0.04	*
Design and Development Expenses	11.38	15.64
Royalty	62.75	56.51
Advertising and Sales Promotion	123.40	101.38
Donations	10.54	0.10
Corporate Social Responsibility Expenses	15.87	13.71
Payments to auditors	3.11	3.11
Miscellaneous	28.00	33.37
Total	**2,032.84**	**1,991.98**

* Amount is below the rounding norms adopted by the Company

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Note 22 : Finance costs

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Interest and finance charges on Long Term Borrowings	15.13	13.43
(net of interest subsidy of ₹ 78.46 Crores, Previous Year : ₹ 70.75 Crores)		
Interest on short term borrowings	78.83	68.39
Interest to Others	2.86	4.12
Interest on lease liability	6.29	5.62
Discounting and Bank Charges	26.77	39.69
Total	**129.88**	**131.25**

Note 23 : Share Based Payments

On July 31, 2021 and November 26, 2021, Nomination and Remuneration Committee of the company made grants of 3,000,000 and 300,000 stock options ("ESOPs") respectively, under Welspun India Limited Employee Stock Option Scheme ("WELSOP 2005") representing an equal number of equity shares of face value of Re. 1 each in the Company, at an exercise price (closing market price on date of grants) to certain employees of the Company and certain employees / non-independent directors of the subsidiaries. The salient features of the Scheme are as under:

(i) Vesting: Options to vest over a period of four years from the date of their grants as under

- 20% of the Options granted to vest at each of the 1st and 2nd anniversaries of the date of grant.
- 30% of the Options granted to vest at each of the 3rd and 4th anniversaries of the date of grant.

(ii) Exercise: Options vested with an employee will be exercisable within 3 years from the date of their vesting by subscribing to the number of equity shares in the ratio of one equity share for every option at the Exercise Price. In the event of cessation of employment due to death, resignation or otherwise, the Options may lapse or be exercisable in the manner specifically provided for in the Scheme.

(iii) Method Used: The Fair value of Equity-settled share-based payment are estimated using Black-Scholes-Merton formula.

The expense recognised for employee services received during the year is shown in the following table:

Particulars	March 31, 2023 (₹ in Crores)	March 31, 2022 (₹ in Crores)
Expense arising from equity-settled share-based payment transactions	2.13	2.57

There were no cancellations or modifications to the awards in year ending March 31, 2023.

Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year :

(₹ in Crores)

Particulars	March 31, 2023		March 31, 2022	
	Number	WAEP	Number	WAEP
Options Outstanding at beginning of the year	29,00,000	₹ 134.02	-	
Options Granted during the year	-	-	33,00,000	₹ 133.95
Options Forfeited during the year	-	-	-	-
Options Exercised during the year	-	-	-	-
Options Expired during the year	6,00,000	₹ 133.45	4,00,000	₹ 133.45
Options Outstanding at end of the year	23,00,000	₹ 134.17	29,00,000	₹ 134.02

Out of the total options outstanding as on March 31, 2023, 4,60,000 options (previous year: Nil) were vested but not exercised.

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To the Consolidated Financial Statements for the year ended March 31, 2023

Summary of Valuation Assumptions:

Particulars	Option granted on July 31, 2021	Option granted on November 26, 2021
Share Price on Grant Date	₹ 133.45	₹ 139.00
Exercise price	₹ 133.45	₹ 139.00
Dividend Yield	1.05%	1.05%
Expected Volatility	50%	50%
Risk-free interest rate	3.94% - 5.65%	4.29% - 5.65%
Expected Term (years)	1 - 4	1 - 4
Weighted Average remaning contractual life (years)	4.04	4.36
Weighted Average Fair value of Option on the date of grant	₹ 44.80	₹ 46.86

The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk free rate of interest. The expected term of the share options and SARs is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Note 24 : Income tax expense

This note provides an analysis of the Group's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Group's tax positions.

(a) Statement of Profit and Loss

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Current Tax		
Current Tax on profits for the year.	73.73	222.98
Adjustment for current tax of prior periods	(5.77)	-
Total current tax expense	**67.96**	**222.98**
Deferred Tax		
Relating to originating and reversal of temporary differences	25.48	29.48
Deferred tax charge related to earlier years	5.96	13.80
Total deferred income tax expense/(benefit)	**31.44**	**43.28**
Income tax expense	**99.40**	**266.26**

(b) Other Comprehensive Income (OCI)

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Deferred tax credit/(Charge) for the year on :		
Deferred gain on cash flow hedges	3.64	8.04
Net gain on remeasurement of defined benefit plans	(0.45)	(0.32)
Total	**3.19**	**7.72**

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To the Consolidated Financial Statements for the year ended March 31, 2023

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

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Profit for the year before income tax expense	301.91	872.97
Tax at the Indian tax rate @ 25.17% (previous year 34.94%)	**75.99**	**305.02**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Impact on account of change in tax rate	-	5.48
Donation and Corporate social responsibility expenditure	6.67	2.82
Deduction under section 80IA	(9.09)	(22.88)
Adjustment of tax related to earlier years	0.19	10.20
Deferred tax not created	6.08	(15.92)
Other Items	18.05	(0.43)
Difference in tax rate	1.51	(18.03)
Income Tax Expenses	**99.40**	**266.26**

Note 25 : Fair value measurements

Financial instruments by category

(₹ in Crores)

Particulars	March 31, 2023			March 31, 2022		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	0.57	5.52	-	-	3.19	-
- Bonds and debentures	547.82	-	-	508.93	-	-
- Mutual funds	86.86	-	-	185.01	-	-
- Others	0.16	-	-	0.16	-	-
Trade receivables	-	-	960.46	-	-	999.29
Loans	-	-	2.38	-	-	2.50
Cash and cash equivalents	-	-	146.12	-	-	231.81
Bank balance other than Cash and cash equivalents	-	-	35.25	-	-	33.72
Security deposits	-	-	37.84	-	-	37.31
Government Grants Receivable	-	-	331.10	-	-	338.57
Mark-to-Market gain (Net) on Forward/ Swap Contracts	-	-	-	-	22.16	-
Other financial assets	-	-	18.81	3.25	-	24.12
Total financial assets	**635.41**	**5.52**	**1,531.96**	**697.35**	**25.35**	**1,667.32**
Financial liabilities						
Borrowings including interest there on	-	-	2,354.91	-	-	3,193.01
Trade payables	-	-	869.70	-	-	930.54
Security Deposits	-	-	21.60	-	-	22.77
Creditors for Capital Purchases	-	-	5.70	-	-	58.62
Provision for mark-to-market losses on derivatives	-	23.02	-	-	0.02	-
Lease Liability	-	-	111.42	-	-	115.56
Other financial liabilities	-	-	7.06	-	-	5.39
Total financial liabilities	**-**	**23.02**	**3,370.39**	**-**	**0.02**	**4,325.89**

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

(i) Fair value of Financial assets and liabilities measured at amortised cost

(₹ in Crores)

Particulars	March 31, 2023		March 31, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Trade receivables	960.46	960.46	999.29	999.29
Loans	2.38	2.38	2.50	2.50
Cash and cash equivalents	146.12	146.12	231.81	231.81
Bank balance other than Cash and cash equivalents	35.25	35.25	33.72	33.72
Security deposits	37.84	37.84	37.31	37.31
Government Grants Receivable	331.10	331.10	338.57	338.57
Other financial assets	18.81	18.81	24.12	24.12
Total	**1,531.96**	**1,531.96**	**1,667.32**	**1,667.32**
Financial liabilities				
Borrowings including interest there on	2,354.91	2,354.91	3,193.01	3,193.01
Trade payables	869.70	869.70	930.54	930.54
Security Deposits	21.60	21.60	22.77	22.77
Creditors for Capital Purchases	5.70	5.70	58.62	58.62
Other financial liabilities	7.06	7.06	5.39	5.39
Total	**3,258.97**	**3,258.97**	**4,210.33**	**4,210.33**

The carrying amount of trade receivable, current loans, current portion of interest accrued on fixed deposit, bonds and certificates, cash and cash equivalents, bank balances other than cash and cash equivalents, government grants, TUF and incentive, trade payable, capital creditors, current security deposits (liability) and other current financial liabilities are considered to be approximately same as their fair value, due to their short-term nature and have been classified as level 3 in the fair value hierarchy.

The fair value for loans, security deposits, advance recoverable in cash, fixed deposit with bank, interest accrued on fixed deposit and investments in preference shares is calculated based on cash flows discounted using a current lending rates. Further, security deposits, advance recoverable in cash and investments in preference share are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair value for long term security deposits are based on discounted cash flow using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

The carrying amount of long term borrowings is approximately equal to it's fair value since the borrowings are at floating rate of interest. Also, the carrying amount of short term borrowing is considered to be approximately same as it's fair value due to it's short term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(ii) Fair value hierarchy

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

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

(₹ in Crores)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
At March 31, 2023					
Financial assets :					
Financial Investments at FVPL					
Equity instruments	5 (a)	-	-	0.57	0.57
Bonds and debentures	5 (a)	-	-	547.82	547.82
Mutual funds	5 (a)	-	86.86	-	86.86
Others	5 (a)	-	-	0.16	0.16
Other Financials Assets					
Derivatives designated as hedges					
Mark-to-Market Gain on Forward Contracts	5 (c)	-	-	-	-
Financial Investments at FVOCI					
Listed Equity Investment	5 (a)	5.52	-	-	5.52
Total financial assets		**5.52**	**86.86**	**548.55**	**640.93**
Financial liabilities					
Derivatives designated as hedges					
Provision for mark-to-market losses on derivatives	10 (b)	-	23.02	-	23.02
Total financial liabilities		**-**	**23.02**	**-**	**23.02**

(₹ in Crores)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
At March 31, 2022					
Financial assets :					
Financial Investments at FVPL					
Bonds and debentures	5 (a)	-	-	508.93	508.93
Mutual funds	5 (a)	-	185.01	-	185.01
Others	5 (a)	-	-	0.16	0.16
Other Financials Assets				3.25	3.25
Derivatives designated as hedges					-
Mark-to-Market gain (Net) on Forward/ Swap Contracts	5 (c)	-	22.16	-	22.16
Financial Investments at FVOCI					-
Listed Equity Investment	5 (a)	3.19	-	-	3.19
Total financial assets		**3.19**	**207.17**	**512.34**	**722.70**
Financial liabilities					
Derivatives designated as hedges					
Provision for mark-to-market losses on derivatives	10(b)	-	0.02	-	0.02
Total financial liabilities		**-**	**0.02**	**-**	**0.02**

Assets and Liabilities that are disclosed at Amortised Cost for which Fair values are disclosed and are classified as Level 3

Current financial asset and current financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature. Non current financial assets and non current financial liabilities have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows.

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To the Consolidated Financial Statements for the year ended March 31, 2023

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below.

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (such as traded bonds, debentures, government securities and commercial papers) is determined using Fixed Income Money Market and Derivatives Association of India (FIMMDA) inputs and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. Considering that all significant inputs required to fair value such instruments are observable, these are included in level 2.The mutual funds, bonds and debentures are valued using the closing Net Assets Value (NAV). NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.

Valuations of Level 2 instruments can be verified to recent trading activity for identical or similar instruments, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. Consideration is given to the nature of the quotations (e.g., indicative or firm) and the relationship of recent market activity to the prices provided from alternative pricing sources.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the period. The group's policy is to recognise transfers into and transfers out of fair value hierarchy level as at the end of reporting period. And transfers out of fair value hierarchy level as at the end of reporting period.

iii) Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- NAV quoted by mutual funds
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(iv) Fair value measurements using significant unobservable inputs (level 3) for FVPL instruments

The following table presents the changes in level 3 items for the periods ended March 31, 2023 and March 31, 2022:

(₹ in Crores)

Particulars	Equity Share
As at April1, 2021	*
Loss recognised in Statement of Profit and Loss	-
Amount Received on redemption	-
Investment made during the year	-
As at March 31, 2022	*
Gains/ Loss) recognised in Statement of Profit and Loss	-
Amount Received on redemption	-
Investment made during the year	0.57
As at March 31, 2023	**0.57**

* Amount is below the rounding norms adopted by the Company

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To the Consolidated Financial Statements for the year ended March 31, 2023

v) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (iii) above for the valuation techniques adopted

Particulars	Fair Value (₹ in Crores)		Significant unobservable inputs	Probability-weighted range		Sensitivity
	March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022	
Equity Shares	0.57	*	March 31, 2023: Proportionate net worth of the investee entities March 31, 2022: Proportionate net worth of the investee entities	NA	NA	March 31, 2023: NA as the value is Nil March 31, 2022: NA as the value is Nil

* Amount is below the rounding norms adopted by the Company

vi) Valuation processes:

The finance department of the Group includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO).

Discussions of valuation processes and results are held between the CFO, and the valuation team at least once every three months, in line with the Group's quarterly reporting periods.

The main level 3 inputs for preference shares used by the Group are derived and evaluated as follows:

- Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk grading determined by the Group's internal credit risk management team.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the quarterly valuation discussion between the CFO and the valuation team. As part of this discussion the team presents a report that explains the reason for the fair value movements.

Note 26 : Financial risk management

The Group's activities expose it to market risk, liquidity risk and credit risk. In order to minimize any adverse effects of the financial performance of the Group, derivative financial instruments, such as foreign exchange contracts, foreign currency swap contracts are entered to hedge certain foreign currency risk exposure and interest rate swap to hedge variable interest rate exposures. Derivatives are used exclusively for hedging purpose and not as trading or speculative instruments.

This note explain the sources of risk which the Group is exposed to and how the Group manages the risk and impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Aging analysis	Diversification of bank deposits, credit limits, letters of credit and insurance for certain trade receivables
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts, plain Vanilla Foreign currency options
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	The Group achieves the optimum interest rate profile by mix of floating and fixed rate borrowings Further, the Group is eligible for interest subsidy of upto 8% p.a. on the certain term loans as a result the Group does not hedge these loans.
Market risk – security prices	Investments in Bonds	Sensitivity analysis	Portfolio diversification

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To the Consolidated Financial Statements for the year ended March 31, 2023

The Group's risk management is carried out by the Risk Management committee, under policies approved by the Board of Directors. Group Risk Management committee identifies, evaluates and hedge financial risk in close cooperation with Group companies. The Board provides policy for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(A) Credit risk

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to wholesale customers including outstanding receivables.

(i) Credit Risk Management

Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with bank and financial institution, foreign exchange transactions and other financial instruments.

The Group determines default by considering the business environment in which the Group operates and other macro-economic factors. The group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward -looking information such as:

i) Actual or expected significant adverse changes in business;

ii) Actual or expected significant changes in the operating results of the counterparty;

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;

iv) Significant increase in credit risk on other financial instruments of the same counterparty;

v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group.

Trade Receivable

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables.

Concentrations of credit risk with respect to trade receivables are limited, due to the Group's coustomer base being large and diverse. No single customer contributed for 10% or more of the revenue in any of the years presented.

Expected credit loss for trade receivables as at March 31, 2023 is ₹ 6.28 crores (March 31, 2022: ₹ 9.54 crores)

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

As at March 31, 2023

(₹ in crores)

Ageing of Trade receivables Gross Carrying Amount	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
Gross Carrying Amount	796.39	141.04	22.05	4.16	0.69	2.41	966.74
Expected Loss Rate	0.00%	1.68%	1.73%	35.06%	0.22%	85.87%	0.65%
Allowance for Doubtful	-	2.37	0.38	1.46	*	2.07	6.28
Carrying amount of trade receivables (net of impairment)	**796.39**	**138.67**	**21.67**	**2.70**	**0.69**	**0.34**	**960.46**

* Amount is below the rounding norms adopted by the Company

As at March 31, 2022

(₹ in crores)

Ageing of Trade receivables Gross Carrying Amount	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
Gross Carrying Amount	852.90	143.98	1.64	5.84	1.21	3.26	1,008.83
Expected Loss Rate	0.00%	0.40%	23.21%	84.67%	62.59%	88.43%	0.95%
Allowance for Doubtful	-	0.57	0.38	4.95	0.75	2.89	9.54
Carrying amount of trade receivables (net of impairment)	**852.90**	**143.41**	**1.26**	**0.89**	**0.46**	**0.37**	**999.29**

Reconciliation of loss allowance provision - Trade receivables

Particulars	Amount (₹ in crores)
Allowance for doubtful debts on March 31, 2021	8.71
Expected Credit loss recognised	0.99
Written off during the year	(0.16)
Allowance for doubtful debts on March 31, 2022	**9.54**
Expected Credit loss recognised	0.20
Written off during the year	(3.46)
Allowance for doubtful debts on March 31, 2023	**6.28**

Other Financial Assets

The Group maintains exposure in cash and cash equivalents, term deposits with banks, Derivative financial instruments, investments in government securities and bonds, and investments in mutual funds. The Group has diversified portfolio of investment with various number of counter-parties which have good credit ratings, good reputation, good past track records and reviews and hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Group.

B. Liquidity risk

Liquidity risk refers to the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

(i) Financing arrangements

The group had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in crores)

As at	March 31, 2023 Fund based	March 31, 2023 Non Fund based	March 31, 2022 Fund based	March 31, 2022 Non Fund based
Expiring with one year (Export bills discounting, Packing Credit, Bank overdraft etc.)	2,766.27	562.31	1,750.29	488.08
TOTAL	**2,766.27**	**562.31**	**1,750.29**	**488.08**

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Non utilised fund based limit can be utilised under Non Fund based limit. Maximum limit for fund based is ₹ 4117.56 crores (PY ₹ 3735.39 crores) and for Non fund based is ₹ 1597.12 crores (PY ₹ 1425.65 crores).

(ii) Maturities of Financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

-all non derivative financial liabilities, and

-net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows.

As at March 31, 2023

(₹ in crores)

Contractual maturities of Non derivatives financial liabilities	Less than 3 Months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Beyond 5 years	Total
Non derivatives							
Borrowings (Including Interest)	1,296.23	57.23	111.27	195.67	602.77	461.14	2,724.31
Trade payables	869.70	-	-	-	-	-	869.70
Other financial liabilities	25.79	-	-	-	-	-	25.79
Lease Liabilities	8.80	8.71	16.84	25.23	39.88	25.25	124.71
Total	**2,200.52**	**65.94**	**128.11**	**220.90**	**642.65**	**486.39**	**3,744.51**

As at March 31, 2023

(₹ in crores)

Derivative Financial Instruments for highly probable forecast sales (based on contracted rate)	Less than 3 Months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Beyond 5 years	Total
Forward contracts USD- INR	487.43	648.18	1,324.54	-	-	-	2,460.15
Forward contracts EUR- INR	4.63	3.89	8.91	-	-	-	17.43
Total	**492.06**	**652.07**	**1,333.45**	**-**	**-**	**-**	**2,477.58**

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

As at March 31, 2023

(₹ in crores)

Derivative Financial Instruments for firm commitments/Purchases (based on contracted rate)	Less than 3 Months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Beyond 5 years	Total
Forward contracts USD- INR	18.73	1.16	-	-	-	-	19.89
Forward contracts EUR- INR	-	-	-	-	-	-	-
Total	**18.73**	**1.16**	**-**	**-**	**-**	**-**	**19.89**

As at March 31, 2022

(₹ in crores)

Contractual maturities of Non derivatives financial liabilities	Less than 3 Months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Beyond 5 years	Total
Non derivatives							
Borrowings (Including Interest)	1,753.32	296.16	125.91	311.63	580.79	553.03	3,620.84
Trade payables	930.54	-	-	-	-	-	930.54
Other financial liabilities	78.72	-	0.74	7.33	-	-	86.79
Lease Liabilities	7.34	7.34	14.59	28.70	43.68	26.54	128.19
Total	**2,769.92**	**303.50**	**141.24**	**347.66**	**624.47**	**579.57**	**4,766.76**

As at March 31, 2022

(₹ in crores)

Derivative Financial Instruments for highly probable forecast sales (based on contracted rate)	Less than 3 Months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Beyond 5 years	Total
Forward contracts USD- INR	596.25	1,098.93	2,039.28	-	-	-	3,734.46
Forward contracts EUR- INR	7.10	4.33	1.74	-	-	-	13.17
Total	**603.35**	**1,103.26**	**2,041.02**	**-**	**-**	**-**	**3,747.63**

As at March 31, 2022

(₹ in crores)

Derivative Financial Instruments for firm commitments/Purchases (based on contracted rate)	Less than 3 Months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Beyond 5 years	Total
Forward contracts USD- INR	33.33	12.38	-	-	-	-	45.71
Forward contracts EUR- INR	1.34	-	-	-	-	-	1.34
Total	**34.67**	**12.38**	**-**	**-**	**-**	**-**	**47.05**

C. Market risk

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (revenue and expenses).

This foreign currency risk is hedged by using foreign currency forward contracts. The Group manages its foreign currency risk by designating forward contracts as hedging instruments against:

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To the Consolidated Financial Statements for the year ended March 31, 2023

In case of foreign currency sales and pool of trade receivables in foreign currency-

-Highly probable forecasted sales in foreign currency i.e. towards future sales where corresponding exposure is yet to be recorded in the books (for an initial part of the tenure of the contract),

-Pool of trade receivables in foreign currency (for balance part of the tenure of contract), and

Further, the Group settles these forward contracts with banks by utilising it against the realisations for pool of trade receivables in foreign currency.

In case of imports and corresponding trade payables-

- Firm commitments and settlement of certain foreign currency trade payables.

(a) Foreign currency risk exposure

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows. Translation related risks are not included in the assessment of group's exposure to currency risk. Translation exposures arise from financial and non financial items held by subsidiary companies with a functional currency different from the group's presentation currency. However, foreign currency denominated inter-company receivables and Payables which do not form part of net investment in a foreign operation are considered as exposure, accordingly included below.

(₹ in crores)

As at	March 31, 2023			March 31, 2022		
Foreign Currency	USD	EUR	Others*	USD	EUR	Others*
Financial Assets						
Trade Receivables	895.32	2.83	3.12	1,042.88	15.18	2.69
Other Receivables	-	2.77	-	-	-	-
Foreign exchange forward contracts	(476.16)	-	-	(572.25)	-	-
Net exposure to foreign currency risk (assets)	**419.16**	**5.60**	**3.12**	**470.63**	**15.18**	**2.69**
Financial liabilities						
Borrowings	338.48	-	-	268.27	-	-
Trade payables and provision	207.62	3.79	1.84	349.41	3.59	2.54
Other financial liabilities	1.50	-	0.41	16.04	11.27	5.37
Less: Hedged through derivatives				-	-	-
Buyer's credit	22.04	-	-	15.02	-	-
Foreign exchange forward contracts**	(19.78)	-	-	(15.02)	-	-
Net exposure to foreign currency risk (liabilities)	**549.86**	**3.79**	**2.25**	**633.72**	**14.86**	**7.91**
Net open exposures (assets-liabilities) - assets / (liabilities)	**(130.70)**	**1.81**	**0.87**	**(163.09)**	**0.32**	**(5.22)**

*Others consists of GBP, JPY, CNY, AED, HKD and CHF foreign currencies.
**These contracts are taken to hedge the buyer's credit.

Cross Currency Interest Rate Swap

Group has enetered into INR-USD swap during FY 2022-23, details of which are mentioned hereunder-

INR Notional (Crores)	USD Notional (crores)	Maturity	Os notional as on 31.03.23 (USD crores)	MTM as on 31.03.23 (INR crores)
175	2.38	31-Aug-25	2.12	(11.15)

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

(b) Foreign currency sensitivity

The sensitivity of other component of equity arises from foreign forward exchange contracts.

Particulars	Impact on profit before tax	
	March 31, 2023	March 31, 2022
USD sensitivity		
USD-INR - Increase by 5% (March 31, 2022 - 5%)*	(6.53)	(8.15)
USD - INR - Decrease by 5% (March 31, 2022 - 5%)*	6.53	8.15
EURO sensitivity		
EURO - INR - Increase by 5% (March 31, 2022 - 5%)*	0.09	0.02
EURO - INR - Decrease by 5% (March 31, 2022 - 5%)*	(0.09)	(0.02)

* Holding all other variables constant

(c) Hedge accounting

(i) Cash Flow Hedge

The Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions (forecasted sales). The use of foreign currency forward contracts is governed by the Group's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Group's risk management policy and procedures. Mark-to-Market Gain/(Loss) on Forward Contracts which are assessed as effective under Cash Flow hedge are recognized through Other Comprehensive Income and ineffective hedges are transferred to Statement of Profit and Loss account.

(ii) fair Value Hedge

The Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to firm commitments/highly probable forecast transactions to purchase raw materials and foreign currency required at the settlement date of certain payables for these purchases and at the settlement date of pool of trade receivables in foreign currency. Hedging the forecast purchases and pool of foreign currency trade receivables is in accordance with the risk management strategy outlined by the Board of Directors. Mark-to-Market Gain/(Loss) on Forward Contracts under Fair Value hedged are recognized through statement of Profit and Loss account.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange and forward contracts match the terms of the expected highly probable forecast transactions (i.e., notional amount and expected payment date).

The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange and forward contracts are identical to the hedged risk components. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

The hedge ineffectiveness can arise from:

i) Differences in the timing of the cash flows of the hedged items and the hedging instruments

ii) The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items

As at March 31, 2023

Following tables discloses profile of timing of the nominal amount of foreign exchange forward contracts:

Particulars	Less than 3 months		3 to 6 Months		6 months to 1 year		Total
Foreign Currency Forward Contracts for Highly probable forecast sales	Amount in Crs	Average Rate (₹)	Amount in Crs	Average Rate (₹)	Amount in Crs	Average Rate (₹)	Amount in Crs
Forward contracts (in USD)	0.25	81.84	7.89	82.15	15.78	83.94	23.92
Forward contracts (in EURO)	0.06	84.22	0.05	86.40	0.10	91.36	0.21

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Following tables discloses profile of timing of the nominal amount of foreign exchange forward contracts:

Particulars	Less than 3 months		3 to 6 Months		6 months to 1 year		Total
Foreign Currency Forward Contracts for Firm Commitments/ Purchases	Amount in Crs	Average Rate (₹)	Amount in Crs	Average Rate (₹)	Amount in Crs	Average Rate (₹)	Amount in Crs
Forward contracts (in USD)	0.22	82.64	0.01	82.37	-	-	0.23
Forward contracts (in EUR)	-	-	-	-	-	-	-

As at March 31, 2022

Following tables discloses profile of timing of the nominal amount of foreign exchange forward contracts:

Particulars	Less than 3 months		3 to 6 Months		6 months to 1 year		Total
Foreign Currency Forward Contracts for Highly probable forecast Sales	Amount in Crs	Average Rate (₹)	Amount in Crs	Average Rate (₹)	Amount in Crs	Average Rate (₹)	Amount in Crs
Forward contracts (in USD)	0.20	76.95	14.24	77.15	26.05	78.29	40.49
Forward contracts (in EURO)	0.08	88.74	0.05	86.62	0.02	87.22	0.15

Following tables discloses profile of timing of the nominal amount of foreign exchange forward contracts:

Particulars	Less than 3 months		3 to 6 Months		6 months to 1 year		Total
Foreign Currency Forward Contracts for Firm Commitments/ Purchases	Amount in Crs	Average Rate (₹)	Amount in Crs	Average Rate (₹)	Amount in Crs	Average Rate (₹)	Amount in Crs
Forward contracts (in USD)	0.43	76.68	0.16	77.04	-	-	0.59
Forward contracts (in EUR)	0.02	84.44	-	-	-	-	0.02

Impact of hedging activities

Disclosure of effects of hedge accounting on financial positions:

As at March 31, 2023

(₹ in crores)

Particulars	Nominal value (Foreign Currency in Crs)	Carrying amount of hedging instrument		Hedging Ratio	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognizing effectiveness
		Assets (₹ in crores)	Liabilities (₹ in crores)			
Cash flow hedge						
Foreign exchange risk						
Forward contracts (USD-INR)	23.92	-	(0.77)	1:1	55.30	(55.30)
Forward contracts (EURO-INR)	0.21	-	(0.60)	1:1		
Fair Value hedge						
Foreign exchange risk						
Forward contracts (USD-INR)	5.79	-	(10.43)	1:1		

As at March 31, 2022

(₹ in crores)

Particulars	Nominal value (Foreign Currency in Crs)	Carrying amount of hedging instrument		Hedging Ratio	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognizing effectiveness
		Assets (₹ in crores)	Liabilities (₹ in crores)			
Cash flow hedge						
Foreign exchange risk						
Forward contracts (USD-INR)	40.49	12.76	-	1:1	(131.93)	131.93
Forward contracts (EURO-INR)	0.15	0.35	-	1:1		
Fair Value hedge						
Foreign exchange risk						
Forward contracts (USD-INR)	7.52	8.58	-	1:1		

Disclosure of effects of hedge accounting on financial performance

(₹ in crores)

March 31, 2023 Type of hedge	Change in the value of the hedging instrument recognized in OCI	Hedge ineffectiveness recognized in profit and loss	Amount reclassified from cash flow hedging reserve to profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Highly probable forecast sales	(55.30)	-	69.78	Revenue from contracts with customers

(₹ in crores)

March 31, 2022 Type of hedge	Change in the value of the hedging instrument recognized in OCI	Hedge ineffectiveness recognized in profit and loss	Amount reclassified from cash flow hedging reserve to profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Highly probable forecast sales	131.93	-	(99.98)	Revenue from contracts with customers

The Group's hedging policy allows for effective hedge relationship to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between hedge item and hedging instrument. The Group uses hypothetical derivative method to assess effectiveness.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Movement in cash flow hedging reserve

(₹ in crores)

Derivative instruments	Forward contracts
(i) Cash flow hedging reserve	
As at March 31, 2021	**33.72**
Loss recognised in other comprehensive income during the year	(131.93)
Amounts reclassified to profit or loss	99.98
Deferred Tax	8.04
As at March 31, 2022	**9.81**
Loss recognised in other comprehensive income during the year	55.30
Amounts reclassified to profit or loss	(69.78)
Deferred Tax	3.64
As at March 31, 2023	**(1.03)**

Cash flow and fair value interest rate risk

The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible bonds and short term loans. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

(a) Interest rate risk exposure

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Fixed rate borrowings	1,151.19	1,589.76
Floating rate borrowings	1,199.14	1,598.62
Total	**2,350.33**	**3,188.38**

As at the end of the reporting period, the Group had the following variable rate borrowings outstanding:

(₹ in crores)

Particulars	March 31, 2023			March 31, 2022		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Borrowings -Term Loan	8.12%	1,199.14	51%	7.38%	1,598.62	50%
Net exposure to cash flow interest rate risk	-	1,199.14	-	-	1,598.62	-

(b) Sensitivity

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

(₹ in crores)

Particulars	Impact on profit before tax	
	March 31, 2023	March 31, 2022
Increase by 25 basis points (March 31, 2022 - 25 basis points)*	(3.00)	(4.00)
Decrease by 25 basis points (March 31, 2022 - 25 basis points)*	3.00	4.00

* Holding all other variables constant including change in interest subsidy

(iii) Price risk

(a) Exposure

The Group is mainly exposed to the price risk due to its investment in mutual funds and bonds. The price risk arises due to uncertainties about the future market values of these investments. In order to manage its price risk arising from investments in mutual funds, the Group diversifies its portfolio in accordance with the limits set by the risk management policies.

(b) Sensitivity

The table below summarises the impact of increases/decreases of 0.75% increase in price of Mutual Fund / Bond.

(₹ in crores)

Particulars	Impact on profit before tax	
	March 31, 2023	March 31, 2022
Increase in price 0.75% (March 31, 2022 - 0.75%)*	4.76	5.20
Decrease in price 0.75% (March 31, 2022 - 0.75%)*	(4.76)	(5.20)

* Holding all other variables constant

Note 27 : Capital management

(a) Risk Management

The Group's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Group's overall strategy remains unchanged from previous year.

The Group sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation and other long term borrowings. The Group's policy is to use short-term and long-term borrowings to meet anticipated funding requirements.

The Group monitors capital on the basis of the net debt to equity ratio. The Group is not subject to any externally imposed capital requirements.

Net debt are long term and short term debts as reduced by cash and cash equivalents. Equity comprises all components excluding other components of equity (which comprises the cash flow hedges, translation of foreign operations and available-for-sale financial investments).

The Group's strategy is to maintain a gearing ratio within 2:1. The gearing ratios were as follows:

The following table summarizes the capital of the Group:

Particulars	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Non current borrowings	971.95	1,053.61
Current borrowings	1,234.20	1,974.20
Current maturities of long term debt	144.25	160.57
Less: cash and cash equivalent	146.12	231.81
Net debt	2,204.28	2,956.57
Total equity	4,196.03	4,076.25
Gearing ratio	0.53	0.73

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To the Consolidated Financial Statements for the year ended March 31, 2023

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants, in certain cases, may permit the bank to immediately call loans and borrowings. There have been no material breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

(b) Dividend

Particulars	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Equity Share		
Final dividend for the year ended March 31, 2022 of ₹ 0.15 (March 31, 2021 of ₹ 0.15) per fully paid share	14.82	15.07
Dividend not recognised at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of Re.0.10 per fully paid equity share (March 31, 2022 of Re.0.15). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	9.88	14.82

Note 28 : Segment Information

i) Information about Primary Business Segment

Identification of Segments:

The Group is engaged in the business of Home Textiles (which includes towels, bath robes, bath rugs/ mats, area rugs, carpet, bed sheets, utility bedding and fashion bedding), generation of Power and Flooring (which includes tiles, Grass tiles).

The Chief Operating Decision Makers monitor operating results under two operating segment viz., "Home Textiles" and "Flooring" for the purpose of making decision about profit or loss in the financial statements.

Segment Information for the year ended March 31, 2023

(₹ in Crores)

Sr. No.	Particulars	Home Textiles	Flooring	Unallocable	Total
1	**Segment Revenue**				
	External Revenue	7,638.10	705.65	-	8,343.75
	Inter Segment Revenue	51.50	198.49	-	249.99
	Net Revenue from Operation	**7,586.60**	**507.16**	**-**	**8,093.76**
2	**Profit before interest, depreciation, exceptional items and tax**	798.42	18.14	57.32	873.88
	Less: Depreciation and amortization expense	369.06	73.08	-	442.14
	Less: Finance costs	116.74	13.14	-	129.88
	Share of Associate's Net Profit	0.05	-	-	0.05
	Profit before Tax	**312.67**	**(68.08)**	**57.32**	**301.91**
	Tax Expenses	-	-	99.40	99.40
	Profit after Tax (before adjustment for Non controlling Interest)	**312.67**	**(68.08)**	**(42.08)**	**202.51**
	Less : Share of Profit / (Loss) transferred to Non controlling entities	4.20	(0.52)	-	3.68
	Profit after Tax (after adjustment for Non controlling Interest)	**308.47**	**(67.56)**	**(42.08)**	**198.83**
3	Segment Assets	6,232.29	1,555.58	862.21	8,650.08
	Segment Liabilities	2,776.68	1,081.60	595.77	4,454.05

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Segment Information for the year ended March 31, 2022

(₹ in Crores)

Sr. No.	Particulars	Home Textiles	Flooring	Unallocable	Total
1	**Segment Revenue**				
	External Revenue	8,791.11	661.11	-	9,452.22
	Inter Segment Revenue	10.26	130.49	-	140.75
	Net Revenue from Operation	**8,780.85**	**530.62**	**-**	**9,311.47**
2	**Profit before interest, depreciation, exceptional items and tax**	1,411.08	(14.34)	27.82	1,424.56
	Less: Depreciation and amortization expense	361.16	59.31	-	420.47
	Less: Finance costs	128.53	2.72	-	131.25
	Share of Associate's Net Profit	0.13	-	-	0.13
	Profit before Tax	**921.52**	**(76.37)**	**27.82**	**872.97**
	Tax Expenses	-	-	266.27	266.27
	Profit after Tax (before adjustment for Non controlling Interest)	**921.52**	**(76.37)**	**(238.45)**	**606.70**
	Less : Share of Profit / (Loss) transferred to Non controlling entities	7.71	(2.16)	-	5.55
	Profit after Tax (after adjustment for Non controlling Interest)	**913.81**	**(74.21)**	**(238.45)**	**601.15**
3	Segment Assets	6,895.74	1,592.16	948.95	9,436.85
	Segment Liabilities	3,631.82	1,140.88	587.90	5,360.60

ii) Information about Secondary Geographical Segments:

(₹ in Crores)

Particulars	India		Outside India		Total	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
External Revenue	1,865.28	1,603.90	6,228.48	7,707.57	8,093.76	9,311.47
Carrying Amount of Segment Assets*	3,758.85	3,983.69	233.86	239.90	3,992.71	4,223.59

* Carrying Amount of Segment Assets are Non-Current assets excluding the Tax Assets, Deferred Tax Assets and Financial Assets

Notes:

(a) The segment revenue in the geographical segments considered for disclosure as follows:

- Revenue within India includes sales to customers located within India and earnings in India.
- Revenue outside India includes sales to customers located outside India, earnings outside India and rebate / drawback of taxes and duties on sales made to customers located outside India.

(b) Segment Revenue and assets include the respective amounts identified to country of domicile viz India and other countries viz out side India and amounts allocated on a reasonable basis.

(c) The following table gives details in respect of percentage of revenue generated (sale of products) from the top ten customers.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from top ten customers	54.53%	60.97%

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Note 29 : Interests in other entities

(a) Subsidiaries

The list of group's subsidiaries is stated below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business

Name of entity	Place of business/ Country of Incorporation	Ownership interest held by the Group		Ownership interest held by non-controlling interests		Principal activities
		31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	
		%	%	%	%	
Anjar Integrated Textile Park Developers Private Limited (AITP)	India	100.00	100.00	-	-	Development of Textile Park
Welspun Anjar SEZ Limited (WASEZ)	India	100.00	100.00	-	-	Development of Industrial Park
Besa Developers and Infrastructure Private Limited (BESA)	India	100.00	100.00	-	-	Real Estate
Welspun Global Brands Limited (WGBL)	India	98.03	98.03	1.97	1.97	Trading in Home Textile Product
Welspun USA Inc. (WUSA)	U.S.A.	98.68	98.68	1.32	1.32	Trading in Home Textile Product
Welspun Captive Power Generation Limited (WCPGL)	India	77.00	77.00	23.00	23.00	Power Generation
Welspun Holdings Private Limited (WHPL)	Cyprus	98.11	98.11	1.89	1.89	Investment
Welspun Home Textiles UK Limited (WHTUKL) (Held through WHPL)	U.K.	98.11	98.11	1.89	1.89	Investment
CHT Holdings Limited (CHTHL) (Held through WHTUKL)	U.K.	98.11	98.11	1.89	1.89	Investment
Christy Home Textiles Limited (CHTL) (Held through CHTHL)	U.K.	98.11	98.11	1.89	1.89	Investment
Christy Welspun GmbH (CWG) (Held through WUKL)	Germany	98.11	98.11	1.89	1.89	Trading in Home Textile Product
Welspun UK Limited (WUKL) (Held through CHTL)	U.K.	98.11	98.11	1.89	1.89	Trading in Home Textile Product
Christy 2004 Limited (Held through WUKL)	U.K.	98.11	98.11	1.89	1.89	Trading in Home Textile Product
Christy Lifestyle LLC (Held through WUKL)	U.S.A.	98.11	98.11	1.89	1.89	Trading in Home Textile Product
Christy UK Limited (CUKL) (Held through CHTL)	U.K.	98.11	98.11	1.89	1.89	Trading in Home Textile Product
ER Kingsley (Textiles) Limited (Held through CHTL)	U.K.	98.11	98.11	1.89	1.89	Trading in Home Textile Product
Welspun Mauritius Enterprises Limited (WMEL)	Mauritius	98.03	98.03	1.97	1.97	Investment
Novelty Home Textiles S A DE C V (Held through WMEL)	Mexico	98.03	98.03	1.97	1.97	Manufacturing of Textile Products
Welspun Zucchi Textiles Limited (WZTL)	India	100.00	100.00	-	-	Manufacturing of bathrobes
Welspun Flooring Limited (WFL)	India	100.00	100.00	-	-	Manufacturing of Tiles and Flooring Solutions
Welspun Innovative Products Limited (WIPL) (Previously known as Welspun Advanced Materials Limited)****	India	-	100.00	-	-	Manufacturing of Home Textile Product

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Name of entity	Place of business/ Country of Incorporation	Ownership interest held by the Group		Ownership interest held by non-controlling interests		Principal activities
		31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	
		%	%	%	%	
Welspun Advanced Materials (India) Limited (WAMIL)	India	100.00	100.00	-	-	Manufacturing of Home Textile Product
Welspun Nexgen Inc. (WNI)	U.S.A.	100.00	100.00	-	-	Investment
TILT Innovations Inc. (TII) (Held through WUSA)	U.S.A.	98.68	98.68	1.32	1.32	Trading in Innovative Home Textile Product
TMG (Americas) LLC, (Held through WUSA)	U.S.A.	98.68	98.68	1.32	1.32	Real Estate
Pure Sense Organics Myanmar Limited. (PSOM) ***	Myanmar	-	-	-	-	Farming of Organic Cotton
Easygo Textiles Private Limited(ETPL)**	India	-	100.00	-	-	Manufacturing of Home Textile Product
Anjar Terry Towels Limited(ATTL)*	India	100.00	100.00	-	-	Manufacturing of Home Textile Product

*On September 25, 2021 Anjar Terry Towels Private Limited became the 100% Subsidiary Company and Name was changed to Anjar Terry Towels Limited (ATTL) on November 11, 2021

**On October 27, 2021, Easygo Textiles Private Limited (ETPL) became the 100% Subsidiary Company and on November 21, 2022 Ceased to be a subsidiary of Welspun India Limited (WIL)

*** On 7th December 2021, Pure Sense Organics Myanmar Limited. (PSOM) ceased to a subsidiary of Welspun India limited (WIL).

**** On November 21, 2022, Welspun Innovative Products Limited. (WIPL) ceased to a subsidiary of Welspun India limited (WIL).

(b) Non-controlling interests (NCI)

Set out below is summarised financial information for Welspun Captive Power Generation Limited that has non-controlling interests that is material to the Group. The amounts disclosed for subsidiary is before inter-company eliminations.

(₹ in Crores)

Summarised Balance Sheet	Welspun Captive Power Generation Limited	
	As At March 31, 2023	As At March 31, 2022
Current assets	241.12	225.37
Current liabilities	10.63	44.47
Net current assets	**230.49**	**180.90**
Non-current assets	235.20	273.79
Non-current liabilities	44.41	45.25
Net non-current assets	**190.79**	**228.54**
Net assets	**421.28**	**409.44**
Accumulated NCI	96.90	94.17

(₹ in Crores)

Summarised statement of profit and loss	Welspun Captive Power Generation Limited	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Revenue	290.51	437.21
Profit for the year	11.86	17.63
Other comprehensive income (Loss)	(0.01)	(0.03)
Total comprehensive income	**11.85**	**17.59**
Profit allocated to NCI	2.73	4.05
Dividends paid to NCI	-	-

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

(₹ in Crores)

Summarised cash flows	Welspun Captive Power Generation Limited	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Cash flows from operating activities	96.49	23.29
Cash flows from investing activities	(89.01)	(25.16)
Cash flows from financing activities	(19.38)	10.65
Net increase/ (decrease) in cash and cash equivalents	**(11.90)**	**8.78**

(c) Investment in Associate

The Group has a 48% (Previous year :48%) interest in Welassure Private Limited (wef September 17, 2020), which is primary in the business of supply manpower to corporate for their various activities. Welassure Private Limited is a private entity that is not listed on any public exchange. The Group's interest in Welassure Private Limited is accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the Group's investment in Welassure Private Limited :

(₹ in Crores)

Summarised Balance Sheet	As At March 31, 2023	As At March 31, 2022
Current assets	11.18	6.07
Current liabilities	10.63	5.53
Net current assets	**0.55**	**0.54**
Non-current assets	0.67	0.57
Non-current liabilities	-	-
Net non-current assets	**0.67**	**0.57**
Net assets	**1.22**	**1.11**

(₹ in Crores)

Summarised statement of profit and loss	Year Ended March 31, 2023	Year Ended March 31, 2022
Revenue	58.37	30.70
Profit for the year	0.11	0.26
Other comprehensive income (Loss)	-	-
Total comprehensive income	**0.11**	**0.26**
Group's Share of profit for the year	0.05	0.13

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Note 30: Related Party Disclosures

(i). Relationships

(a)	Enterprises where Control Exists	
	Ultimate Parent	Welspun Group Master Trust (WGMT)
(b)	Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year	Welspun Corp Limited (WCL)
		AYM Syntex Limited (AYMSL)
		Welspun Di Pipes limited (WDPL)
		Welspun Logistics Limited (WLL)
		Welspun Enterprises Limited (WENL)
		Welspun Realty Private Limited (WRPL)
		Welspun Speciality Solutions Limited (WSSL) (Formerly known as RMG Alloy Steel Ltd) (RMGL)
		Welspun Steel Limited (WSL)
		Welspun One Logistics (WOL)
		Mounting Renewable Power Limited (MRPL)
		Anjar TMT Steel Private Limited (ATMT)
		Welspun Transformation services Limited (WTSL)
		Welspun Tradings Limited (WTL)
		Welspun Multiventure LLP (WML)
		Wel-treat Enviro Management Organisation (WEMO)
		Koolkanya Private Limited (KPL)
		MGN Agro Properties Private Limited (MGN)
		Aryabhat Vyapar Private Limited (AVPL)
		Welspun Foundation for Health and Knowledge (WFHK)
		Welspun Metallics Limited (WMAL)
		Welspun Wasco Coatings Private Limited (WASCO)
		Welspun Global Services Limited (WGSL)
		Welspun India Limited Employees Gratuity Fund (WILGF)
(c)	Associate Company	Welassure Private Limited (WPL)

		Name	Nature of relationship
(d)	Key Management Personnel	Balkrishan Goenka (BKG)	Director & Chairman
		Rajesh R. Mandawewala (RRM)	Executive Vice Chairman
		Dipali Goenka (DBG)	Managing Director & CEO
		Arun Todarwal (AT)	Independent Director (till July 01, 2022)
		Arvind Singhal (AS)	Independent Director
		Pradeep Poddar (PP)	Independent Director
		Anisha Motwani (AM)	Independent Director
		K. H. Vishwanathan (KH)	Independent Director (w.e.f. July 01, 2022)
		Sanjeev Sancheti (SS)	Chief Financial Officer (till. May 14, 2021)
		Sanjay Gupta (SG)	Chief Financial Officer (w.e.f. May 15, 2021)
		Shashikant Thorat (ST)	Company Secretary
(e)	Relatives of Key Management Personnel	Radhika Goenka (RBG)	
		Yashvardhan Agarwal	
		Vanshika Goenka (VBG)	
		Aneesh Misra	

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

(ii). Terms and conditions

- All outstanding balances are unsecured and repayable in cash.

(₹ in Crores)

Particulars	Ultimate Parent	Associate Company	Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year																Total c/f
	WGMT	WPL (Welassure)	WCL	AYMSL	WENL	WRPL	WSL	WSSL	WTL	WMAL	WEMO	WOL	MRPL	AVPL	ATMT	WFHK	WLL	KPL	MGN	
Transactions during the year																				
Loans, Advances and Deposits given	-	-	-	-	0.01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Advance & Deposits Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	(2.84)	-	-	-	-	-	(#)	-	-	-	-	-	-	-	-	-	-	(2.84)
Repayment of Loans, Advances and Deposits given	-	-	-	-	-	1.55	-	-	-	-	-	-	-	-	-	-	-	-	-	1.55
	-	-	(#)	-	-	(1.73)	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.73)
Purchase of Goods (Including Taxes)	-	-	66.83	21.61	4.92	-	-	-	-	3.87	-	-	-	-	0.16	-	-	-	-	97.39
	-	(1.02)	(0.23)	(61.06)	-	-	(40.11)	(0.05)	-	-	-	-	-	-	-	-	-	-	-	(102.47)
Purchase of Services/ Expenses incurred	-	20.75	2.69	-	0.01	3.43	-	-	-	-	-	-	-	-	-	0.10	0.02	0.17	0.02	27.19
	-	(23.63)	(1.30)	-	-	(3.43)	(0.84)	-	-	-	-	-	-	-	-	-	-	-	-	(29.20)
Sale of Goods/ DEPB Licenses *	-	-	80.35	24.66	1.57	-	-	0.12	-	27.58	-	0.34		-	6.60	0.07	-	-	-	141.29
	-	(0.01)	(45.76)	(83.83)	(0.95)	-	(43.85)	(0.03)	-	(2.78)	-	-	-	-	-	(0.24)	(0.10)	-	-	(177.55)
Sale of Services/ Expenses incurred	-	0.47	0.52	-	0.82	-	-	-	0.01	1.46	-	-	-	-	0.06	0.07		-	-	3.41
	-	(0.28)	(1.73)	-	(2.15)	-	(0.07)	-	(#)	(1.26)	-	-	-	-	-	-	-	-	-	(5.49)
Sale of Fixed Assets	-	-	2.84	-	-	-	-	-	-	1.49	-	-	-	-	-	-	-	-	-	4.33
	-	-	-	-	-	-	-	-	-	(2.83)	-	-	-	-	-	-	-	-	-	(2.83)
Purchase of Fixed Assets / Capital Goods	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	(0.10)	-	-	-	-	(0.11)	-	-	-	-	-	-	-	-	-	-	(2.24)	(2.45)
Remuneration and Commission +	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Director Sitting Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment made during the year	-	-	-	-	-	-	-	-	-	-	-	-	0.10	-	-	-	-	-	-	0.10
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

(₹ in Crores)

Particulars	Ultimate Parent	Associate Company	Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year																	Total c/f
	WGMT	WPL (Welassure)	WCL	AYMSL	WENL	WRPL	WSL	WSSL	WTL	WMAL	WEMO	WOL	MRPL	AVPL	ATMT	WFHK	WLL	KPL	MGN	
Equity Dividend Paid	10.29	-	-	-	-	-	-	-	-	-	-	-	-	0.08	-	-	-	-	#	10.37
	(10.19)	-	-	-	-	-	-	-	-	-	-	-	-	(0.08)	-	-	-	-	-	(10.27)
Corporate Social Responsibility Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.87	-	-	-	8.87
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(13.55)	-	-	-	(13.55)
Contributions made	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance																				
Loans, Advances and Deposits received (including interest accrued but not due)	-	-	-	-	-	-	-	-	#	2.13	-	-	-	-	-	-	-	-	-	2.13
	-	-	(2.84)	-	-	-	-	-	(#)	-	-	-	-	-	-	-	-	-	-	(2.84)
Loans, Advances and Deposits given (including interest accrued on loan)	-	-	3.42	-	0.01	8.85	-	-	-	-	1.90	-	-	-	-	-	-	-	-	14.18
	-	(#)	(3.63)	-	(2.11)	(12.38)	-	-	-	-	(1.90)	-	-	-	-	-	-	-	-	(20.02)
Trade Receivables (Net of Bills Discounted with Banks)	-	0.07	19.61	0.38	1.98	-	-	#	-	10.68	-	0.04	-	-	3.28	0.01	-	-	-	36.05
	-	-	(10.12)	(4.25)	(0.29)	-	(30.92)	(#)	(#)	(1.37)	-	-	-	-	-	(0.01)	(#)	-	-	(46.96)
Trade and Other Payables	-	0.64	5.89	#	0.41	-	-	-	-	0.94	-	-	-	-	0.11	-	-	#	-	7.99
	-	(2.05)	(0.01)	(1.86)	(#)	-	(4.74)	-	-	-	-	-	-	-	-	-	-	-	-	(8.66)
Investments	-	0.29	-	1.73	-	-	-	-	-	-	-	-	0.10	-	-	-	-	-	-	2.12
	-	(0.29)	-	(3.19)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3.48)

Note:

Year 2021-22 figures are given in round brackets

* Amount is inclusive of taxes

** As the liabilities for defined benefit plans and compensated absences are provided on actuarial basis for the Company as a whole the amount pertaining to KMP's are not included in the above table.

+ Commission applicable to Balkrishan Goenka, Rajesh Mandawewala and Dipali Goenka

Amount is below the rounding norms adopted by the company

Notes
To the Consolidated Financial Statements for the year ended March 31, 2023

(₹ in Crores)

Particulars	Total b/f	Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during					Key Management Personnel **												Relatives of Key Management Personnel		Post employment Benefit Plan	TOTAL
		WASCO	WML	WDPL	WTSL	WGSL	BKG	RRM	DBG	AT	AS	PP	AM	KH	SG	SS	ST	RBG	VBG	WILGF	
Transactions during the year																					
Loans, Advances and Deposits given	0.01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Advance & Deposits Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(2.84)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2.84)
Repayment of Loans, Advances and Deposits given	1.55	-	0.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.62
	(1.73)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.73)
Purchase of Goods (Including Taxes)	97.39	-	-	2.54	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	99.93
	(102.47)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(102.47)
Purchase of Services/ Expenses incurred	27.19	-	-	-	21.74	20.48	-	-	-	-	-	-	-	-	-	-	-	-	-	-	69.41
	(29.20)	-	-	-	-	(18.28)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(47.48)
Sale of Goods/ DEPB Licenses *	141.29	0.21	-	16.84	0.01	0.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	158.42
	(177.55)	(0.17)	-	(0.12)	-	(0.04)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(177.88)
Sale of Services/ Expenses incurred	3.41	-	-	0.15	-	1.33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.89
	(5.49)	-	-	(0.35)	-	(1.43)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7.27)
Sale of Fixed Assets	4.33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.33
	(2.83)	-	-	(18.66)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(21.49)
Purchase of Fixed Assets / Capital Goods	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(2.45)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2.45)
Remuneration and Commission +	-	-	-	-	-	-	3.20	4.90	11.14	-	-	-	-	-	2.31	-	0.59	-	-	-	22.14
	-	-	-	-	-	-	(9.09)	(10.79)	(16.23)	-	-	-	-	-	(1.48)	(0.78)	(0.54)	-	(0.20)	-	(39.11)
Dividend Received	-	-	-	-	-	0.57	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.57
	-	-	-	-	-	(0.10)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.10)
Director Sitting Fees	-	-	-	-	-	-	-	-	-	0.08	0.07	0.12	0.14	0.23	-	-	-	-	-	-	0.64
	-	-	-	-	-	-	-	-	-	(0.37)	(0.10)	(0.22)	(0.28)	-	-	-	-	-	-	-	(0.97)
Investment made during the year	0.10	-	-	-	0.57	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.67
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

(₹ in Crores)

Particulars	Total b/f	Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during					Key Management Personnel **											Relatives of Key Management Personnel		Post employment Benefit Plan	TOTAL
		WASCO	WML	WDPL	WTSL	WGSL	BKG	RRM	DBG	AT	AS	PP	AM	KH	SG	SS	ST	RBG	VBG	WILGF	
Equity Dividend Paid	10.37	-	-	-	-	-	0.01	#	0.01	-	-	-	-	-	-	-	-	0.03	-	-	10.42
	(10.27)	-	-	-	-	-	(0.24)	-	(0.01)	-	-	-	-	-	-	-	-	(0.03)	-	-	(10.55)
Corporate Social Responsibility Expenses	8.87	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.87
	(13.55)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(13.55)
Contributions made	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2.00)	(2.00)
Closing Balance																					
Loans, Advances and Deposits received (including interest accrued but not due)	2.13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.13
	(2.84)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2.84)
Loans, Advances and Deposits given (including interest accrued on loan)	14.18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14.18
	(20.02)	-	(0.07)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(20.09)
Trade Receivables (Net of Bills Discounted with Banks)	36.05	0.01	-	10.11	-	0.41	-	-	-	-	-	-	-	-	-	-	-	-	-	-	46.58
	(46.96)	(0.01)	-	(0.02)	-	(0.26)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(47.25)
Trade and Other Payables	7.99	-	-	2.50	1.90	1.31	2.88	3.20	3.20	-	-	-	-	-	-	-	-	-	-	-	22.98
	(8.66)	-	-	-	-	(0.77)	(8.18)	(9.09)	(9.27)	-	-	-	-	-	-	-	-	-	-	-	(35.97)
Investments	2.12	-	-	-	0.57	#	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.69
	(3.48)	-	-	-	-	(#)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3.48)

Note:

Year 2021-22 figures are given in round brackets

* Amount is inclusive of taxes

** As the liabilities for defined benefit plans and compensated absences are provided on actuarial basis for the Company as a whole the amount pertaining to KMP's are not included in the above table.

+ Commission applicable to Balkrishan Goenka, Rajesh Mandawewala and Dipali Goenka

Amount is below the rounding norms adopted by the company

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Note 31: Capital & Other Commitments

(a) Capital commitments:

Description	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Estimated value of Contracts in Capital Account remaining to be executed (Net of Capital Advances)	19.59	89.57

(b) Other Commitments

Description	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Amount of Export Commitments / Obligation in accordance with the EPCG Scheme. Duty saved ₹ 152.52 Crores (March 31, 2022 : ₹ 172.56 Crores)	418.18	735.79
Future commitments towards Minimum royalties, image fund fees, and merchandise coordinator fees against trademark and patent licensing agreements and issue of Standby Letter of Credit against custom duty liabilities	61.74	73.73

Note 32:

During the year, the company's subsidiary viz. Welspun Captive Power Generations Limited (WCPGL) has received ₹ 6.57 crores towards Loss of profit claim and ₹ 1.22 crore against material break down claim, WCPGL had previously recorded Loss of profit insurance claim receivable of ₹ 4.32 crores and material break down claim of ₹ 1.26 crores. During the year income of ₹ 2.22 crores was recorded towards insurance claim.

Note 33: Earnings per Share

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Profit available for Equity Shareholders (A) (₹ in Crores)	198.83	601.17
Number of Equity Shares for Basic Earnings Per Share		
- Weighted Number of equity shares outstanding during the year (B)	98,42,28,482	99,27,61,680
- Weighted Number of diluted equity shares outstanding during the year (C)	98,23,51,052	99,27,72,714
Basic Earnings per share (A/B) (₹)	2.02	6.06
Diluted Earnings per share (A/C) (₹)	2.02	6.06
Nominal value of an equity share (₹)	1.00	1.00

Note: As at the end of current year, the outstanding potential equity shares had an anti-dilutive effect on EPS. Hence, there is no dilution of EPS of the Company for the current year.

Note 34: Leases

Group as Lessee

The Group has lease contracts for various items of commercial property, vehicles and other equipment used in its operations. Leases of commercial property generally have lease term between 2 and 16 years and motor vehicles while other equipment generally have lease terms between 2 and 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Group also has certain leases with lease terms of 12 months or less and leases with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

(₹ in Crores)

Particulars	Right to use assets			
	Commercial Property	Motor Vehicles	Other equipments	Total
As at 1st April 2021	**86.91**	**0.26**	**3.88**	**91.05**
Additions	40.23	-	0.06	40.29
Lease modifications / adjustments	0.85	0.38	(0.06)	1.17
Depreciation expense	(25.64)	(0.35)	(1.82)	(27.81)
As at 31 March 2022	**102.35**	**0.29**	**2.06**	**104.70**
Additions	12.99	-	-	12.99
Lease modifications / adjustments	10.67	0.41	0.00	11.08
Depreciation expense	(27.66)	(0.29)	(1.44)	(29.39)
As at 31 March 2023	**98.35**	**0.41**	**0.62**	**99.38**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

(₹ in Crores)

Particulars	Amount
As at 1st April 2021	**98.88**
Additions	40.29
Lease modifications / adjustments	0.99
Accretion of interest	5.62
Payments	(30.21)
As at 31 March 2022	**115.57**
Additions	12.99
Lease modifications / adjustments	11.86
Accretion of interest	6.32
Payments	(35.32)
As at 31 March 2023	**111.42**
Current	30.08
Non-current	81.34

The maturity analysis of lease liabilities are disclosed in Note 26

The effective interest rate for lease liabilities is between 4% and 11%.

The following are the amounts recognised in profit or loss:

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Depreciation expense of right-of-use assets	29.39	27.81
Interest expense on lease liabilities	6.32	5.62
Expense relating to short-term leases and low value assets (included in other expenses)	30.59	19.75
Variable lease payments (included in other expenses)	38.41	18.93
Total amount recognised in profit or loss	**104.71**	**72.11**

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

The Group had total cash outflows for leases of ₹ 104.32 Crores in March 31, 2023 (₹ 68.89 Crores in March 31, 2022). There are no non-cash additions to right-of-use assets and lease liabilities. There are no future cash outflows relating to leases that have not yet commenced.

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Note 35: Contingent Liabilities:

a. Description on matters considered as contingent liabilities :

Description	As at March 31, 2023 (₹ in Crores)	As at March 31, 2022 (₹ in Crores)
Excise, Customs and Service Tax Matters	6.39	6.13
Stamp Duty Matter	0.45	0.45
Sales Tax Matters	1.71	1.95
Income Tax Matters	27.46	27.47
Claims against the group not acknowledged as debts	8.88	4.85

(i) It is not practicable to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

(ii) The Group does not expect any reimbursements in respect of the above contingent liabilities.

Note 36: Details of Research and Development expenses incurred during the year, debited under various heads of Statement of Profit and Loss are given below:

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Material Consumption	24.05	15.52
Employee benefits expenses	5.89	8.19
Others	3.90	4.48
Total	**33.84**	**28.19**

Details of Capital Expenditure incurred during the year for Research and Development is given below:

Particulars	Year ended March 31, 2023 (₹ in Crores)	Year ended March 31, 2022 (₹ in Crores)
Plant and Machinery	0.41	1.02
Total	**0.41**	**1.02**

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Note 37 : Additional information mandated by Schedule III of the Companies Act, 2013 regarding Subsidiary companies considered in the consolidated financial statements:

Name of Entity	Net assets / (liabilities) i.e., total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets / (liabilities)	Amount (₹ in Crores)	As a % of consolidated profit / (loss)	Amount (₹ in Crores)	As a % of consolidated other comprehensive income	Amount (₹ in Crores)	As a % of consolidated total comprehensive income	Amount (₹ in Crores)
Parent								
Welspun India Limited								
31 March, 2023	84.33%	3,538.39	74.90%	151.68	-22.27%	(1.04)	72.71%	150.64
31 March, 2022	85.25%	3,475.15	64.63%	392.13	-19.39%	3.08	66.89%	395.21
Subsidiaries								
Indian								
Welspun Global Brands Limited								
31 March, 2023	11.18%	469.02	16.93%	34.29	-211.99%	(9.90)	11.77%	24.39
31 March, 2022	10.91%	444.63	9.03%	54.81	148.60%	(23.57)	5.29%	31.24
Welspun Zucchi Textiles Limited								
31 March, 2023	0.29%	12.11	0.23%	0.47	0.00%	-	0.23%	0.47
31 March, 2022	0.29%	11.64	0.06%	0.35	0.00%	-	0.06%	0.35
Welspun Flooring Limited								
31 March, 2023	11.61%	487.03	-14.58%	(29.52)	0.63%	0.03	-14.23%	(29.49)
31 March, 2022	12.33%	502.52	10.59%	64.24	-0.06%	0.01	10.87%	64.25
Welspun Innovative Products Limited ##								
31 March, 2023	-	-	0.00%	*	0.00%	-	0.00%	*
31 March, 2022	0.00%	0.02	0.00%	*	0.00%	-	0.00%	*
Besa Developers and Infrastructure Private Limited								
31 March, 2023	-0.03%	(1.43)	0.00%	*	0.00%	-	0.00%	*
31 March, 2022	-0.04%	(1.43)	0.00%	*	0.00%	-	0.00%	*
Anjar Integrated Textile Park Private Limited								
31 March, 2023	0.00%	(0.03)	0.00%	*	0.00%	-	0.00%	*
31 March, 2022	0.00%	(0.03)	0.00%	*	0.00%	-	0.00%	*
Welspun Anjar SEZ Private Limited								
31 March, 2023	5.71%	239.59	-0.28%	(0.57)	0.00%	-	-0.28%	(0.57)
31 March, 2022	5.89%	240.16	0.09%	0.52	0.00%	-	0.09%	0.52
Welspun Captive Power Generation Limited								
31 March, 2023	10.04%	421.28	5.86%	11.86	-0.21%	(0.01)	5.72%	11.85
31 March, 2022	10.04%	409.44	2.91%	17.63	0.25%	(0.04)	2.98%	17.59
Anjar Terry Towels Limited**								
31 March, 2023	0.02%	0.91	0.00%	*	0.00%	-	0.00%	*
31 March, 2022	0.02%	0.92	-0.01%	(0.09)	0.00%	-	-0.02%	(0.09)
Easygo Textiles Private Limited***								
31 March, 2023	-	-	0.00%	*	0.00%	-	0.00%	*
31 March, 2022	0.00%	0.10	-0.03%	(0.21)	0.00%	-	-0.04%	(0.21)
Welspun Advance Materials (India) Limited								
31 March, 2023	1.88%	78.69	-5.81%	(11.77)	0.21%	0.01	-5.68%	(11.76)
31 March, 2022	1.93%	78.70	-0.10%	(0.58)	0.00%	-	-0.10%	(0.58)

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Name of Entity	Net assets / (liabilities) i.e., total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets / (liabilities)	Amount (₹ in Crores)	As a % of consolidated profit / (loss)	Amount (₹ in Crores)	As a % of consolidated other comprehensive income	Amount (₹ in Crores)	As a % of consolidated total comprehensive income	Amount (₹ in Crores)
Foreign								
Welspun Holdings Private Limited								
31 March, 2023	1.38%	57.89	-0.07%	(0.15)	-0.21%	(0.01)	-0.08%	(0.16)
31 March, 2022	1.42%	58.05	-0.03%	(0.16)	0.00%	*	-0.03%	(0.16)
Welspun Home Textiles UK Limited								
31 March, 2023	1.03%	43.36	0.00%	*	-14.13%	(0.66)	-0.32%	(0.66)
31 March, 2022	1.08%	44.02	0.00%	*	-2.46%	0.39	0.07%	0.39
Welspun Mauritius Enterprises Limited								
31 March, 2023	0.13%	5.28	0.01%	0.02	0.00%	*	0.01%	0.02
31 March, 2022	0.13%	5.27	-0.02%	(0.10)	0.00%	*	-0.02%	(0.10)
Novelty Home Textiles S A DE C V								
31 March, 2023	-	-	-	-	-	-	-	-
31 March, 2022	-	-	-	-	-	-	-	-
CHT Holdings Limited@								
31 March, 2023	1.03%	43.39	2.41%	4.89	-7.28%	(0.34)	2.20%	4.55
31 March, 2022	0.96%	38.84	1.63%	9.86	12.99%	(2.06)	1.32%	7.80
Welspun USA Inc.@								
31 March, 2023	4.87%	204.35	6.97%	14.12	334.48%	15.62	14.35%	29.74
31 March, 2022	4.28%	174.61	3.11%	18.85	-39.15%	6.21	4.24%	25.06
Welspun Nexgen Inc.								
31 March, 2023	0.03%	1.39	-0.01%	(0.01)	2.36%	0.11	0.05%	0.10
31 March, 2022	0.03%	1.29	-0.01%	(0.05)	-0.32%	0.05	0.00%	*
Pure Sense Organics Myanmar Limited#								
31 March, 2023	-	-	-	-	-	-	-	-
31 March, 2022	-	-	-0.01%	(0.04)	-0.13%	0.02	0.00%	(0.02)
Inter-company Elimination and Consolidation Adjustments								
31 March, 2023	-36.08%	(1,513.41)	11.62%	23.52	19.05%	0.89	11.79%	24.41
31 March, 2022	-37.09%	(1,512.22)	7.25%	44.01	-2.92%	0.46	7.53%	44.47
Non-controlling Interest in all subsidiaries								
31 March, 2023	2.58%	108.22	1.82%	3.68	-0.64%	(0.03)	1.76%	3.65
31 March, 2022	2.57%	104.57	0.91%	5.54	2.59%	(0.41)	0.87%	5.13
Total								
31 March, 2023	100.00%	4,196.03	100.00%	202.51	100.00%	4.67	100.00%	207.18
31 March, 2022	100.00%	4,076.25	100.00%	606.71	100.00%	(15.86)	100.00%	590.85

*Amount is below the rounding norms adopted by the company

@Amounts after consolidation with their subsidiaries

** On September 25, 2021 Anjar Terry Towels Private Limited became the 100% Subsidiary Company and Name was changed to Anjar Terry Towels Limited (ATTL) on November 11, 2021

*** On October 27, 2021, Easygo Textiles Private Limited (ETPL) became the 100% Subsidiary Company and on November 21, 2022 Ceased to be a subsidiary of Welspun India Limited (WIL)

On 7th December 2021, Pure Sense Organics Myanmar Limited. (PSOM) ceased to a subsidiary of Welspun India limited (WIL).

On November 21, 2022, Welspun Innovative Products Limited. (WIPL) ceased to a subsidiary of Welspun India limited (WIL).

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Note 38 : Buy-back of equity shares

During previous year the Company had made an offer for buy-back of fully paid-up equity shares of Re, 1 each of the Company, not exceeding 1,66,66,666 equity shares (representing approximately 1.66% of the total number of equity shares in the issued, subscribed and paid up equity capital) at a price of ₹ 120 per equity share, not exceeding ₹ 200 Crores on a proportionate basis by way of tender offer in accordance with the provisions of Companies Act, 2013 and SEBI (Buy-Back of Securities) Regulations, 2018. The tendering period for the buyback offer was opened on June 22, 2021 and closed on July 05, 2021. Total 1,66,66,666 equity shares were bought back at a price of ₹120 per equity share and total amount utilised in buy-back was ₹ 200 Crores The settlement of bids by the Clearing Corporation on the stock exchange was completed on July 14, 2021. Accordingly, the equity share capital was reduced by ₹1.67 Crores and the premium on buy-back of ₹198.33 Crores was adjusted against Securities premium account. Consequently the company has transferred an amount of ₹ 1.67 Crores being the nominal value of share purchased from Securities premium account to capital redemption reserve as per the requirement of section 69 of the Companies Act 2013.

Note 39 : Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 01 April 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Group's financial statements

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107.

The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.

Notes

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Note 40 : Other Statutory Information

(i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group has identified transactions with below struck off companies :

Name of Struck off Company	Relationship with the Struck off Company	Nature of Transactions with the Struck off Company	Balance as at March 31, 2023	Balance as at March 31, 2022	Amount of Transaction for the year ended March 31, 2023	Amount of Transaction for the year ended March 31, 2022
Shri Krishna Texyarn Private Limited	Vendor	Purchase of Material	-	-	#	#
Shalom Media Solutions Private Limited	Vendor	Purchase of Services	-	-	0.07	-
Universal Pest Control Private Limited	Vendor	Purchase of Services	#	#	-	-
Innovative Tensile Private Limited	Vendor	Purchase of Services	0.04	0.04	-	-
Well Stone Constructions Private Limited	Vendor	Purchase of Services	-	-	0.04	0.04
Pinstripes Media Private Limited	Vendor	Purchase of Services	#	#	-	-
J K Cement Works	Customer	Sale of Goods	0.01	0.01	-	-

Amount is below the rounding norms adopted by the company

(iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Group have 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 Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vii) The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

Note 41 : Events after reporting period

The Board of Directors in its meeting held on April 27, 2023, has approved the buy-back of fully paid-up equity shares of face value of Re. 1/- each of the Company, at a price ₹120 per equity share (maximum buy-back price) and for an amount of ₹ 195 Crores (maximum buy-back size) by way of tender offer in accordance with the provisions contained in the SEBI (Buy-back of Securities) Regulations, 2018 and the Companies Act, 2013 and rules made thereunder.

Note 42 : The figures for the previous year are re-arranged/ re-grouped, wherever necessary.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

per Anil Jobanputra
Partner
Membership No. 110759

Place: Mumbai
Date: April 27, 2023

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN: 00270175

Rajesh Mandawewala
Executive Vice Chairman
DIN: 00007179

Dipali Goenka
MD and CEO
DIN: 00007199

Sanjay Gupta
Chief Financial Officer

Shashikant Thorat
Company Secretary

Place: Mumbai
Date: April 27, 2023

Notes

Corporate Information

Board of Directors

Balkrishan Goenka
Chairman

Rajesh Mandawewala
Executive Vice Chairman

K H Viswanathan
Lead Independent Director

Arvind Kumar Singhal
Independent Director

Pradeep Poddar
Independent Director

Anisha Motwani
Independent Director

Dipali Goenka
Managing Director & CEO

Altaf Jiwani
Wholetime Director & Chief Operating Officer

Audit Committee

K H Viswanathan

Pradeep Poddar

Anisha Motwani

Nomination and Remuneration Committee

K H Viswanathan

Pradeep Poddar

Anisha Motwani

The Stakeholders' Relationship, Share Transfer and Investor Grievance Committee

K H Viswanathan

Pradeep Poddar

Arvind Kumar Singhal

ESG & CSR Committee

K H Viswanathan

Anisha Motwani

Dipali Goenka

Risk Management Committee

K H Viswanathan

Pradeep Poddar

Dipali Goenka

Sanjay Gupta

Shreeram Phanse

Chief Financial Officer
Sanjay Gupta

Company Secretary
Shashikant Thorat

Auditors
S R B C & CO LLP

Corporate Office

Welspun House, 6th Floor,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai - 400 013, India
Tel: 022-66136000/2490 8000
Fax: 022-24908020
Email: Companysecretary_WIL@welspun.com
Website: https://www.welspunindia.com/

Stock Exchanges where the Company's securities are listed

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai – 400 051

Works

Welspun City, Village Versamedi Tal. Anjar,
Dist. Kutch, Gujarat – 370 110, India
Tel: (02836) 661111
Fax: (02836) 279010

Survey No. 76, Village Morai, Vapi,
Dist. Valsad, Gujarat – 396 191, India
Tel: (0260) 2437437
Fax: (0260) 2437088

Bankers

Axis Bank Ltd.
Bank of Baroda
EXIM Bank of India
HDFC Bank Ltd.
ICICI Bank Ltd.
State Bank of India
Union Bank of India
Yes Bank Ltd.

Registered Office

Welspun City, Village Versamedi, Tal. Anjar,
Dist. Kutch, Gujarat – 370 110, India
Tel: (02836) 661111
Fax: (02836) 279010

Welspun INDIA

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