

September 3, 2024

To,
BSE Limited
Listing Department,
P. J. Towers, Dalal Street,
Mumbai - 400 001
(Scrip Code: 500365)

Dear Sir/Madam,

Sub.: Submission of Annual Report 2023-24, Notice of 42nd AGM & E-voting information.

Pursuant to Regulations 30, 34 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report for the financial year 2023-24 along with the Notice of 42nd Annual General Meeting (AGM) of the Company to be held on **Wednesday, September 25, 2024 at 12.00 noon** through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

The Annual Report 2023-24 and the Notice of AGM is being sent only through electronic mode to the Members of the Company whose e-mail address are registered with Depositories/ the Company/the Registrar and Share Transfer Agent in compliance with the applicable circulars issued by the SEBI and the Ministry of Corporate Affairs in this regard from time to time.

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 Sunday, September 22, 2024 at 9:00 am to Tuesday, September 24, 2024 at 5:00 pm for shareholders to cast their votes electronically. The cut-off date for voting (including remote e-voting) shall be Wednesday, September 18, 2024. The detailed instructions with respect to voting have been mentioned in the Notice of AGM.

The Annual Report along with the Notice of AGM is also available on the website of the Company at www.welspunspecialty.com

Kindly take the same on your records.

Thanking you,

Yours faithfully,
For **Welspun Specialty Solutions Limited**

Suhas Pawar
Company Secretary & Compliance Officer
A-36560

Encl.: as above

Welspun Specialty Solutions Limited

Welspun House, 5th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, India.

T: +91 22 6613 6000 / 2490 8000 | F: +91 22 2490 8020

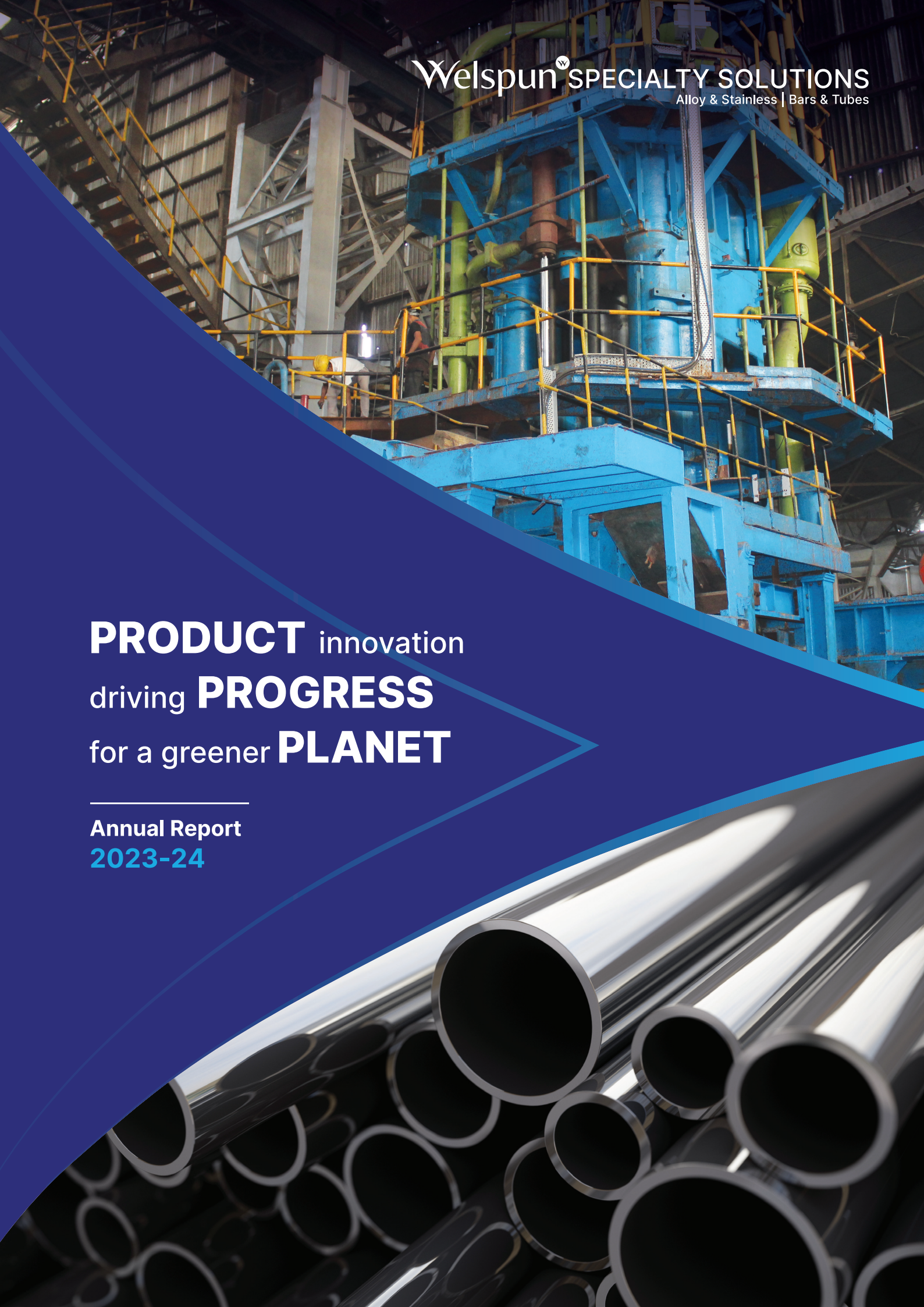
E-mail: companysecretary_wssl@welspun.com | Website: www.welspunspecialty.com

Registered Address & Works: Plot No. 1, GIDC Industrial Estate, Valia Road, Dist. Bharuch, Jhagadia, Gujarat - 393110. India

Corporate Identity Number: L27100GJ1980PLC020358

PRODUCT innovation
driving **PROGRESS**
for a greener **PLANET**

Annual Report
2023-24





Welspun Specialty Solutions Limited

Jhagadia, Bharuch, Gujarat, India

Fully Integrated Manufacturing Facility for Stainless Steel Long Products and Seamless Pipes & Tubes (Hot Extrusion Process) spread over an area of 126 acres



Welspun Specialty Solutions Limited (Erstwhile RMG Alloy Steel Limited), is an **integrated manufacturer of best in class Alloy & Stainless Steel products** that are globally benchmarked.

COMPETITIVE ADVANTAGE

- ✓ Integrated manufacturing process including steel making
- ✓ Competitive edge in cost optimization
- ✓ Superior quality and niche grades
- ✓ Timely deliveries which adds further value to all our stakeholders.
- ✓ Unique and wide bar size range from 50mm to 350mm diameter in stream of various SS and Ni-Alloy grades
- ✓ Strong operational efficiency

CHAIRMAN'S MESSAGE

B. K. GOENKA



Dear Stakeholders,

I am happy to state that your Company has achieved a complete turnaround during FY 2024, witnessing its first year of profitability. The Company is gradually strengthening its position as one of the key players in niche stainless and nickel alloys product segments. Our strong relations with our customers and our consistent serviceability has garnered constant support for our business from our customers. We continue to receive encouraging product acceptance in terms of wide grade and size ranges, leading to both addition of new customers and geographies and also enhancing business with existing customers.

Financials

Let me take you through some of the key highlights of operational and financial results for FY24. Our stainless steel products sales volume rose by more than 130% Y-o-Y to about 15,903 tonnes. Pipes and tubes sales volume rose by about 18% to 4,785 tonnes. We have witnessed a stable order book throughout the year, which stood at over 4,100 tonnes. Our total income increased by 66% Y-o-Y to Rs 718 crores and EBITDA more than doubled Y-o-Y to Rs 77 crores. With a well-defined growth strategy, the Company has witnessed its first year with a profitable bottom line, achieving a complete turnaround.

Growth drivers

Sectors like power, oil & gas, space and defence are growing exponentially in India. Policies like Make in India and Atmanirbhar Bharat are necessitating that pipes and tubes for such critical applications also have to come from Indian sources only. We continue to participate in many such requirements coming up and are also now qualified for supplying supercritical boiler tubes in various grades to BHEL. We are currently the only facility in India that can produce certain grades of boiler tubes right from steel bars to final tubes in an integrated manner.

With many accreditations and focus on developing and delivering new grades and products, we are set to drive a robust growth for our Company in coming times.

While export markets are of great essence for the business, let me reaffirm our sharp focus on the domestic market as well. There is a strong push and budget allocation for infrastructure projects and key sectors like powergen, energy, defense, space, among others. These are major avenues for our products. We can see great opportunities for the Company going forward. We will continue to focus on geography and territory expansion during coming years as well.

Way Forward

We have a strong focus on all the three aspects of environment, social and governance. During FY 24, our Company sourced about 30 per cent total electricity from renewable sources and our endeavor is to increase this in future.

The Company achieved zero water discharge and is committed to zero waste to landfill in our manufacturing facility. As we move forward, I can see the Company gradually firming up its position based on strategy and the strong foundation created during FY24.

We look forward to improving our performance and market positioning by increasing our penetration in niche and value-added segments and products. We believe this will also help in insulating the business risks in case of challenging external environments. We are confident that the performance of the Company will sustain and further improve. This will be due to our relentless focus on penetrating into newer markets and customer acquisition, developing and delivering new value-added and critical products, strategic cooperation and securing approvals and accreditations, nurturing innovation and digitization of processes which are part of the Company's growth strategy.

On behalf of Welspun Specialty Solutions' Board of Directors, I want to thank all our shareholders for their sustained support, and all our customers and business partners for their firm faith in our endeavors. Let me also take this opportunity to thank our employees, who have powered our growth and success in FY 24 through their commitment and dedication. Together, we look forward to building a strong, sustainable future for our Company and continue to deliver value to our shareholders.

SALIENT FEATURES

Fully integrated manufacturer of primary Stainless Steel & Nickel-Alloy products with forward integration into Bright Bars, Heat-treated Bars, Seamless Pipes & Tubes, U-Bend tubes etc

Development and supply of high quality bars and tubes for niche and critical applications including customized product solutions with strong focus on R&D

State of the art cold process set-up with Pilger Mills up to 5.5" input and Draw Benches up to 75T capacity

Vertical type extrusion press (Schlomann) for seamless pipes delivering better concentricity and superior wall tolerances

Speed to market owing to in-house stainless steel bar manufacturing facility

Significant global presence across various geographies and growing

ESG INITIATIVES

Tree Plantation	:	1,272
BRSR	:	Voluntary reporting
Recycle & Re-use	:	100% Scrap based plant
Renewable Electricity	:	Contributed 30% of the total electricity consumption
Emission	:	During FY24, use of biomass and renewable energy helped in avoiding total emissions of 8,694 tCO2

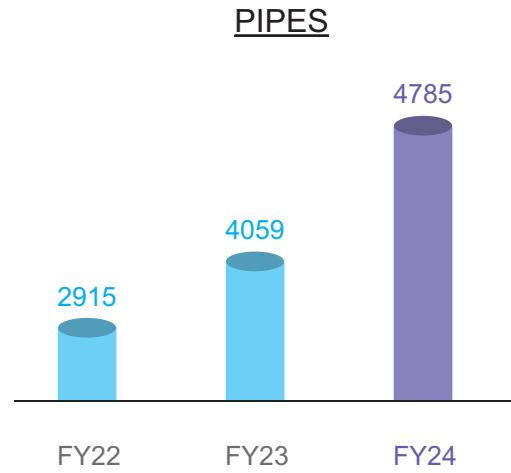
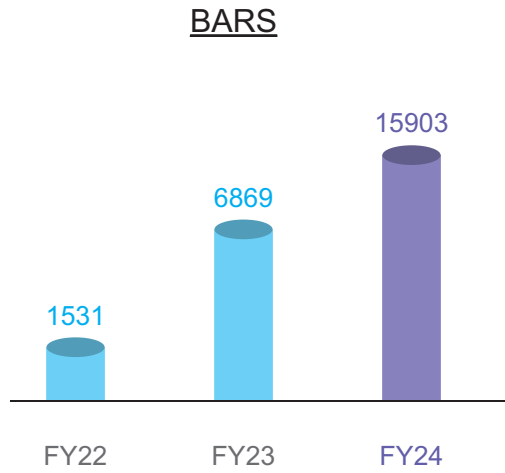
Completion of Maturity assessment through Stakeholder Engagement

ESG dashboard tool for monthly tracking of ESG related KPIs

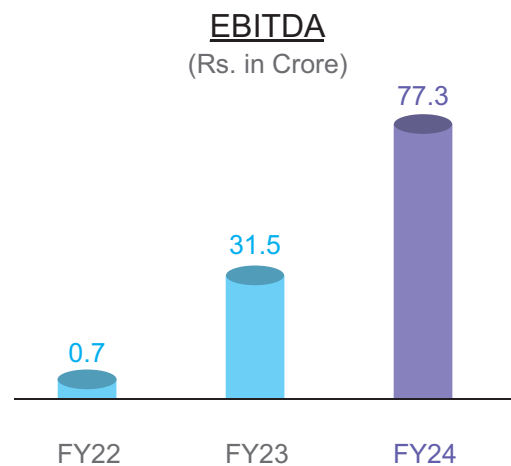
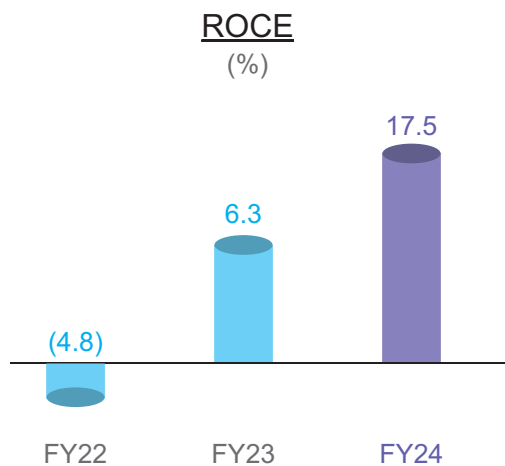
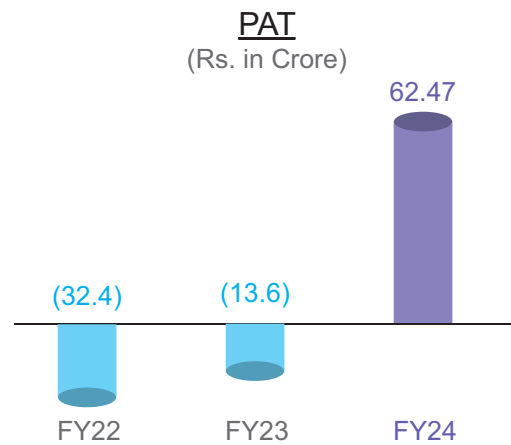
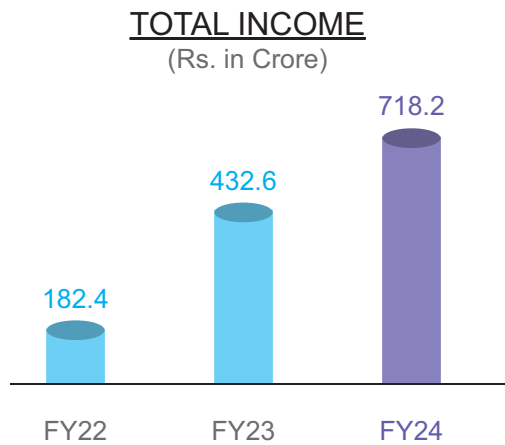
Interventions on Carbon computation & assessment

The Company has strong focus on ESG aspects and continues to work on energy optimization initiatives / reduction of GHG emissions in its quest of moving towards greener steel.

SALES VOLUME (MT)



FINANCIAL PERFORMANCE



PRODUCT RANGE OF STAINLESS STEEL & NI-ALLOYS



- Blooms & Ingots
- Round Bars & RCS (Round cornered square)
- Bright Bars (Peeled & polished)
- Seamless Pipes & Tubes
- Heat exchanger and H&I Tubing
- Hollow Bars
- U-Bend Tubes

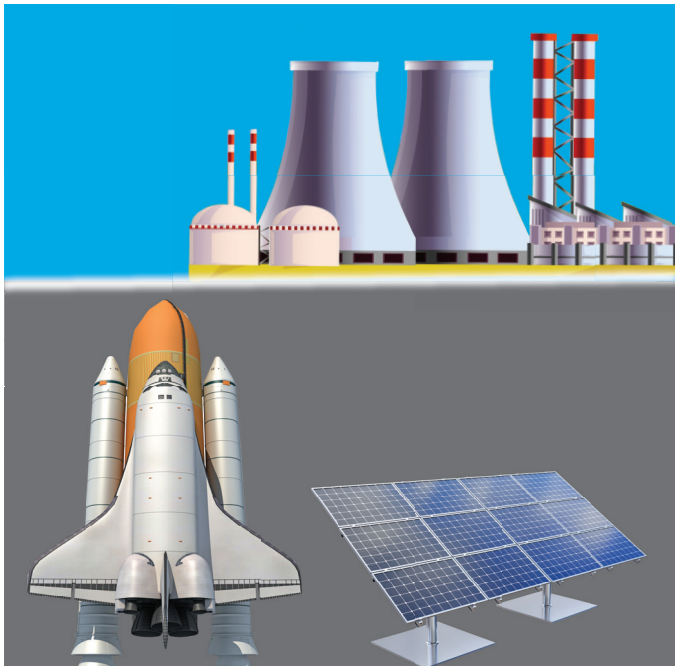
R&D AND PRODUCT INNOVATION

- ➔ Many high value grades developed and delivered during the year including 904L, S30432, Alloy 800/H, Alloy 625, Low Cobalt Steel for Nuclear Power, Hollow Bars, Welsonic 50 etc.
- ➔ Qualified by BHEL and NTPC for super critical boiler tube grade S30432 for first time to an indigenous integrated facility



AGENCY	CERTIFICATION
TUV-Nord/ DQS	International Organization for Standardization (ISO) – ISO 9001:2015, ISO 14001 & OHSMS 45001
TUV-SUD	Pressure Equipment Directive (PED) – 2014/69/EU & AD 2000- Merkblatt W0
NABL	ISO/IEC 17025 - National accreditation board for testing and calibration laboratories
IBR	Indian Boilers Regulations (IBR)
GULF LLOYD	The Norwegian Shelf's Competitive Position (NORSOK)
BIS	Bureau of Indian Standards (BIS)
RINA	Marine Certification

CUSTOMER CENTRICITY



Critical and Niche applications

Oil & Gas and Petrochemicals

Superior quality products










Thermal energy






Nuclear energy

Defence and Space

GEOGRAPHICAL PRESENCE

The Company continues to calibrate its strategy and accelerate its sales in existing markets. Additionally, the Company has made its entry into the USA market and received encouraging product acceptance and feedback.

Europe	
	France
	Belgium
	Austria
	Czech Republic
	Italy
	Serbia
	Slovenia
	Norway
	Switzerland

Europe	
	Spain
	Poland
	Netherlands
	Germany
	Turkey

Asia	
	India
	Philippines
	Taiwan

North America	
	USA
	Canada





Welspun Specialty Solutions Limited
(Formerly known as RMG Alloy Steel Limited)

Corporate Information

BOARD OF DIRECTORS

- Mr. Balkrishan Goenka - Chairman
- Mr. Anuj Burakia - CEO & Whole Time Director
- Mr. Atul Desai - Independent Director
(retired on May 26, 2024)
- Ms. Amita Misra - Independent Director
- Ms. Dipali Sheth - Independent Director
(w.e.f. April 26, 2024)
- Mr. Prakashmal Tatia - Non-Executive Director
- Mr. M. Narayana Rao - Independent Director
- Mr. K. H. Viswanathan - Independent Director
- Mr. Vipul Mathur - Non-Executive Director

KEY MANAGERIAL PERSONNEL (other than Directors)

- Mr. Brijveer Singh - Chief Financial Officer
- Mr. Suhas Pawar - Company Secretary

AUDITORS

Price Waterhouse Chartered Accountants LLP
(resigned on July 23, 2024)

B S R & Co. LLP.
(appointed w.e.f. July 23, 2024)

BANKERS

Indusind Bank Ltd.
Union Bank of India
Yes Bank Ltd.

REGISTERED OFFICE AND FACTORY

Plot No. 1, G. I. D. C. Industrial Estate,
Valia Road, Jhagadia, Dist. Bharuch,
Gujarat 393 110

CORPORATE OFFICE

5th Floor, Welspun House, Kamala Mills Compound,
S. B. Marg, Lower Parel (W), Mumbai 400 013
Tel No.: 022 6133 6796 / 2490 8000
Email ID: companysecretary_wssl@welspun.com
Website: www.welspunspecialty.com
CIN: L27100GJ1980PLC020358

LISTING OF SHARES

BSE Limited,
Phiroze Jeejeebhoy Tower, Dalal Street,
Mumbai 400 001

REGISTRAR AND TRANSFER AGENT

Bigshare Services Private Limited
(Unit: Welspun Specialty Solutions Limited)
Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai 400 093
Email ID: Investor@bigshareonline.com
Tel No.: 022 6263 8200
Fax No.: 022 6263 8261

AUDIT COMMITTEE

Mr. K. H. Viswanathan	Chairman
Ms. Amita Misra	Member
Mr. M Narayana Rao	Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. K. H. Viswanathan	Chairman
Ms. Amita Misra	Member
Mr. M Narayana Rao	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. K. H. Viswanathan	Chairman
Ms. Amita Misra	Member
Mr. Anuj Burakia	Member
Mr. Vipul Mathur	Member

RISK MANAGEMENT COMMITTEE

Mr. K. H. Viswanathan	Chairman
Ms. Amita Misra	Member
Mr. M Narayana Rao	Member
Mr. Anuj Burakia	Member
Mr. Vipul Mathur	Member
Mr. Brijveer Singh	Member

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WELSPUN SPECIALTY SOLUTIONS LIMITED

(Formerly known as RMG Alloy Steel Limited)

CIN : L27100GJ1980PLC020358

Registered Office: Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat- 393110.

Corporate Office: 5th Floor, Welspun House, Kamala Mills Compound, Senapati Bapat Marg,
Lower Parel (West), Mumbai – 400013.

Email : companysecretary_wssl@welspun.com • Website: www.welspunspecialty.com

Tel: +91 -22-66136000 Fax: +91-22-2490 8020

NOTICE

NOTICE is hereby given that the 42nd Annual General Meeting of **Welspun Specialty Solutions Limited** (Formerly known as RMG Alloy Steel Limited) will be held on Wednesday, September 25, 2024, at 12 noon Indian Standard Time ('IST') through Video Conferencing / Other Audio-Visual Means to transact the following businesses:

ORDINARY BUSINESS

1. ADOPTION OF AUDITED FINANCIAL STATEMENTS

To consider and adopt the Audited Financial Statements for the financial year ended March 31, 2024, together with the reports of the Board of Directors and the Auditors thereon.

2. APPOINTMENT OF MR. VIPUL MATHUR (DIN:07990476) AS DIRECTOR, LIABLE TO RETIRE BY ROTATION

To appoint a Director in place of Mr. Vipul Mathur (DIN:07990476), Non-Executive Non-Independent Director, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.

3. APPOINTMENT OF M/S. BSR & CO. LLP, CHARTERED ACCOUNTANTS AS STATUTORY AUDITORS TO FILL UP THE CASUAL VACANCY.

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

"RESOLVED THAT pursuant to the provisions of Sections 139(8), 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. BSR & Co. LLP, Chartered Accountants (Firm Registration No: 101248W/W-100022), who have offered themselves for appointment and confirmed their eligibility in terms of the applicable laws, be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused due to the resignation of M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountants (Firm Registration No: 012754N/N500016) on July 23, 2024 and they shall hold office up to the conclusion of the Forty Second Annual General

Meeting of the Company at a remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

4. APPOINTMENT OF M/S. BSR & CO. LLP, CHARTERED ACCOUNTANTS AS STATUTORY AUDITORS FOR THE FIRST TERM OF 5 YEARS.

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

"RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. BSR & Co. LLP, Chartered Accountants (Firm Registration No: 101248W/W-100022), who have offered themselves for appointment and confirmed their eligibility in terms of the applicable laws, be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Forty Second Annual General Meeting till the conclusion of the Forty Seventh Annual General Meeting of the Company, at a remuneration of Rs.13,50,000/- (Rupees Thirteen Lakhs Fifty Thousand only) plus out of pocket expenses as may be incurred for the audit period in FY 2024-25 and thereafter at a remuneration, as may be mutually agreed, annually between the Board of Directors and the Statutory Auditors."

SPECIAL BUSINESS

5. CONTINUATION OF DIRECTORSHIP OF MR. B. K. GOENKA (DIN: 00270175), NON-EXECUTIVE & NON-INDEPENDENT DIRECTOR, ON THE BOARD OF THE COMPANY.

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

"RESOLVED THAT pursuant to Regulation 17(1D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable provisions of the Companies Act, 2013, if any and such other circulars/ notifications issued by the SEBI or other competent authority(ies) in this regard from time to time and based on

the recommendation of the Nomination and Remuneration Committee and the Board of Directors, approval of the Members of the Company be and is hereby accorded for continuation of directorship of Mr. B. K. Goenka (DIN: 00270175), Non-Executive and Non-Independent Director, not liable to retire by rotation, on the Board of Company for the period of five years commencing from April 1, 2024 to March 31, 2029.”

6. RATIFICATION OF PAYMENT OF REMUNERATION TO THE COST AUDITORS.

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 all other applicable provisions of the Companies Act, 2013 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), the total remuneration of Rs.65,000/- plus taxes as applicable and reimbursement of out of pocket expenses incurred in connection with the audit, payable to M/s. Kiran J. Mehta & Co. Cost Accountants (Firm Registration No. 000025), who have been appointed by the Board of Directors on the recommendation of the Audit Committee, as the Cost Auditors of the Company for conducting the audit of the cost records of the Company for the Financial Year ending March 31, 2025, be and is hereby ratified and confirmed.”

7. RECLASSIFICATION OF AUTHORISED SHARE CAPITAL AND CONSEQUENT ALTERATION OF MEMORANDUM OF ASSOCIATION.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 13, 61 and 64 of Companies Act, 2013 (hereinafter referred as the “Companies Act”) read with Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, and the provisions of the Memorandum of Association and Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded for re-classification of the existing authorized share capital of the Company from Rs.565,00,00,000/- (Rupees Five Hundred and Sixty Five Crores Only) divided into: (i) 55,00,00,000 (Fifty Five Crores) Equity Shares of Rs.6/- (Rupees Six Only) each and (ii) 23,50,00,000 (Twenty Three Crores Fifty Lakh) Preference Shares of Rs.10/- (Rupees Ten Only) each to Rs.565,00,00,000/- (Rupees Five Hundred and Sixty Five Crores Only) divided into: 85,00,00,000 (Eighty Five Crores) Equity Shares of Rs.6/- (Rupees Six Only) each and (ii) 5,50,00,000 (Five Crore Fifty Lakh) Preference Shares of Rs.10/- (Rupees Ten Only) each.

RESOLVED FURTHER THAT the Memorandum of Association of the Company be accordingly altered by substituting the existing Clause V with the following:

“V. The Authorised Share Capital of the Company is Rs.565,00,00,000/- (Rupees Five Hundred and Sixty Five Crores Only) divided into: (i) 85,00,00,000 (Eighty Five Crores) Equity Shares of Rs.6/- (Rupees Six Only) each and (ii) 5,50,00,000 (Five Crore Fifty Lakh) Preference Shares of Rs.10/- (Rupees Ten Only) each with power to the Board of Directors to classify into any class of shares, with power to increase or reduce the capital for the time being and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, cumulative, convertible, preference, guaranteed, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, alter, modify, amalgamate or abrogate any such rights, privileges or conditions in such a manner as may for the time being be provided for by the Articles of Association of the Company or by the law in force for the time being.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do and perform or cause to be done all such acts, deeds, matters and things as may be required or deemed necessary or incidental thereto and to settle, approve, ratify and finalise all issues that may arise in this regard, without further referring to the members of the Company and to delegate all or any of the powers or authorities herein conferred to any Director(s) or other official(s) of the Company and to do all necessary and incidental acts to give effect to this resolution.”

By Order of the Board of Directors

Suhas Pawar
Company Secretary
ACS - 36560

Date : August 27, 2024
Place: Mumbai

Welspun Specialty Solutions Limited

CIN: L27100GJ1980PLC020358

Registered Office:

Plot No 1, G I D C Industrial Estate,
Valia Road, Jhagadia,
Gujarat 393 110

Website: www.welspunspecialty.com

Email ID: companysecretary_wssl@welspun.com

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

ITEM NO. 2

Mr. Vipul Mathur (DIN:07990476), Non-Executive Non-Independent Director, is liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.

Mr. Vipul Mathur (DIN: 07990476), aged 54 years, is Science Graduate and Post Graduate (MBA-Marketing). Mr. Mathur is a well-known figure in the global pipe industry. Network of his acquaintances and relationships run across all geographies due to his warm personal style and long years of marketing experience (~33 years) in the field of heavy electrical equipment, manufacturing of pipes, Oil & gas etc.. He has been associated with the Company since April 27, 2022.

Details of directorship and the membership of committees held by Mr. Mathur are as under:

Company Name	Committee Type	Chairmanship / Membership
Welspun Corp Limited (Listed)	Stakeholder Relationship Committee	Member
	Risk Management Committee	Member
	Finance And Administration Committee	Member
	ESG & CSR Committee	Member
Welspun Specialty Solutions Limited (Listed)	Stakeholder Relationship Committee	Member
	Risk Management Committee	Member
	Finance And Administration Committee	Member
Welspun DI Pipes Limited (Unlisted)	None	None
Gladiator Consultancy Private Limited (Unlisted)	None	None

He is not related to any other Director of the Company. He has not resigned from any of the listed entities during the last three years. He does not hold any share in the Company. He had attended all 5 board meetings of the Company held on May 24, 2023, July 27, 2023, August 18, 2023, October 27, 2023 and January 25, 2024 during the financial year 2023-24.

Mr. Mathur 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 SEBI order or any other authority.

Accordingly, the Board of Directors recommend the Ordinary Resolution as set out at item no. 2 of the Notice, for approval by the members.

Except Mr. Mathur, none of the Directors and Key Managerial Personnel or their relatives are in any way concerned or interested, whether financially or otherwise, in the proposed resolution set out at item no.2.

ITEM NO. 3 & 4

For the purpose of timely consolidation of the accounts of the holding company with its subsidiary companies, and for ensuring the uniformity in the audit process, practices and procedures in finalization of accounts, it is advisable to have the same Group of statutory auditors for Parent Company and Subsidiary Companies. Accordingly, our Parent Company viz. Welspun Corp Limited has suggested the Company to appoint the same Group auditors.

In view of this, M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountants (Firm Registration No.: 012754N/ N500016) statutory auditors of the Company had vide their letter dated July 23, 2024 had tendered their resignation from the position of statutory auditors of the Company with immediate effect, which caused a casual vacancy in the office of Statutory Auditors of the Company. Such casual vacancy caused by the resignation of auditors can only be filled by the Board of Directors but is subject to approval of the shareholders at general meeting in terms of Section 139(8) of the Companies Act, 2013. Accordingly, the Board of Directors of the Company in compliance with Sections 139(8), 141, 142 and other applicable provisions, if any, of the Act read with rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and based on the recommendation of the Audit Committee at its meeting held on July 23, 2024, approved the appointment of M/s. BSR & Co. LLP, Chartered Accountants (Firm Registration No: 101248W/W-100022), who had confirmed that they meet the eligibility criteria as per applicable laws, as Statutory Auditors of the Company till the conclusion of ensuing 42nd AGM and thereafter from the conclusion of 42nd AGM till the conclusion of 47th AGM of the Company.

Additional information about Statutory Auditors pursuant to Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided below:-

• **Terms of Appointment**

M/s. BSR & Co. LLP, Chartered Accountants (Firm Registration No: 101248W/W-100022), will hold office till the conclusion of ensuing 42nd AGM and thereafter from the conclusion of 42nd AGM till the conclusion of 47th AGM of the Company, subject to the approval of Members at the ensuing AGM of the Company.

• **Proposed Audit fees payable to Auditor and material change in fee payable from that paid to the outgoing auditor**

Rs. 13,50,000/- (Rupees Thirteen Lakh Fifty Thousand only) plus out of pocket expenses for the period of audit in FY 2024-25, subject to applicable taxes and thereafter at a remuneration, as may be mutually agreed, annually between the Board of Directors and the Statutory Auditors.

There is no material change in the proposed fee payable to M/s. BSR & Co. LLP, from the fee paid to the outgoing auditor.

• **Basis of Recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed.**

The recommendation is based on the fulfilment of the eligibility criteria prescribed under the Act read with Rules made thereunder, SEBI Listing Regulations read with relevant Regulations / Notifications / Circulars issued thereunder, to the extent applicable to the Company.

BSR & Co. ('the firm') was constituted on 27 March 1990 as a partnership firm having firm registration no. as 101248W. It was converted into limited liability partnership i.e. BSR & Co. LLP on 14 October 2013 thereby having a new firm registration no. 101248W/W100022. The registered office of the firm is at 14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Centre, Western Express Highway, Goregaon (East), Mumbai- 400063.

BSR & Co. LLP is a member entity of BSR & Affiliates, a network registered with the Institute of Chartered Accountants of India.

BSR & Co. LLP is registered in Mumbai, Gurgaon, Bangalore, Kolkata, Hyderabad, Pune, Chennai, Chandigarh, Ahmedabad, Vadodara, Noida, Jaipur, Gandhinagar and Kochi. BSR & Co. LLP has over 4000 staff, 140+ Partners.

BSR & Co. LLP audits various companies listed on stock exchanges in India including companies in the Industrial Manufacturing sector.

The aforesaid appointment, if made, shall be in accordance with the provisions of Section 139 and other applicable provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant Regulations/Notifications/ Circulars issued thereunder.

Accordingly, the Board of Directors recommend the Ordinary Resolutions as set out at item no. 3 & 4 of the Notice, for approval by the members.

None of the Directors and Key Managerial Personnel or their relatives are in any way concerned or interested, whether financially or otherwise, in the Ordinary Resolutions as set out at item no. 3 & 4.

ITEM NO.5

The Members of the Company at their Annual General Meeting held on September 24, 2018 had approved the appointment of Mr. Balkrishan Goenka (DIN: 00270175) as Director (Non-Executive –Non-Independent Director) of the Company, not liable to retire by rotation.

Regulation 17(1D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 states that with effect from April 1, 2024, the continuation of a director serving on the board of directors of a listed entity shall be subject to the approval by the shareholders in a general meeting at least once in every five years from the date of their appointment or reappointment, as the case may be.

Accordingly, the Company is required to obtain the said approval of shareholders in the first general meeting to be held after March 31, 2024 for the directors serving on the board of directors of a listed entity as on March 31, 2024.

In view of the above, the approval of the Members is being sought for continuation of Mr. Goenka as Director ((Non-Executive–Non-Independent Director) on the Board of the Company for the period commencing from April 1, 2024 to March 31, 2029.

Mr. Goenka, aged 58, has been associated with the Company since August 6, 2018 and is the Chairman of Welspun Group from its inception. He is a prime architect of the Welspun Group. For over 38 years, Mr. Goenka with his strong business acumen and entrepreneur abilities is accredited to have successfully steered the Welspun Group in many high-growth sectors. He has a vision to make Welspun as one of the most respected groups globally by creating world-class companies that consistently sets industry benchmarks.

He is also a director in following companies –

Welspun Living Limited, Welspun Corp Limited, Welspun Enterprises Limited, Welspun Logistics Limited, Adani Welspun Exploration Limited, Welspun Advanced Materials

(India) Limited, Welspun New Energy Limited, The Associated Chambers of Commerce and Industry of India, (ASSOCHAM), Laxman Gyanpith Foundation and Balkrishan Goenka Foundation.

He is the Chairman of Finance & Administration Committee of Welspun Living Limited. In the capacity of trustee of Welspun Group Master Trust, he holds 85,73,078 (1.62%) equity shares in the Company. Mr. Goenka is not related, directly or indirectly, to any other Director or Key Managerial Personnel of the Company.

He has not resigned from any of the listed entities during the last three years. He had attended 4 board meetings of the Company held on May 24, 2023, July 27, 2023, October 27, 2023 and January 25, 2024 during the financial year 2023-24.

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

The Board recommends passing of the ordinary resolution as set out at item no.5 of the accompanying Notice for approval by the Members of the Company.

Except Mr. Goenka and his relatives to the extent of their shareholding in the Company, none of the Directors and Key Managerial Personnel or their relatives are in any way concerned or interested, whether financially or otherwise, in the Ordinary Resolution as set out at item no.5.

ITEM NO. 6

As provided under the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on April 26, 2024, appointed M/s. Kiran J. Mehta & Co., Cost Accountants (Firm Registration No. 000025) as the Cost Auditors of the Company for the Financial Year ending March 31, 2025 to conduct the audit of cost records of the Company and also to perform other duties under the applicable provisions of the law, at a total remuneration of Rs.65,000/- (Rupees Sixty Five Thousand Only), subject to ratification by the Members in General Meeting. Accordingly, approval of the Members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2025.

The Board recommends passing of the Ordinary Resolution as set out at item no. 6 of the accompanying Notice for approval by the Members of the Company.

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, whether financially or otherwise, in the Ordinary Resolution as set out at item no 6.

ITEM NO.7

Currently, unutilized portion of the authorized preference share capital is no longer required. Hence, it is proposed to reclassify the unused preference share capital component of the existing authorized share capital of the Company into equity share capital and accordingly, the capital clause of the Memorandum of Association of the Company is proposed to be altered as per the resolution set out under item no.7 of the accompanying notice.

Pursuant to the provision of Section 13 read with Section 61 of the Companies Act, 2013 ('the Act'), approval of the Members through Special Resolution is required for amendment to the Memorandum of Association of the Company relating to reclassification of the authorised share capital.

The Board of Directors vide resolution passed by circulation on August 27, 2024, approved the reclassification of the authorised share capital of the company and consequent alteration of the Memorandum of Association of the Company, subject to the approval of the Members.

As required by Section 102(3) of the Companies Act, 2013, the copy of the proposed Memorandum of Association shall be available for inspection at the Registered Office of the Company during business hours from 9:30 A.M. to 6:00 P.M.

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the Special Resolution set out at Item no.7.

The Board recommends passing of the Special Resolution as set out at item no.7 of the accompanying Notice for approval by the Members of the Company.

By Order of the Board of Directors

Suhas Pawar
Company Secretary
ACS - 36560

Date : August 27, 2024

Place: Mumbai

Welspun Specialty Solutions Limited

CIN: L27100GJ1980PLC020358

Registered Office:

Plot No 1, G I D C Industrial Estate,
Valia Road, Jhagadia,
Gujarat 393 110

Website: www.welspunspecialty.com

Email ID: companysecretary_wssl@welspun.com

NOTES:

1. Pursuant to the General Circulars 9/2023, 10/2022, 2/2022, 21/2021 and other circulars issued by the Ministry of Corporate Affairs ('MCA') (collectively referred to as (the 'Circulars'), the companies are permitted to conduct the Annual General Meeting ('AGM') through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM'), dispensing the requirement of physical presence of the Members at the meeting venue. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI Listing Regulations, and MCA Circulars, the AGM of the Company is being held through VC / OAVM and the proceedings of which shall be deemed to be conducted at the Registered Office of the Company at Plot No 1, G I D C Industrial Estate, Valia Road, Jhagadia, Gujarat 393 110.
2. In compliance with the Circulars, the Annual Report 2023-24, 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).
3. Brief details of the Director, who is seeking appointment/re-appointment, are provided in the Notice as provided under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India ('ICSI').
4. A statement pursuant to Section 102 (1) of the Act, relating to the Special Business to be transacted at the meeting is annexed hereto.
5. Since the AGM 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.
6. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and the Circulars the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. 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 AGM will be provided by NSDL.
7. Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM 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.
8. The Members can join the AGM 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.
9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
10. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, in pursuance of Sections 112 and 113 of the Act, representatives of the Members such as the President of India or the Governor of a State or Body Corporate can attend the AGM through VC/OAVM and cast their votes through e-voting. Such Members, who are intending to appoint their authorized representatives, are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at mansi@jmja.in with a copy marked to companysecretary_wssl@welspun.com.
11. In line with the aforesaid Circulars, the Notice calling the AGM along with Annual Report of FY 2023-24 is available on the website of the Company at www.welspunspecialty.com. The same can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com. Besides, it is also disseminated on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
12. 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 AGM. 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 AGM. Members seeking to inspect such documents can send an email to companysecretary_wssl@welspun.com.

13. All correspondence pertaining to Equity Shares should be forwarded to the Company's Registrar and Transfer Agent ("RTA") M/s. Bigshare Services Pvt. Ltd., Pinnacle Business Park, Office No S6-2, 6th, Mahakali Caves Rd, next to Ahura Centre, Andheri East, Mumbai, 400093, Contact person: Mr. Vinod Yadav (Client Executive) Tel: 91-22-62638200/22/23, Fax: 91-22-6263 8261, Email: vinod.y@bigshareonline.com, and are also requested to immediately inform their change of address, change of e-mail address or consolidation of folios, if any, to the Company's said Registrar and Transfer Agent.
14. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc. to their Depository Participant in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, in prescribed Form No. ISR-1, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.
15. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH- 13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form No. SH-14. Members who are either not desiring to register for Nomination or would want to opt-out, are requested to fill out and submit Form No. ISR-3. The said forms can be downloaded from the RTA's website at <https://www.bigshareonline.com/Resources.aspx>. Members are requested to submit the said form to their Depository Participant in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio no.
16. The Company will send Notice of AGM in electronic mode to its Members who have registered their e-mail addresses for the purpose. Those Shareholders/ Members who have not got their email address registered or wish to update a fresh email address may do so in the following manner:
 - a) **For members holding physical shares**

The members of the Company holding equity shares of the Company in physical form and who have not registered their email ID may get their email IDs registered with Company's RTA by submitting Investor Service Request Form (Form ISR-1) duly filled and signed as per the specimen signature registered with the Company along with self-attested ID Proof and address proof and supporting mentioned thereon. The Investor Service Request form can be downloaded from website of the RTA <https://www.bigshareonline.com/> -> for Investors -> Investors Resources -> Form ISR1.
 - b) **For members holding shares in demat mode:**

The Members holding shares in demat mode are requested to register their email IDs, with the respective Depository Participants.
17. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their Depository Participants in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.
18. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to M/s. Bigshare Services Pvt. Ltd, RTA, for consolidation into a single folio.
19. The Notice for the AGM and other documents referred to in the Notice will be available for inspection at the Registered Office of the Company on all working days between 10:00 a.m. to 12:00 noon upto the date of AGM. The Notice will also be available on the Company's website at: www.welspunspecialty.com.
20. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as e-voting during the AGM.
21. Ms. Mansi Damania (FCS:7447 CP:8120) or failing her, Mr. Jigar Shah (FCS: 8918 CP: 13936) of M/s. JMJA & Associates LLP, Practicing Company Secretaries have been appointed as the Scrutinizer to conduct and scrutinize the voting by way of e-voting process in a fair and transparent manner.

22. The Scrutinizer shall after the conclusion of voting at the AGM, will unblock the votes cast through remote e-voting and e-voting system during the AGM in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 2 working days from the conclusion of the AGM, 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.
23. The Result declared along with the report of the Scrutinizer shall be placed on the website of the Company www.welspunspecialty.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 results 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 shares of the Company are listed.

Please read the instructions for e-voting before exercising the vote.

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

The remote e-voting period begins on Sunday, September 22, 2024 at 9:00 am and ends on Tuesday, September 24, 2024 at 5:00 pm. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, September 18, 2024, may cast their vote electronically. The voting right of shareholders/ members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, September 18, 2024.

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 / Members holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders/ Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders/ Members 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/ Members holding securities in demat mode is given below:

Type of Shareholders/ Members	Login Method
Individual Shareholders/ Members holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 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. 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

Type of Shareholders/ Members	Login Method
	<p>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.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p>
Individual Shareholders/ Members holding securities in demat mode with CDSL	<p>1) Existing users who have opted for Easi / Easiest, they can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <p>2) After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in 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 provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
Individual Shareholders/ Members (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/ Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders/ Members 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 toll free no.: 022-4886 7000.
Individual Shareholders/ Members 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/ Members other than Individual Shareholders/ Members holding securities in demat mode and Shareholders/ Members 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/ Members other than Individual Shareholders/ Members are given below:
 - a) If you are already registered for e-Voting, then you can use 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/ Members 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 AGM on NSDL e-Voting system.

How to cast your vote electronically and join AGM 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/ Members

1. Institutional Shareholders/ Members (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/ Members (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/ Members and

e-voting user manual for Shareholders / Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to evoting@nsdl.co.in

Process for those Shareholders/ Members 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_wssl@welspun.com or vinod.y@bigshareonline.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_wssl@welspun.com or vinod.y@bigshareonline.com. If you are an Individual Shareholders/ Members 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/ Members 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/ Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders/ Members 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 AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the 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 AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the 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 AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. Member will be provided with a facility to attend the 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 link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General 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. Shareholders/ Members who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
3. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. Wednesday, September 18, 2024.

Any person holding shares in physical form and non-individual shareholders, who acquire shares of the Company and becomes a Member of the Company after the notice is sent through e-mail and holding shares as on the cut-off date i.e. Wednesday, September 18, 2024, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using 'Forgot User Details / Password' or 'Physical User Reset Password' option available on www.evoting.nsdl.com or contact on Tel. no. 022 - 4886 7000. In case of Individual shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the notice and holding shares as on the cut-off date i.e. Wednesday, September 18, 2024, may follow steps mentioned in the Notice of the AGM under 'Access to NSDL e-voting system'.

4. Shareholders/ Members are encouraged to join the Meeting through Laptops / iPads for better experience.

5. Further Shareholders/ Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 3 days prior to meeting mentioning their Name, Demat Account Number/Folio Number, Email ID, Mobile Number at companysecretary_wssl@welspun.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their Name, Demat Account Number/Folio Number, Email ID, Mobile Number at companysecretary_wssl@welspun.com. These queries will be replied to by the company suitably by email.
8. Only those Shareholders/ Members, who are present in the 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 available during the AGM.
9. If any Votes are cast by the Shareholders/ Members through the e-voting available during the AGM and if the same Shareholders/ Members have not participated in the meeting through VC/OAVM facility, then the votes cast by such Shareholders/ Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Shareholders/ Members attending the meeting.
10. Members who need guidance / help before or during the AGM with respect to use of technology, can send a request at evoting@nsdl.co.in or may contact at 022 - 4886 7000; or contact Ms. Pallavi Mhatre, Senior Manager, NSDL at the designated email ID: evoting@nsdl.co.in or contact Ms. Sarita Mote, Assistant Manager, NSDL at the designated email ID: evoting@nsdl.co.in.

By Order of the Board of Directors

Suhas Pawar

Company Secretary
ACS - 36560

Date : August 27, 2024
Place: Mumbai

Welspun Specialty Solutions Limited

CIN: L27100GJ1980PLC020358

Registered Office:

Plot No 1, G I D C Industrial Estate,
Valia Road, Jhagadia,
Gujarat 393 110

Website: www.welspunspecialty.com

Email ID: companysecretary_wssl@welspun.com

DIRECTORS' REPORT

To,
The Members,
Welspun Specialty Solutions Limited
(Formerly known as RMG Alloy Steel Limited)

Your Directors are pleased to present the Forty-Second Annual Report together with Audited Financial Statement of the Company for the year ended 31st March 2024.

1. FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	2023-24	2022-23
Sales and other income	71,817	43,259
Profit/(Loss) before interest, depreciation and exceptional items	7,733	3,149
Interest and Financial charges	3,325	3,031
Depreciation and Amortization	1,548	1,491
Profit/ (Loss) before exceptional items and tax	2,860	(1,374)
Profit/(Loss) before tax	2,860	(1,374)

2. OPERATIONS

Operations of the Company were as under:

Particulars	2023-24			2022-23		
	Production (Qty M.T.)	Sales (Qty M.T.)	Gross Sales (Rs.in Lakhs)	Production (Qty M.T.)	Sales (Qty M.T.)	Gross Sales (Rs.in Lakhs)
Pipe	4,683	4,785	25,294	4,541	4,059	21,390
Steel	28,439*	15,903	43,762	16,985*	6,869	20,094
Others	-	-	611	-	-	299
Total	33,122	20,688	69,667	21,526	10,928	41,783

*Includes produced for Captive Consumption

By pursuing a well-defined business transformation strategy, the Company could achieve a complete turnaround during FY24 witnessing first year of consistent profitability.

During FY24, the Company faced many challenges, especially in the exports markets due to tough macro-economic scenarios viz. high inflation, higher interest rates leading to low optimism, rising geo political tensions and regional conflicts etc. Against this backdrop, the Company could make its successful foray into the USA markets backed by consistent focus to expand in new large geographies. The Company continue to receive encouraging product acceptance in terms of wide grade & size ranges, resulting into adding new customers as well as enhancing business with existing customers.

The domestic market opportunity also remains of an extremely high focus and priority for the Company. Given the right policy interventions, continued spending by the Government on infrastructure, energy and other strategic sectors, and the preference accorded to the domestic manufacturing industry, India focus remains integral to overall growth strategy of the Company. As a continuing endeavor, company remained highly focused on Research and Product Development thus successfully rolling out new grades / products in the market.

Major highlights of FY24:

- Many high value grades developed and delivered during the year e.g. 904L, S30432, Alloy 800/H, Alloy 625, Low Cobalt Steel for Nuclear Power, Hollow Bars, Welsonic 50 etc.

- Qualified by BHEL and NTPC for super critical boiler tubes of grade S30432 for first time to an indigenous integrated facility.
- Geography and territory expansion continued with 45 new customer additions
- Share of renewable electricity improved to 25% on an average for the full year

As the company scales up the business gradually, management focus continues to be on penetrating into newer markets, customer acquisition, developing and delivering new, value added and critical products. The Company also has been focusing on strategic tie ups and securing more approvals and accreditations.

Strong focus will also remain on sustainability. The Company has been increasing its share of renewable energy and also reducing carbon emission gradually.

3. SHARE CAPITAL

The Authorised Share Capital of the Company as on March 31, 2024 was Rs.565,00,00,000/- (Rupees Five Hundred Sixty Five Crore Only) divided into 55,00,00,000 (Fifty Five Crore) Equity shares of Rs.6/- (Rupees Six Only) each and 23,50,00,000 (Twenty Three Crore Fifty Lakh) Preference Share of Rs.10/- (Rupees Ten Only) each. The issued, subscribed and paid up share capital of the Company stood at Rs.368,95,77,646/- (Rupees Three Hundred Sixty Eight Crore Ninety Five Lakh Seventy Seven Thousand Six Hundred Forty Six only) as at March 31, 2024 comprising of 53,00,89,156 (Fifty Three Crore Eighty Nine Thousand One Hundred Fifty Six) equity shares of Rs.6/- (Rupees Six Only) each fully paid up and 5,09,04,271 (Five Crore Nine Lakh Four Thousand Two Hundred Seventy One) preference shares of Rs.10/- (Rupees Ten Only) each fully paid up. There was no change in the issued, subscribed and paid up share capital during the year under review.

4. DIVIDEND

With a view to maintain sufficient funds for working capital and growth of business, your Directors do not recommend any dividend for the financial year ended on March 31, 2024.

5. DIVIDEND DISTRIBUTION POLICY

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

Directors approved and adopted Dividend Distribution Policy of the Company setting out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to the shareholders and/ or retaining the profits earned by the Company. The Policy is annexed to this Report as 'Annexure I' and is also available on the Company's website at <https://welspunspecialty.com/policy.php>.

6. TRANSFER TO RESERVE

During the year under review, the Company did not transfer any amount to the general reserve.

7. SUBSIDIARIES, ASSOCIATE AND JOINT VENTURES COMPANIES

The Company does not have subsidiary, associate and joint ventures companies.

8. NET WORTH STATEMENT

The Company's financial statements has been prepared as per Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015. As per the Ind AS, Redeemable Preference Share Capital is shown as borrowing in the financial statement. However, as per Sections 2(57), 2(64) and 43 of the Act, the definition of Net Worth includes "paid-up share capital" i.e. equity share capital and preference share capital. Therefore, for the purpose of calculation of Net Worth, redeemable preference share capital is also considered as a part of the Net Worth.

(Rs. in Lakhs)

Particulars	31.03.2024	31.03.2023
Equity Share Capital	31,805	31,805
Securities premium collected on Equity Share Capital	28,849	28,849
Redeemable Preference Share Capital	1,867	1,666
Redeemable Preference share capital adjustment account	3,775	3,775
Retained Earnings	(55,718)	(61,952)
General Reserve	553	553
Net Worth	11,131	4,696

9. DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP)

a. Board of Directors:

In accordance with the provisions of the Act, and the Articles of Association of the Company, Mr. Vipul Mathur (DIN:07990476), Non-Executive Non-Independent Director, will retire by rotation at the 42nd Annual General Meeting and being eligible, has offered himself for re-appointment. The Board has recommended his re-appointment.

During the year under review, there was no change in the Directors of the Company.

b. Key Managerial Personnel:

During the year under review, there was no change in the Key Managerial Personnel of the Company.

c. Declaration by Independent Directors:

The Company has received declarations from each Independent Director as per the provisions of Section 149 (7) of the Act and the Regulation 25(8) of the SEBI Listing Regulations, as amended from time to time, confirming he / she meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16 of the SEBI Listing Regulations. There has been no change in the circumstances as on the date of this Report which may affect his / her respective status as an Independent Director.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standard of integrity.

All the Independent Directors on the Board of the Company are registered with the Indian Institute of Corporate Affairs, Manesar, Gurgaon as notified by the Central Government under Section 150(1) of the Act. As per the proviso to Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors of the Company shall undergo online proficiency self-assessment test, as may be applicable, within the time prescribed by the IICA.

d. Annual Evaluation of Board, its Committees and Directors :

The performance evaluation of the Board of Directors, its Committees and of Individual Directors were conducted by the entire Board (excluding

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

For the financial year 2023-24, the annual performance evaluation was carried out by the Independent Directors, the Nomination and Remuneration Committee and the Board, which included evaluation of the Board, Independent Directors, Non-Independent Directors, Executive Directors, Chairman, Committees of the Board, Quantity, Quality and Timeliness of Information to the Board. All the results were satisfactory to the Board.

e. Meetings of the Board of Directors:

Five (5) meetings of Board of Directors were held during the financial year 2023-24, the details of which are given in point 2(b) of the "Corporate Governance Report" annexed to this Report as 'Annexure III'.

f. Committees of the Board of Directors

Information on the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders' Relationship Committee, the Risk Management Committee, as applicable, and meetings of those committees held during the year under review is given in the "Corporate Governance Report" annexed to this Report as 'Annexure III'.

There have been no instances where the Board did not accept the recommendations of its committees, including the Audit Committee.

10. DISCLOSURE AS PER SECTION 197(12) AND RULE 5 (1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

The Independent Directors are paid sitting fees at a fixed rate per meeting of the Board or the Committee attended by them and as such the same can't compare with the remuneration to the employees.

(i)	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Ratio in case of Mr. Anuj Burakia, CEO& WTD is 1:74		
(ii)	the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:	Anuj Burakia	CEO& WTD	49.72%
		Brijveer Singh	CFO	77.82%
		Suhas Pawar	CS	18.13%
(iii)	the percentage increase in the median remuneration of employees in the financial year:	Median remuneration decreased by 0.97%.		
(iv)	the number of permanent employees on the rolls of company	643 as on March 31, 2024.		
(v)	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:	The average increase in remuneration of employees excluding KMP in last financial year was 11.58%. The remuneration of the CEO & Whole Time Director and the CFO is decided based on the individual performance as well as performance of the Company, inflation, prevailing industry trends and benchmarks.		
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company.	Remuneration paid during the year ended March 31, 2024 was as per the Remuneration Policy of the Company.		

11. PARTICULARS OF EMPLOYEES

The details of employees of the Company drawing remuneration as prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as follows:

Sr. No.	Name	Designation	Remuneration Drawn During The Year (Rs.)	Nature of Employment	Qualification	Experience (Years)	Date of Commencement of Employment	Age	Last Employment	% of Equity Shares	Relative
1	Anuj Burakia	CEO & Whole Time Director	2,58,54,028	Contract	Chartered Accountant	22	29-July-21	45	Welspun Group	0.20%	No
2	Vipul Sutaria	President	1,28,76,550	Permanent	BE - Mechanical, PGDBM Marketing	24	11-Oct-21	50	Saarloha (Erstwhile Kalyani Carpenter)	NIL	No
3	Narendra Kumar Bhandari*	President	61,54,617	Permanent	Chartered Accountant	22	25-Sep-09	63	Fata Tanning	0.00%	No
4	MV Rajasekhar	Assistant Vice President	68,76,953	Permanent	M. Sc (Tech), M.M.S.	30	09-Jun-22	55	Tubacex Prakash India Ltd	NIL	No
5	Brijveer Singh	Vice President	63,72,843	Permanent	Chartered Accountant	27	02-May-22	53	Afri Ventures FZE	NIL	No
6	Nityanand Shukla*	Vice President	42,34,842	Permanent	B.Sc, BE - Mechanical, MBA	35	11-Oct-21	57	Bhawani Industries Pvt Ltd	NIL	No
7	Anil Kumar Singh Rana	Assistant Vice President	56,43,282	Permanent	BE - Electrical	20	05-May-10	54	Star Wire (India) Limited	NIL	No
8	Gouri Shankar Roy*	Senior Vice President	49,66,120	Permanent	B.Sc Mechanical Engineering, PGDBA in Operations Management	30	11-Nov-23	54	Timken's Mill-Tec business managing 26 mill sites	NIL	No
9	Manas Ranjan Dash	Assistant Vice President	43,18,345	Permanent	BA, LLB, PGD in HRD	29	29-Nov-19	54	Enzen Group	NIL	No
10	Avadhesh Kumar Porwal	Senior General Manager	41,82,428	Permanent	Diploma - Mechanical	26	09-Oct-17	55	Welspun Corp Limited	NIL	No
11	Saubhag Sharma	General Manager	32,20,164	Permanent	Chartered Accountant		02-Jan-12	34	-	NIL	No

* resigned / discontinued / employed for part of or during the year.

Remuneration policy and criteria for making payment to Non-Executive Directors:

Pursuant to Section 178 (3) of the Act and provisions of SEBI Listing Regulations, the Nomination and Remuneration Committee (NRC) and the Board of Directors at their respective meetings held on 5th February, 2019 had approved and recommended a revamped policy relating to criteria for determining qualifications, positive attributes and Independence of Directors, the remuneration for the Directors, Key Managerial Personnel and other employees.

For the Company's policy on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Sub-section 3 of Section 178 of the Act, please refer to the Para of the "Corporate Governance Report" annexed to this Report as 'Annexure III'.

12. EMPLOYEE STOCK OPTIONS

The Company have not granted stock options during the year under review, the disclosures 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:

(I)	A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including -	
	(a) Name of the ESOP Plan	RMG Alloy Steel Ltd Employee Stock Options (Senior Management Personnel) Scheme 2018
	(b) Date of shareholders' approval	15.05.2018
	(c) Total number of options approved under ESOS	20,00,000
	(d) Vesting requirements	The Vesting of ESOPs shall happen at every anniversary of the date of grant in quantum of 35% and 35% of the total ESOPs granted for the first 2 years and 30% of the total ESOPs granted shall vest on completion of 2 years 3 months from the date of grant*
	(e) Exercise price or pricing formula	Nil
	(f) Maximum term of options granted	Upto the third anniversary from the date of Vesting
	(g) Source of shares (primary, secondary or combination)	Primary
	(h) Variation in terms of options	-
(II)	Method used to account for ESOS - Intrinsic or fair value.	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.	Not Applicable
(IV)	Option movement during the year	
	Number of options outstanding at the beginning of the period	Nil
	Options granted	Nil
	Options vested	Nil
	Options exercised	Nil
	The total number of shares arising as a result of exercise of option	Nil
	Options forfeited / lapsed	Nil
	The exercise price	Nil
	Money realized by exercise of options	Nil

Loan repaid by the Trust during the year from exercise price received	Not Applicable
Number of options outstanding at the end of the year	Nil
Number of options exercisable at the end of the year	Nil
Employee wise details of options granted to:-	
<ul style="list-style-type: none"> Senior managerial personnel (including Key Managerial Personnel) 	Nil
<ul style="list-style-type: none"> Any other employee who receives a grant of options in any one year of option amounting to 5% or more of options granted during that year 	Nil
<ul style="list-style-type: none"> Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant. 	Nil
<ul style="list-style-type: none"> Lock-in period, if any 	Nil
<ul style="list-style-type: none"> the conditions under which option vested in employees may lapse 	Options which are vested but not exercised; Upon resignation prior to retirement.
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.	Nil
Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	Nil
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:	Not applicable.
a) the weighted average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk free interest rate and any other inputs to the model;	-
b) the method used and the assumptions made to incorporate the effects of expected early exercise;	-
c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;	-
d) whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.	-
Disclosure in respect of grants made in three years prior to IPO under each ESOS	Not Applicable
The Company has complied with the applicable accounting standards.	

Certificate from M/s. JMJA & Associates LLP, Company Secretaries, Secretarial Auditors of the Company with respect to the implementation of Welspun Employee Stock Option Scheme would be placed before the Members at the ensuing Annual General Meeting of the Company and a copy of the same shall be available for inspection at the Registered office of the Company.

13. DEPOSITS

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

14. ANNUAL RETURN

Pursuant to Sections 92 and 134 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return in form MGT-7 is placed on the website of the Company and can be accessed at <https://www.welspunspecialty.com/notice.php>.

15. DETAILS OF RELATED PARTY TRANSACTIONS

All transactions entered into by the Company with related parties were in the ordinary course of business and at arm's length basis. The Audit Committee grants an omnibus approval for the transactions that are in the ordinary course of the business and repetitive in nature. For other transactions, the Company obtains specific approval of the Audit Committee before entering into any such transactions. For material related party transaction, the Company obtains prior approval of the Members of the Company. A statement giving details of all Related Party Transactions is placed before the Audit Committee on a quarterly basis for its review. The disclosure of Related Party Transactions as required in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 in Form AOC -2 is not applicable for this year.

The Company's policy on Related Party Transactions as approved by the Board is uploaded on the Company's website <https://www.welspunspecialty.com/policy.php>

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

Pursuant to Regulation 34 read with Schedule V of the SEBI Listing Regulations, please refer Note no.39 for details of related party transactions.

16. AUDITORS AND THEIR REPORTS

Statutory Auditors:

M/s. Price Waterhouse Chartered Accountants LLP ('PWCAL'), Chartered Accountants (Firm Registration No. 012754N/N500016) were appointed as the Statutory Auditors of the Company, to hold office for a period of 5

(five) years from the conclusion of 40th Annual General Meeting till the conclusion of 45th Annual General Meeting of the Company, in terms of the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014.

The Audit Report did not contain any qualifications, reservations, adverse remarks or disclaimers and no fraud was reported by the Statutory Auditors of the Company to the Audit Committee pursuant to Section 143(12) of the Act.

Internal Auditors:

Based on the recommendation of the Audit Committee, the Board of Directors appointed M/s. Deloitte Touche Tomastu India LLP as the Internal Auditors of the Company for the financial year 2024-25.

M/s. KPMG Assurance and Consulting Services LLP were appointed as the Internal Auditors of the Company for the financial year 2023-24. The internal audit was completed as per the scope defined by the Audit Committee.

Cost Auditors:

The Company maintains cost records as specified by the Central Government under sub-section (1) of Section 148 of the Act. As per Section 148 of the Act, the Board of Directors have appointed M/s. Kiran J. Mehta & Co, Cost Accountants, (Firm Registration No.000025) as the Cost Auditors for the financial year 2024-25 at a remuneration of Rs.65,000/- p.a. on the recommendations of the Audit Committee.

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

The Cost Auditors' Report did not contain any qualifications, reservations, adverse remarks or disclaimers and no frauds were reported by the Cost Auditors to the Company pursuant to Section 143(12) of the Act. The Cost Audit Report for the financial year 2022-23 was e-filed on September 29, 2023. The Cost Audit Report for the financial year 2023-24 is in progress and the report will be filed with the Ministry of Corporate Affairs, Government of India, within the statutory timeline.

Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. JMJA & Associates LLP, Practising Company Secretaries,

has been appointed as the Secretarial Auditors of the Company for the financial year 2024-25. The Secretarial Audit Report issued by the Secretarial Auditors for the financial year 2023-24 is annexed herewith as 'Annexure II' to this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks and no frauds were reported by the Secretarial Auditors to the Company under Section 143(12) of the Act., except the reporting on filing of compounding application by the Company with respect to non-filing of cost audit report for the financial year 2018-19, as reproduced herein below and which in the opinion of the Board self-explanatory and does not require further explanation:

"The Company and the CEO & Whole Time Director have paid the compounding fees as per the Order of the Regional Director bearing No. RD(NWR)/441/Sec.148/01/2023-24 for compounding of offence committed under Section 148 of the Companies Act, 2013."

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186.

The Company has not made any investment nor given any loan or provide any guarantee / security for repayment of loan under Section 186 of the Act.

18. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Board has adopted vigil mechanism in the form of Whistle Blower Policy, to deal with instances of fraud or unethical behavior or misconduct etc. For the Company's policy on establishment of Vigil Mechanism for Directors and Employees, please refer to the point no.13 (iii) of the "Corporate Governance Report" annexed to the Directors' Report as 'Annexure III'.

The details of Whistle Blower Policy and Vigil Mechanism is also available on the Company's website at <https://www.welspunspecialty.com/policy.php>.

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo required pursuant to the Rule 8(3) of the Companies (Accounts) Rules, 2014 are given below.

During year under review, the Company has taken various initiatives to conserve energy and improve technology

being used for production as discussed in detail hereunder. This has helped the Company in its journey on moving up the value chain.

A. Conservation of Energy

(i) the steps taken or impact on conservation of energy;

The following are measures taken during the year under review:

- Replaced the existing shed lights with energy efficient LED lighting and all new requirements met with LED.
- Installed timing based controller to operate the external lighting in portion of plant. Balance under implementation.
- Replaced two main water complex pumps with energy efficient pumps.
- VFD installed at Bar peeling machine for energy optimisation.
- Power manager (auto controller) for optimum allocation of power to production units thereby conserving energy as well as ensuring optimum production.

(ii) the steps taken by the company for utilizing alternate sources of energy;

The Company has signed agreement for procurement of hybrid (solar + wind) power supply. In the financial year 2023-24, the Company utilised 24 % Hybrid units against total power consumption.

(iii) the capital investment on energy conservation equipment;

Energy conservation equipment were added to the production facility during the year under review with approximate cost Rs. 6 Lakhs.

B. Technology Absorption:

(i) the efforts made towards technology absorption;

- Mould Oscillation Table changed with variable stroke for casting quality improvement.
- Recipe based programme developed and implemented on caster to reduce human dependency.
- AMLC upgradation in progress to achieve precise mould level controls and quality of blooms.
- Robotics installation at extrusion press - In Progress.
- Servo Motors installed in 4.5" Pilger with PLC and HMI.

- Upgradation of Immersion UT Machine Electronics.
- Hot Air Blower Installed for Tube Drying.
- Online Environment Monitoring System Installed.
- Two new sewage Treatment Plants Installed.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

- Transfer process of Billets to extrusion modification under process from manual to Robotic.
- 400 Dia ingot Casting to improve centre looseness.
- 250 Dia Rolling to cater improve product mix.
- Hollow Bar Extrusion initiated to improve market penetration.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

Upgradation of Auto Mould Level Control at caster.

(iv) the expenditure incurred on Research and Development.

The products and process development are undertaken by the Company internally.

C. Capacity Enhancement & Technological Upgradation:

- Additional bar cutting machines at Rolling Mill.
- Additional honing Machine installed to augment production capacity.

D. Foreign exchange earnings and outgo

(i) Foreign exchange earned in terms of actual inflows during the year;

FOB Value of exports Rs. 25,724 Lakhs (Previous Year Rs. 15,266 Lakhs).

(ii) Foreign exchange outgo during the year in terms of actual outflows;

Imports on CIF Basis/expenditure in foreign currency Rs. 11,862 Lakhs (Previous Year Rs. 4,802 Lakhs).

20. CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS

In compliance with Regulation 34 of the SEBI Listing Regulations, a separate report on Corporate Governance is annexed hereto as a part of this Report as 'Annexure III'. A certificate from the Secretarial Auditors

of the Company regarding compliance of conditions of Corporate Governance as prescribed under the SEBI Listing Regulations is attached to this report as 'Annexure IV'. Management Discussion and Analysis is separately given in this Report as 'Annexure VI'.

21. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Company has provided the Business Responsibility and Sustainability Report on voluntary basis which is annexed hereto as 'Annexure VII'.

22. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, your Directors, based on the representations received from the Operating Management, and after due enquiry, hereby confirm that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March 2024 and of the profit and loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

23. RISK MANAGEMENT

The Company has constituted a Risk Management Committee in compliance with the SEBI Listing

Regulations. The details of this Committee and its terms of reference are set out in the Corporate Governance Report.

The Board has approved Risk Management Policy (RMP) to effectively address financial, operational, compliance and strategic risk. A structured enterprise risk management program has been formulated and implemented. The Risk Management Committee was formed and adopted its charter to periodically review the risk management process, risks and mitigation plans and provide appropriate advise in the improvement areas, if any, identified during the review.

Please refer to point C of the Management Discussion and Analysis section attached to this Report for risks and threats relevant to the Company.

24. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTOR

The details of familiarization programme conducted for Independent Directors are disclosed on the website of the Company at link: <https://www.welspunspecialty.com/policy.php>. More than 3 hours were spent by the Independent Directors cumulatively in several familiarization program during the year under review.

25. CODE OF CONDUCT

The Company has a Code of Conduct for Board members and Senior Management Personnel. A copy of the Code has been put on the website of the Company for information of all the members of the Board and Senior Management Personnel at <https://www.welspunspecialty.com/policy.php>. Each Director and Senior Management Personnel including all functional heads, to which this code has been made applicable, have affirmed their compliance with the Code. A declaration by Mr. Anuj Burakia, CEO & Whole Time Director, to this effect given in the Corporate Governance Report forms part of this report.

26. PROHIBITION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

In compliance with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has put in place a Policy on Prohibition and Prevention of Sexual harassment of women at the workplace.

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

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

Number of complaints pending at the beginning of the financial year	Nil
Number of complaints received during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

27. INTERNAL FINANCIAL CONTROLS

The Company has adequate internal control system, which is commensurate with the size, scale and complexity of its operations. The Company has designed and implemented a process driven framework for Internal Financial Controls (“IFC”) within the meaning of the explanation of Section 134(5)(e) of the Act, the SEBI Listing Regulations and other relevant statutes applicable to the Company. The executive management and Internal Auditors continuously monitors the efficiency of the internal controls / compliance, 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 organization’s risk management, control and governance processes. For the year ended March 31, 2024, the Board is of the opinion that the 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. Also refer paragraph under caption “internal control system” in Management Discussion and Analysis forming part of this report.

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

28. MISCELLANEOUS

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.

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

During the year under review,

- There was no change in the general nature of business of the Company;
- No material change or commitment has occurred which would have adversely affected the financial position of the Company between the end of the financial year to which the financial statements relate and the date of this report;
- No share with differential rights was issued by the Company nor did the Company issue any equity share as sweat equity share;
- No fraud took place in the Company during the year under review and hence, no such reporting was made to the Audit Committee and the Board under Rule 13(3) of the Companies (Audit and Auditors) Rules, 2014;
- No significant and material order was passed by the regulators or courts or tribunals which would have impacted the going concern status and the Company's operations in future;
- There was no revision in the financial statements.

- There was no instance of one-time settlement with any Bank or Financial Institution.
- There are no agreements defined under clause 5A of paragraph A of part A of schedule III of the SEBI Listing Regulations that are binding on the Company.
- No application was made or proceeding initiated against the Company under the Insolvency and Bankruptcy Code, 2016, nor any such proceeding was pending at the end of the financial year under review.

29. SAFETY

The Company conducts regularly Safety audit through competent authorities for its manufacturing facility located at Jhagadia, Bharuch, Gujarat. The Company also organizes various safety awareness programs to impart safety training to its employees.

30. ACKNOWLEDGEMENT

Your Directors take this opportunity to express gratitude for valuable assistance and cooperation extended to the Company by financial institutions, banks, statutory and regulatory authorities, customers, suppliers and other agencies engaged with the Company. Your Directors also wish to place on record their sincere appreciation of the dedicated services, hard work, solidarity and profuse support by all the employees of the Company.

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN: 00270175

Anuj Burakia
CEO & Whole Time Director
DIN: 02840211

Place: Mumbai
Date: April 26, 2024

Welspun Specialty Solutions Limited's Dividend Distribution Policy

1. REGULATORY FRAMEWORK

The Securities and Exchange Board of India ("SEBI") w.e.f. May 5, 2021 amended Regulation 43A in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top one thousand listed companies (based on market capitalization of every financial year) to formulate a Dividend Distribution Policy.

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

2. OBJECTIVE & PHILOSOPHY

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

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

3. DIVIDEND DECLARATION - CIRCUMSTANCES AND FINANCIAL PARAMETERS.

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

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.

Any deviation from the policy may be disclosed in the Directors' Report to the Shareholders.

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

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 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. Buyback of securities.
9. Investment in Subsidiaries
10. Research and Development
11. Innovation
12. Acquisition of Intellectual Property Rights
13. Any other purpose as the Board may deem appropriate in the best interest of the Company.

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 and 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.

Approved & adopted by the Board of Directors at its meeting held on May 23, 2022.

JMJA & ASSOCIATES LLP

Practising Company Secretaries

102, Accord Commercial Complex, Jay Prakash Nagar, Near Goregaon Railway Station, Goregaon (East), Mumbai-4000 063.

Contact : +91 22 40109730. Email: info@jmja.in

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2024

[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 Specialty Solutions Limited
Plot No 1, G I D C Industrial Estate,
Valia Road, Jhagadia, Bharuch,
Gujarat-393110.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Welspun Specialty Solutions Limited (CIN: L27100GJ1980PLC020358) (hereinafter referred as "the Company") having its registered office situated at Plot No 1, G I D C Industrial Estate, Valia Road, Jhagadia, Bharuch, Gujarat-393110. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the Audit period April 01, 2023 to March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period April 01, 2023 to March 31, 2024 as per the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and Commercial Borrowings; Not applicable to the Company during the Audit Period
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015 as amended from time to time;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009; Not applicable to the Company during the Audit Period
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable to the Company during the Audit Period
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable to the Company during the Audit Period

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable to the Company during the Audit Period
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) We have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other various applicable Acts, Laws, Rules and Regulations to the Company

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

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

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

We further report that:

- a) The Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- b) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or at shorter notice, if any, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;
- c) During the period under review, resolutions were carried unanimously by the Board. The minutes of the meeting did not reveal any dissenting views by any member of the Board of Directors during the period under review;

- d) Based on the information provided and the representations made by the Company, its officers, and also on review of the compliance reports of the Company secretary, in our opinion, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines;

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

1. The Remuneration of Mr. Brijveer Singh, Chief Financial Officer of the Company was increased from Rs.45 lacs p.a. to Rs.70 lacs p.a. comprising of fixed CTC of Rs.59.50 lacs plus variable pay of Rs.10.50 lacs with effect from April 1, 2023.
2. The remuneration of Mr. Anuj Burakia, CEO and Whole Time Director of the Company was increased up to Rs. 250 Lakh (includes Rs.200 Lakh fixed component and Rs.50 Lakh variable component) per annum.
3. The Company and the CEO & Whole Time Director have paid the compounding fees as per the Order of the Regional Director bearing No. RD(NWR)/441/Sec.148/01/2023-24 for compounding of offence committed under Section 148 of the Companies Act, 2013.

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

CS Mansi Damania
Designated Partner
FCS: 7447 | COP: 8120
UDIN: F007447F000249238

Place: Mumbai
Date: April 26, 2024

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

[Annexure](#)

To,
The Members,

Welspun Specialty Solutions Limited

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

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company;

4. Wherever required, we have obtained the Management representation about the compliance of applicable laws, rules and regulations etc.;
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis;
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company;

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

CS Mansi Damania
Founder Partner
FCS: 7447 | COP: 8120
UDIN: F007447F000249238

Place: Mumbai
Date: April 26, 2024

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY

Welspun Specialty Solutions Limited (Formerly known as RMG Alloy Steel Limited) believes that for a company to succeed on a sustained basis, it must maintain global standards of corporate conduct towards its employees, stakeholders, consumers and society.

The primary objective is to create and adhere to a corporate culture of conscience and consciousness, transparency and openness.

2. BOARD OF DIRECTORS

a) Composition

The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of composition of the existing Board of Directors as on March 31, 2024 are given below:

Sr. No.	Name of Director	Age	Category	No. of Shares Held	Attendance Particulars		No. of other Directorship (as last declared to the Company)			Member / Chairman in No. of Board/ Committees including other Companies (as last declared to the Company) [@]
					Last Annual General Meeting	Board Meeting	Pub.	Pvt.	Other Body Corporate	
1	Mr. Atul Desai	74	I, NE	-	Yes	5/5	6	0	0	C-3, M-6
2	Mr. Anuj Burakia	44	E	10,35,000	Yes	5/5	0	2	0	C-0, M-1
3	Mr. Balkrishan Goenka*	57	P, C, NE	85,73,078	Yes	4/5	8	1	7	C-0, M-0
4	Mr. Prakashmal Tatia	70	NE	4,28,213	Yes	5/5	1	0	0	C-0, M-0
5	Mr. M. Narayana Rao	68	I, NE	7,789	Yes	5/5	2	1	0	C-1, M-3
6	Mr. K.H. Viswanathan	61	I, NE	1,00,000	Yes	5/5	3	2	0	C-3, M-5
7	Ms. Amita Misra	68	I, NE	-	Yes	5/5	3	0	0	C-1, M-4
8	Mr. Vipul Mathur	54	NE	-	Yes	5/5	3	1	0	C-0, M-2

* Holds shares in the capacity of Trustee of Welspun Group Master Trust.

[@] Chairmanship/membership of the Audit Committee and the Stakeholders' Relationship Committee only has been considered.

Abbreviations:

P = Promoter, E = Executive Director, NE = Non-Executive Director, I = Independent, S = Shareholder, C = Chairman, M = Member.

Average age of the present Board members - ~62 years.

Average attendance at the Board meetings - ~98%

None of the Board Members is a member of more than ten committees or chairman of more than five committees across all the public limited companies in which he/she is a 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.	Mr. Atul Desai	Welspun Specialty Solutions Limited	Non-Executive, Independent Director
		AYM Syntex Limited	Non-Executive, Independent Director
		JSW Holdings Limited	Non-Executive, Independent Director
		Welspun Investments and Commercials Limited	Non-Executive, Independent Director
		TCFC Finance Limited	Non-Executive, Independent Director
2.	Mr. Anuj Burakia	Welspun Specialty Solutions Limited	Executive Director
3.	Mr. Balkrishan Goenka	Welspun Specialty Solutions Limited	Non-Executive, Non-Independent Director
		Welspun Living Limited	Non-Executive, Non-Independent Director
		Welspun Corp Limited	Non-Executive, Non-Independent Director
		Welspun Enterprises Limited	Executive Director
4.	Mr. Prakashmal Tatia	Welspun Specialty Solutions Limited	Non-Executive, Non-Independent Director
5.	Mr. M. Narayana Rao	Welspun Specialty Solutions Limited	Non-Executive, Independent Director
		Avantel Limited	Non-Executive, Independent Director
6.	Mr. K. H. Viswanathan	Welspun Specialty Solutions Limited	Non-Executive, Independent Director
7.	Ms. Amita Misra	Welspun Specialty Solutions Limited	Non-Executive, Independent Director
		Welspun Corp Limited	Non-Executive, Independent Director
		Dalmia Bharat Sugar Industries Limited	Non-Executive, Independent Director
8.	Mr. Vipul Mathur	Welspun Specialty Solutions Limited	Non-Executive, Non-Independent Director
		Welspun Corp Limited	Executive Director

c) Key Board qualifications, expertise and attributes:

The Board has identified skills/expertise/competence required in the context of its business(es) and sector(s) for the Board to function effectively viz. Technical- Manufacturing Process, Marketing and Sales, Finance, Strategy, Legal and Compliance, Research & Development and Human Resource Management.

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.

Name of Director	Area of skills / expertise / competence						
	Technical Manufacturing Process	Marketing & Sales	Finance	Strategy	Legal & Compliance	Research & Development	Human Resource Management
Mr. Atul Desai	-	-	-	✓	✓	-	✓
Mr. Anuj Burakia	✓	✓	✓	✓	✓	✓	✓
Mr. Balkrishan Goenka	✓	✓	✓	✓	✓	-	-
Mr. Prakashmal Tatia	✓	✓	-	✓	-	-	-
Mr. M. Narayana Rao	✓	✓	-	✓	✓	✓	✓
Mr. K. H. Viswanathan	-	-	✓	✓	✓	✓	✓
Ms. Amita Misra	-	✓	✓	✓	✓	-	✓
Mr. Vipul Mathur	✓	✓	✓	✓	✓	✓	✓

d) During the year 2023-24, the Board of Directors met Five times on the following dates: 24.05.2023, 27.07.2023, 18.08.2023, 27.10.2023 and 25.01.2024.

e) In addition to the above, a meeting of the Independent Directors was held on March 13, 2024 pursuant to Section 149(8) read with Schedule IV to the Companies Act, 2013 and Regulation 25(3) of the SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015. The said meeting was attended by all the Independent Directors of the Company.

f) It is confirmed that in the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and the

Companies Act, 2013 and rules made thereunder ('the Act') and are independent of the management. Further, there is no relationship between the Directors inter-se.

- g) The detailed Charter of the Board is available at the web-link : <https://www.welspunspecialty.com/policy.php>
- h) The Board is updated on a regular basis through presentations and discussions on the overall performance of the Company and steel industry, economic scenario, marketing strategy, statutory amendments, various initiatives taken or proposed to be taken in line with the business plan and growth of the Company, business risks and mitigation plans thereof, etc.

The details of familiarization programme conducted for Independent Directors are disclosed on the website of the Company at link : <https://www.welspunspecialty.com/policy.php>.

- i) During the year 2023-24, none of the Independent Directors resigned from the Company.

3. AUDIT COMMITTEE

Terms of reference:

The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained under Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Act.

The detailed Charter of the Audit Committee is available at the web-link: <https://www.welspunspecialty.com/policy.php>

Composition:

The Audit Committee consists of three Independent Directors viz. Mr. K. H. Viswanathan, Mr. M. Narayana Rao and Ms. Amita Misra. Mr. K. H. Viswanathan is the Chairman of the Committee. Mr. Suhas Pawar, Company Secretary acts as the Secretary to the Committee. The composition of the Audit Committee complies with the requirements laid down in Regulation 18 of the SEBI Listing Regulations.

Meetings and attendance during the financial year:

During the financial year under review, Ten meetings of the Audit Committee were held on 24.05.2023, 03.07.2023, 27.07.2023, 07.08.2023, 18.08.2023, 20.10.2023, 27.10.2023, 16.01.2024, 25.01.2024 and 28.03.2024. The details of attendance of members at the Audit Committee meetings held during the financial year are as follows:

Sr. No.	Name of the Member	Designation	Number of Meetings Attended
1	Mr. K.H. Viswanathan, Independent Director	Chairman	10/10
2	Mr. M. Narayana Rao, Independent Director	Member	9/10
3	Ms. Amita Misra, Independent Director	Member	10/10

None of the recommendations made by the Audit Committee were rejected by the Board. The Statutory Auditors and Internal Auditors had periodic and exclusive meetings with the Audit Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference

The terms of reference stipulated by the Board of Directors to the Nomination and Remuneration Committee are as contained under Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations and Section 178 of the Act.

The detailed Charter of the Nomination and Remuneration Committee is available at the web-link: <https://www.welspunspecialty.com/policy.php>

Composition:

The Nomination & Remuneration Committee consists of three Independent Directors viz. Mr. K. H. Viswanathan, Mr. M. Narayana Rao and Ms. Amita Misra. Mr. K. H. Viswanathan is the Chairman of the Committee. The composition of the Nomination and Remuneration Committee complies with the requirements laid down in Regulation 19 of the SEBI Listing Regulations.

Meetings and attendance during the financial year:

During the financial year under review, Four meetings of the Committee were held on 24.05.2023, 07.08.2023,

18.08.2023 and 10.11.2023. The details of attendance of Members at the Nomination and Remuneration Committee meetings held during the financial year are as follows:

Sr. No.	Name of the Member	Designation	Number of Meetings Attended
1	Mr. K. H. Viswanathan, Independent Director	Chairman	4/4
2	Mr. M. Narayana Rao, Independent Director	Member	3/4
3	Ms. Amita Misra, Independent Director	Member	4/4

None of the recommendations made by the Nomination and Remuneration Committee were rejected by the Board.

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 Listing Regulations 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 Rs.100,000/- per meeting to each independent director 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.

The Policy is available on your Company's website at: <https://www.welspunspecialty.com/policy.php>

5. REMUNERATION OF DIRECTORS:

Remuneration to Whole time Director:

Details pursuant to Schedule V of the Act and Schedule V of SEBI Listing Regulations:

Sr. No.	Particulars	Mr. Anuj Burakia, CEO & Whole Time Director
1.	Salary*	Rs.2,58,54,028/-/-
2.	Commission	NIL
3.	Service Contract	July 29, 2021 to July 28, 2024
4.	Notice Period	3 month
5.	Severance Fees	3 month compensation in lieu of notice period
6.	Stock Options	NIL

*inclusive of one time ex-gratia payment

Remuneration to Non-Executive Directors:

The details of payments made to the Non-Executive Directors during the financial year ended March 31, 2024 are as follows

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of Directors				Total amount
		K H Viswanathan	Atul Desai	M. Narayana Rao	Amita Misra	
1	Independent Directors					
	Fee for attending Board & Committee meetings	2,88,000	99,000	2,27,000	2,70,500	8,84,500
	Commission	-	-	-	-	-
	Others	-	-	-	-	-
	Total	2,88,000	99,000	2,27,000	2,70,500	8,84,500

6. BOARD EVALUATION

The Annual Board Evaluation has been discussed at length in the Directors' Report.

7. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee is formed in accordance with the Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations, inter-alia, to look into various aspects of interest of shareholders and other stakeholders.

Composition:

The Stakeholders' Relationship Committee consists of three non-executive directors and one executive director viz. Mr. K H Viswanathan, Ms. Amita Misra, Mr. Vipul Mathur and Mr. Anuj Burakia respectively. Mr. K H Viswanathan is the Chairman of the Committee.

Terms of Reference:

The terms of reference stipulated by the Board of Directors to the Stakeholders Relationship Committee are as contained under Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations.

The detailed Charter of the Stakeholders' Relationship Committee is available at the web-link: <https://www.welspunspecialty.com/policy.php>

Meetings and attendance during the financial year:

During the financial year under review, Five meetings of the Committee were held on 24.05.2023, 01.09.2023, 20.10.2023, 16.01.2024 and 28.03.2024. The details of attendance of Members at the Stakeholders' Relationship Committee meetings held during the financial year are as follows:

Sr. No.	Name of the Member	Designation	Number of Meetings Attended
1.	Mr. K H Viswanathan, Non-Executive and Independent Director	Chairman	5/5
2.	Ms. Amita Misra, Non-Executive and Independent Director	Member	5/5
3.	Mr. Vipul Mathur, Non-Executive Director	Member	4/5
4.	Mr. Anuj Burakia, CEO & Whole Time Director	Member	5/5

Mr. Suhas Pawar, Company Secretary is the Compliance Officer of the Company.

Details of number of shareholders complaints/ requests received during the financial year:

Breakup of the complaints/request received by the Company under different category is given hereunder:

Sr. No.	Category	Nos.
1	BSE Complaint	0
2	Legal Cases / Court Cases	0
3	Non Receipt Of Demat Rejection Documents	0
4	Non Receipt Of exchange Share Certificate	0
5	SEBI Scores	4
6	ODR	1
7	Other	1
	Total Complaints Received	6

All the complaints/ requests received during the year under report were resolved within the time limit to the satisfaction of the investors/ shareholders.

- Number of complaints not solved to the satisfaction of shareholders: Nil
- Number of pending complaints: Nil

8. RISK MANAGEMENT COMMITTEE

In accordance with Regulation 21 of SEBI Listing Regulations, the Company had constituted a Risk Management Committee in compliance with the SEBI Listing Regulations.

The objectives and scope of the Committee broadly comprise of monitoring and reviewing risk management plan including cyber security, insurance and ESG risks. The Company has a Risk Management Framework to identify, monitor, mitigate and minimize risks.

Terms of Reference:

The terms of reference stipulated by the Board of Directors to the Risk Management Committee are as contained under Regulation 21 read with Part D of Schedule II of the SEBI Listing Regulations.

The detailed Charter of the Risk Management Committee is available at the web-link: <https://www.welspunspecialty.com/policy.php>

Composition:

The Risk Management Committee consists of six members viz. Mr. K. H Viswanathan, Mr. M Narayana Rao, Ms. Amita Misra, Mr. Vipul Mathur, Mr. Anuj Burakia and Mr. Brijveer Singh. Mr. K H Viswanathan is the Chairman of the Committee.

Meetings and attendance during the financial year:

During the financial year under review, Three meetings of the Committee were held on 03.07.2023, 20.10.2023 and 16.01.2024. The details of attendance of Members at the Risk Management Committee meetings held during the financial year are as follows:

Sr. No.	Name of the Member	Designation	Number of Meetings Attended
1	Mr. K H Viswanathan – Independent Director	Chairman	3/3
2	Mr. M. Narayana Rao – Independent Director	Member	2/3
3	Ms. Amita Misra – Independent Director	Member	3/3
4	Mr. Vipul Mathur – Non-Executive Director	Member	2/3
5	Mr. Anuj Burakia – CEO & Whole Time Director	Member	3/3
6	Mr. Brijveer Singh - CFO	Member	3/3

9. SENIOR MANAGEMENT:

Sr. No.	Name	Designation
1.	Mr. Vipul Sutaria	President - Sales & Marketing
2.	Mr. Gauri Shankar Roy*	Chief Operating Officer
3.	Mr. Brijveer Singh	Chief Financial Officer
4.	Mr. Suhas Pawar	Company Secretary

*Appointed w.e.f. November 11, 2023.

10. GENERAL BODY MEETINGS:

(i) The details of General Meetings held and special resolutions passed in the last three years are given hereunder:

Date	Type of meeting	Location	Time	Special Resolutions Passed
31.08.2021	Annual General Meeting	Held through Video Conference or Other Audio-Visual Means (VC/OAVM)	2.00 PM	i. Reappointment of Mr. Anuj Burakia as a Whole Time Director for a further period of 3 years w.e.f. 29.07.2021 ii. Reappointment of Mr. M. Narayana Rao as an Independent Director for second term of five years w.e .f.28.08.2021
29.06.2022	Annual General Meeting	Held through Video Conference or Other Audio-Visual Means (VC/OAVM)	11:30 AM	i. Appointment of Ms. Amita Misra as an Independent Director for the first term of four years w.e.f. 27.04.2022. ii. Appointment of Mr. K H Viswanathan as an Independent Director for the first term of four years w.e.f. 27.04.2022. iii. Adoption of new set of Articles of Association.
20.09.2023	Annual General Meeting	Held through Video Conference or Other Audio-Visual Means (VC/OAVM)	12:00 Noon	i. Increase in remuneration of Mr. Anuj Burakia, CEO& Whole Time Director.

(ii) There were no Special Resolutions, which were put through postal ballot during the year under review. None of the business proposed to be transacted at the ensuing AGM requires passing a resolutions by postal ballot.

11. MEANS OF COMMUNICATION

The quarterly financial results are announced within forty five days from the end of quarter and annual audited financial results are announced within sixty days from the end of the financial year to the stock exchange, as per Regulation 33 of SEBI Listing Regulations and are published in Financial Express (English+Gujarati) newspapers, within 48 hours from the date of respective Board meetings held for approval of the financial results.

The financial results, investor presentation and official news releases are available on the stock exchange (BSE Ltd) as well as on the website of the Company at www.welspunspecialty.com

12. GENERAL SHAREHOLDER INFORMATION

The next Annual General Meeting shall be held at –

(i) **Day and Date : Wednesday, September 25, 2024**

Venue Through Video Conferencing/ Other Audio Visual Means

Time 12.00 Noon

(ii) Financial year starts from 1st April and ends on 31st March

(iii) Dividend payment date: No dividend has been recommended for the financial year 2023-24.

(iv) Listing on Stock Exchanges, Stock code and confirmation about payment of listing fee:

The securities of the Company are listed on the BSE Limited (Scrip code – 500365) (ISIN:INE731F01037). The Company will make the payment of listing fee to the BSE Limited for the financial year 2024-25.

(v) Market Price Data High Low Quotations during each month in last financial year i.e from 1st April 2023 to 31st March 2024 and performance in comparison to broad based indices such as BSE SENSEX is as follows:

Month	Market Price		Sensex	
	High	Low	High	Low
Apr-23	20.69	17.12	61,209.46	58,793.08
May-23	22.55	19.00	63,036.12	61,002.17
Jun-23	31.00	20.30	64,768.58	62,359.14
Jul-23	33.80	26.62	67,619.17	64,836.16
Aug-23	40.58	33.90	66,658.12	64,723.63
Sep-23	40.10	34.70	67,927.23	64,818.37
Oct-23	45.19	35.35	66,592.16	63,092.98
Nov-23	42.05	38.15	67,069.89	63,550.46
Dec-23	43.00	38.79	72,484.34	67,149.07
Jan-24	46.03	38.05	73,427.59	70,001.60
Feb-24	43.40	35.90	73,413.93	70,809.84
Mar-24	39.99	30.68	74,245.17	71,674.42

During the year under review, the securities of the Company were not suspended from trading by the Stock Exchange at which the securities of the Company are listed.

(vi) Registrar and Share Transfer Agents:

Bigshare Services Private Limited

Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 93. Email ID: Investor@bigshareonline.com

Contact Person:

Mr. Prasad Madiwale,

DGM (Department General Manager) /

Mr. Vinod Yadav, Client Coordinator

Tel: 91226263 8200/ 22/ 23

Fax: 91226263 8261

Email: vinod.y@bigshareonline.com

(vii) Share Transfer System:

In terms of Regulation 40(1) of the SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI had fixed March 31, 2021 as the cut-off date for re-lodgment of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialised mode. The requests for effecting transfer/transmission/transposition of securities shall not be processed unless the securities are held in the dematerialised form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

Pursuance to the SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 and SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023, the Company is under process of sending an intimation to the holders of physical securities with folios having inadequate KYC details, for furnishing valid PAN, KYC details and to register nomination. Relevant forms and formats are also placed on the website of the Company and Registrar and Share Transfer Agent. Members are requested to update their details as requested in compliance with the aforesaid SEBI Circulars.

(viii) Distribution of shareholding of equity shares as on March 31, 2024 is as follows:

Sr No	Shareholding of Nominal Value (Rs.)	Number of Shareholders	% To Total	Share Amount	% of Total
1	1 – 5000	83,203	93.63	233,76,432	0.73
2	5001 – 10000	2,109	2.37	139,42,344	0.44
3	10001 – 20000	1,384	1.56	193,26,072	0.60
4	20001 – 30000	694	0.78	184,70,418	0.58
5	30001 – 40000	229	0.26	79,79,724	0.25
6	40001 – 50000	170	0.19	75,74,070	0.24
7	50001 – 100000	516	0.58	351,57,216	1.11
8	100001 - 999999999	560	0.63	30547,08,660	96.05
	TOTAL	88,865	100.00	31805,34,936	100.00

(ix) Dematerialization of shares and liquidity: 52,91,25,491 equity shares constituting 99.82% of the outstanding equity shares are in demat form as on 31.03.2024 and have reasonable liquidity on the BSE Limited.

(x) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and impact on equity: - There are no outstanding ADR/GDR/ Warrants/ convertible instruments as on 31.03.2024.

(xi) Disclosure of commodity price risks and commodity hedging activities.

Details of commodity price risks and commodity hedging activities as required under Schedule V to the SEBI Listing Regulations.

- Risk management policy of the listed entity with respect to commodities including through hedging:-

The Company proactively manages price fluctuation risks by endeavoring real time raw material procurement backed up by confirmed finished goods sale orders.

- Foreign currency exposure are fully hedged on confirmation of procurement/Sales orders.
- Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:
 - a. Total exposure of the listed entity to commodities is Rs.50,339.60 Lakhs.
 - b. Exposure of the listed entity to various commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Scrap	39,090.25	23224	-	-	-	-	
Ferro Alloys	10,532.05	3152	-	-	-	-	
Rolled Bars (Black)	717.30	88	-	-	-	-	

- Commodity risks faced by the listed entity during the year and how they have been managed. The company manages the commodity risk by covering the Raw materials procurement at the inception of the sales orders with no open exposures.

Stainless Steel and Stainless Steel Pipe / Tube Business:

- Stainless steel Seamless Pipes & Tubes, is an engineering product with specific standards/stringent quality requirements with its application primarily in critical sectors like Oil & Gas, Power (including nuclear), Defense, aviation, chemical, fertilizer, etc.
- Based on the end user's requirement (including technical specifications), prevailing key raw material prices in real time are considered in the costing. Once an offer converts into the order, back to back raw material is booked to minimize any risk.

Also refer to the Management Discussion and Analysis forming part of this Annual Report.

(xii) Plant Location:

Plot No.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. – Bharuch, Gujarat 393110.

(xiii) Address for Correspondence:

5th Floor, Welspun House, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013. Tel No. +91 22 6133 6796, Fax No.:+91 22 2490 8020

(xiv) Email ID : companysecretary_wssl@welspun.com

(xv) Website : www.welspunspecialty.com

(xvi) Credit Ratings:

During the year under review, Care Ratings Limited, a rating agency has reaffirmed ratings & outlook revised from negative to the following credit facilities of the Company:

Facilities	Amount (Rs. In crore)	Rating
Long Term Bank Facilities	26.54 (Reduced from 37.39)	CARE AA (CE); Stable [Double A (Credit Enhancement); Outlook: Stable]
Long Term / Short Term Bank Facilities	285.00	CARE AA (CE); Negative / CARE A1+ (CE) [Double A (Credit Enhancement) ; Outlook: Stable / A One Plus (Credit Enhancement)]
Short Term Bank Facilities	15.00	CARE A1+ (CE) [A One Plus (Credit Enhancement)]

13. OTHER DISCLOSURES

(i) Related Party Transactions

Transactions with related parties are disclosed in Note No.39 of the Notes forming part of the financial statements. None of these are in conflict with the interests of the Company.

The Company's policy on dealing with Related Party Transactions as required under Regulation 23 of the SEBI Listing Regulations is disclosed on the Company's website and a web link thereto is as under: <https://www.welspunspecialty.com/policy.php>

- (ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital market during the last 3 years:

During the last 3 years, no penalties, strictures was imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital market.

(iii) Vigil Mechanism and Whistle Blower Policy:

The Company has a Whistle Blower Policy and Vigil Mechanism for employees of the Company; former employees, trainees and contractual employees of the Company; employees of other agencies deployed for the Company's activities, whether working from any of the Company's offices or any other location; existing / prospective contractors, vendors, suppliers or agencies (or any of their employees) providing any material or service to the Company; customers, bankers of the Company; and any other person having an association with the Company, and no persons had been denied access to the Audit Committee Chairman. The Policy provide adequate safeguard against victimization and even the disclosures expressed anonymously may be considered. A copy of the policy is displayed on the website of the Company at: <https://www.welspunspecialty.com/policy.php>

A Protected Disclosure can be made in writing by an email or by Post to:

- Third party Ethics Helpline:- India : 000-800-919-0236,
- Head–Ethics(WSSL):- Postal Address: 7th Floor, Kamala Mills Compound, Mumbai, Maharashtra, Email id: whistleblower_wssl@welspun.com
- The Chairman of the Audit Committee:- khviswanathan@gmail.com
- By accessing the Company website :- www.welspun.ethicspoint.com

- (iv) Details of establishment of code of conduct for regulating, monitoring and reporting of trading by insiders.

The Company has a Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders ("PIT Policy") for connected persons, designated persons and the insiders as defined under the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"). The Policy provide adequate safeguard against victimization. The Audit Committee reviews the Institutional Mechanism for prevention of insider trading.

Web-link where details of the PIT Policy are available at <https://www.welspunspecialty.com/policy.php>

- (v) Utilization of funds: No funds have been raised by the Company through preferential allotment or qualified institutions placement during the financial year under review, and no such funds raised during the preceding years were lying unutilized as at the beginning of the year under review.
- (vi) A certificate from a company secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority is enclosed herewith as 'Annexure V'.
- (vii) Fees paid to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part:

Particulars	Amount (Rs. in Lakhs)
Statutory Audit	18
Income Tax Audit	2
Certification Fees	4
Reimbursement of expenses	2
To other entities in the same network	-
Total	26

- (viii) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

This matter has been discussed at length in the Directors' Report.

- (ix) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:

The Company has not given any loan to entities in which directors are interested.

(x) 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:

The Company does not have material subsidiary.

(xi) Disclosure of certain type of agreements binding the company.

There is no agreement impacting management or control of the Company or imposing any restriction or creating any liability upon the Company as stated under schedule III para A, clause 5A of the SEBI Listing regulations.

(xii) The Company is in compliance with the mandatory requirements mentioned under Regulation 27(1) of the SEBI Listing Regulations 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 the Managing Director or the Chief Executive Officer “ and “(E) Reporting of Internal Auditor” of Part “E” of Schedule II to the SEBI Listing Regulations.

(xiii) 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.

(xiv) 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 viz. <https://www.welspunspecialty.com/policy.php>

All Board members and senior management personnel have affirmed compliance of the same.

A declaration signed by the CEO & Whole Time 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 Senior Management Personnel, affirmation that they have complied with the Code of Conduct for the financial year 2023-24.

For Welspun Specialty Solutions Limited

Sd/-

Anuj Burakia

CEO & Whole Time Director

(DIN: 02840211)

(xv) Disclosure of Shares held in suspense account under Clause F of Schedule V to the SEBI Listing Regulations.

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	
No of Shares	No of Holders	No of Shares	No of Holders	No of Shares	No of Holders	No of Shares	No of Holders
120280	7398	330	28	200	14	120080	7384

The voting rights on these shares shall remain frozen until the shares have been claimed by, and transferred to, the rightful owner.

JMJA & ASSOCIATES LLP

Practising Company Secretaries

102, Accord Commercial Complex, Jay Prakash Nagar, Near Goregaon Railway Station, Goregaon (East), Mumbai - 400063.

Contact : +91 22 40109730. Email: info@jmja.in

**CERTIFICATE OF PRACTISING COMPANY SECRETARY ON COMPLIANCE
WITH THE CONDITIONS OF CORPORATE GOVERNANCE**

[Under Regulation 34(3) read with Schedule V(E) of the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members

Welspun Specialty Solutions Limited,
Plot No 1, G I D C Industrial Estate, Valia Road,
Jhagadia, Bharuch,
Gujarat-393110.

We have examined the compliance of conditions of Corporate Governance by Welspun Specialty Solutions Limited having CIN L27100GJ1980PLC020358 and registered office situated at Plot No 1, G I D C Industrial Estate, Valia Road, Jhagadia, Bharuch, Gujarat-393110. ("the Company"), for the year ended on March 31, 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of Corporate Governance stipulated in the SEBI Listing Regulations.

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of 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 given to us, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

CS Mansi Damania
Designated Partner
FCS: 7447 | COP: 8120
UDIN: F007447F000249040

Date: April 26, 2024
Place: Mumbai

JMJA & ASSOCIATES LLP**Practising Company Secretaries**

102, Accord Commercial Complex, Jay Prakash Nagar, Near Goregaon Railway Station, Goregaon (East), Mumbai - 400063.

Contact : +91 22 40109730. Email: info@jmja.in**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Welspun Specialty Solutions Limited
Plot No 1, G I D C Industrial Estate,
Valia Road, Jhagadia, Bharuch,
Gujarat- 393110

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Welspun Specialty Solutions Limited having CIN L27100GJ1980PLC020358 and registered office at Plot No 1, G I D C Industrial Estate, Valia Road, Jhagadia, Bharuch, Gujarat, 393110 ('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 ("SEBI Listing Regulations").

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal 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 listed herein for the Financial Year ending as on March 31, 2024, are debarred or disqualified from being appointed or continuing as Directors of the Company 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	Mr. Balkrishan Goenka	00270175	August 06, 2018
2	Mr. Anuj Burakia	02840211	May 28, 2015
3	Mr. Atul Manubhai Desai	00019443	November 15, 2008
4	Mr. Prakashmal Ranjeetmal Tatia	06559106	August 28, 2018
5	Mr. Myneni Narayana Rao	00577494	August 28, 2018
6	Mr. Viswanathan H. Kollengode	00391263	April 27, 2022
7	Ms. Amita Misra	07942122	April 27, 2022
8	Mr. Vipul Mathur	07990476	April 27, 2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

CS Mansi Damania
Designated Partner
FCS: 7447 | COP: 8120
UDIN: F007447F000249260

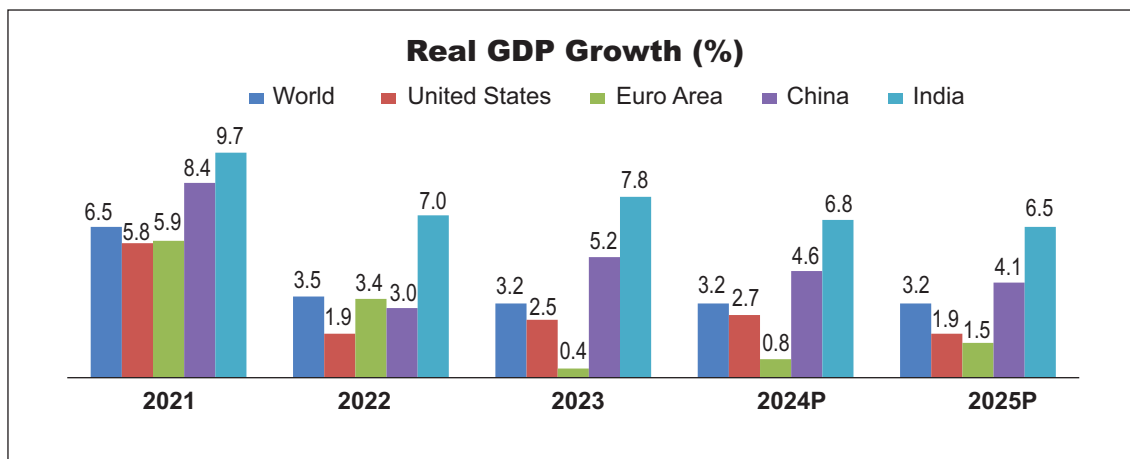
Date: April 26, 2024
Place: Mumbai
UDIN: F009926E000370165

MANAGEMENT DISCUSSION & ANALYSIS

Global Economy

Global economy has been facing multiple challenges in recent few years. Post COVID, the global economy faced the blow from the Russia – Ukraine war. Monetary easing by various countries across the world led to higher inflation and to counter that central banks started raising the interest rates. This in turn resulted into growth slowdown in most of the economies, which became a major concern posing gloomy outlook. However, the recession could be avoided largely due to the resilience shown by the banks worldwide. Most of the emerging markets also performed better than as expected earlier by various agencies including the IMF. Expectation of easing of tight monetary policy stance by the global central banks has helped the global markets positively. Most of the emerging markets have seen sizeable capital flows. The energy price shock has been easing. Employment growth, On the basis of all the positive developments, the IMF in its latest World Economic Outlook (April, 2024), has estimated global growth at 3.2% for CY2023 and projected that it will continue to grow at same pace in CY2024 and CY2025 as well.

World Economic Growth (%)



Source: International Monetary Fund (IMF) April, 2024 report

At the end of 2022, the labour markets of developed economies, most notably the United States, have remained remarkably robust, with historically low unemployment rates.

The IMF has projected that the growth for advanced economies to rise from 1.6% in CY2023 to 1.7% in CY2024 and 1.8% in CY2025. The IMF in its latest report has revised upward the growth forecast for 2024 by 0.2% from its January, 2024 forecast. For the US, the growth is projected to increase to 2.7% in CY2024 and then slowing to 1.9% in CY2025. The Euro Area growth rate is projected to recover from a low base of 0.4% in CY2023 to 0.8% in CY2024 and further to 1.5% in CY2025. Stronger household consumption and fall in inflation likely to support. The emerging market and developed economies growth rate is projected to remain stable at 4.2% both for CY2024 and CY2025 and in line with CY2023 growth rate of 4.3%.

Indian Economy

India maintains its resilience as far as its robust growth outlook is concerned and despite global challenges including geo political tensions. India continues to maintain its position as the fastest growing major economy with FY2024 figure being further revised upwards to 6.8% by the IMF. Growth rate for FY2025 is pegged at 6.5%.

The Reserve Bank of India (RBI) in its latest 'State of the Economy' report meanwhile, highlighted slowing down of real GDP growth in some of the most resilient economies and flattening out or even mildly contracting in others. Inflation rates have been inching down however, in advanced economies, they are still higher compared to the targets. Thus, rate cuts by the central banks also getting delayed. RBI expects El Nino conditions to weaken going ahead and may turn neutral eventually.

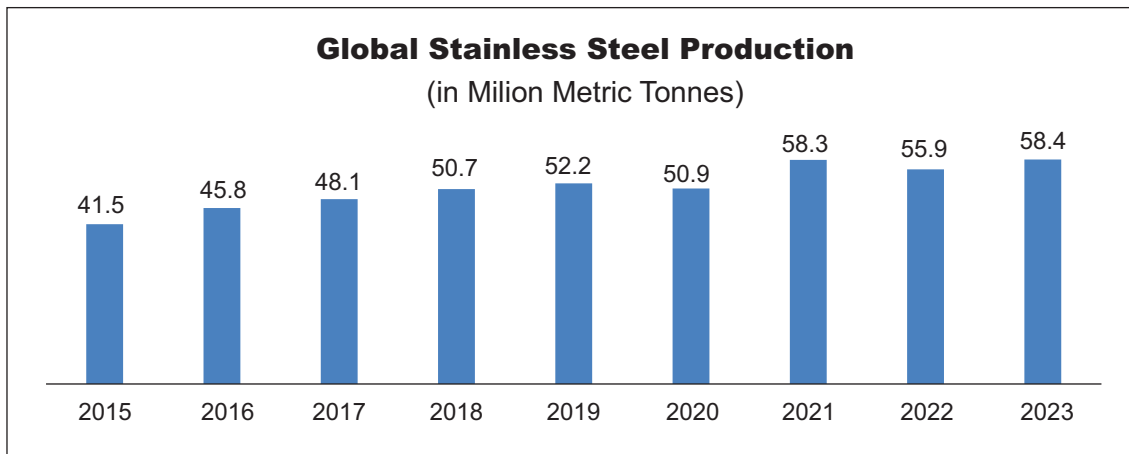
RBI continues to highlight that global economic outlook is still covered with some uncertainty on the back of geo political and extreme weather risks. In India, the ongoing macroeconomic

configuration is likely to define its future growth trajectory. RBI expects the average growth rate of 8% between FY2021- 24 can sustain as indicated by the underlying fundamentals. The RBI is clearly focusing on building world class infrastructure, strong manufacturing bases, a high-quality labour force and global leadership in services to convert these favourable factors into opportunities and strengths over the next few decades.

Source: IMF, RBI

Stainless Steel Sector:

Global Stainless Steel melt shop production was at 58.4 million metric tonnes in 2023 compared to 55.9 million metric tonnes in 2022 and 58.3 million metric tonnes in 2021.



Source: International Stainless-Steel Forum

China continues to maintain its dominant position with melt shops production rising by 13% YoY for 2023 to 36.7 million metric tonnes. As the other geography continue to witness fall in melt shop production, the share of China in total global stainless steel melt shop production rose from ~58% in 2022 to ~63% in 2023.

Stainless Steel Melt Shop Production (MMT)	2023	2022	YoY
Europe	5.9	6.3	-6%
USA	1.8	2.0	-10%
China	36.7	32.6	13%
Asia w/o China, S. Korea & Indonesia	6.9	7.4	-7%
Others: Brazil, Russia, S. Africa, S. Korea, Indonesia	7.2	7.6	-5%
Total	58.4	55.9	5%

Source: International Stainless-Steel Forum

Quarterwise Stainless Melt Shop Production (ingot/slab equivalent): 2023 (In MMT)

Region	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Europe	1640	1495	1270	1502
USA	478	465	442	440
China	8418	9291	9970	8991
Asia w/o China and S. Korea	1631	1687	1619	1943
Others	1665	1809	1798	1891
Total	13828	14745	15099	14773

Source: International Stainless-Steel Forum

As per the ISSF, total stainless steel consumption is likely to

grow at 3.9% in 2024 and 3.2% in 2025 after a growth of 3.1% in 2023. Stainless Steel long product consumption on the other hand is likely to grow at 3% in 2024 and then at 3.2% in 2025 after growing at as 1.2% growth in 2023.

Domestic stainless steel demand in India is projected to grow at 9% CAGR between 2022 and 2025.

As against the world average of 5.5 to 6 kg, the per capita consumption of stainless steel in India is expected to grow from ~2.5 kg at present to 3-4 kg in fiscal 2025, 4.5-5.5 kg in fiscal 2030 and 11-12 kg by 2047 implying a huge potential for growth.

Stainless Steel demand is projected to rise to 4.5 MTPA in FY2025 from an estimated figure of 3.5 MTPA in FY2023 and then further to 6.5 MTPA in FY2030 registering a CAGR of 9% from FY2023. Long products demand is likely to grow even at a faster rate from 0.5 MTPA in FY2023 to 0.9 MTPA in FY2025 and then further to 1.3 MTPA in FY2030,

The demand for stainless steel is poised for continued growth, driven by its extensive application in mechanical, chemical, and energy-related industries. Stainless steel’s unique properties, including its exceptional corrosion resistance, remarkable strength, and unparalleled durability, render it an indispensable material across a wide range of industries.

As economies continue to expand and infrastructure development accelerates globally, the demand for stainless steel is expected to remain robust, underpinned by its versatility and superior performance compared to traditional carbon steel alternatives.

Stainless seamless steel pipes and tubes are important part of the stainless steel industry.

These products are used in critical applications in energy, power, petrochemical, nuclear applications, defence, aerospace, instrumentation etc. for their superior performance in high pressure, high strength environment. The user industries have strong growth prospect which augurs well for the demand for these products both in India and in the export markets as well.

As per the Petroleum Planning & Analysis Cell (PPAC) of the oil ministry, India's consumption of petroleum products continued to scale new high at 233.3 million metric tonnes for FY2024 as against 223 million metric tonnes for FY2023z, registering a growth of 4.6% YoY. Total natural gas consumption on the other hand rose by 11.1% YoY to 66,634 MMSCM. There has been a consistent improvement in India's petroleum products consumption. This is indicative of the overall improvement in the industrial activities and domestic consumption trend.

India is the world's third-largest consumer of crude oil and depends on imports to meet over 85% of its requirement. The country currently has a refining capacity of around 250 million tonnes per annum (MTPA), and there are plans to increase it to around 450 MTPA over the next few years as India's oil demand is expected to rise. According to the International Energy Agency, India's oil demand could rise from 4.7 million barrels per day (bpd) in 2021 to 6.7 million bpd by 2030 and 7.4 million bpd by 2040.

India's power demand in the current financial year is likely to increase by 6% compared to the previous financial year as per the data released by the Central Electricity Authority (CEA). In order to meet the growing demand of electricity, there is need for addition of fresh generation capacity. As per draft National Electricity Plan for the period 2022-27 which is under approval, an investment of about Rs 14.54 lakh crore would be required to install additional generation capacity of about 210 GW during 2022-27 along with battery storage of 8680MW.

To give a push to defence exports, government has taken a number of policy initiatives and brought reforms over the last 5-6 years. Export procedures have been simplified and made industry friendly with end-to-end online export authorization curtailing delays and bringing Ease of Doing Business. The country's defence exports achieved a record high of Rs. 21,083 crore in the Financial Year 2023-24, a growth of 32.5% as against the previous financial year. defence exports have grown by 21 times in the last decade, from Rs 4,312 crore during 2004-05 to 2013-14 to Rs 88,319 crore from 2014-15 to 2023- 2024. The government aims to nearly triple India's total annual defence production to Rs 3 lakh crore by 2028-29. The target for defence exports is more than double at Rs 50,000 crore as against Rs 21,083 crore at present. The target for 2024-25 is Rs 1,75,000 crore worth of total annual defence production, which would include exports worth Rs 35,000 crore.

The specialty chemicals market represents 22 per cent of India's overall chemicals and petrochemicals market and is valued at USD32 billion. In terms of trade, specialty chemicals

account for a significant portion—more than 50 per cent of all chemical exports.

The specialty chemicals market has been growing exponentially, and the industry in India is projected to grow at a CAGR of more than 12 per cent from 2020 to 2025. Ample opportunities are there for both domestic and multinational manufacturers backed by significant demand from end-user sectors such as food, automobile, real estate, clothing, cosmetics, among others. This is likely to continue to boost the industry's growth in India and subsequently outpace the rest of the world in the coming years.

Source: SteelMint, PPAC, IEA, Gol, Care Ratings, KPMG

As far as the broader Stainless Steel market scenario is concerned, domestic market has been improving backed by growing demand and also on account of policy initiatives viz "Aatma Nirbhar Bharat" and "Make in India". Export market on the other hand, has been going through many challenges including low demand, high interest rates and geopolitical scenario. Recent responses by the global central banks have been indicating softening of the situation which should eventually improve the demand scenario.

Key Business Updates:

- Pursuing the well- defined business transformation strategy, the Company could achieve a complete turnaround in FY2024 witnessing first year of consistent profitability
- As on 31st March 2024, the total order book of the company for Stainless Steel Bars and Pipes stands at 4,111 MT amounting to Rs 166 Crore.
- The company has been steadily ramping up its Stainless Steel Bars utilization and the captive production has also helped in improving higher utilization of the Pipes & Tubes plant offsetting challenges in sourcing raw materials and logistics
- WSSL has got all the necessary approvals and accreditations for supplying high quality stainless steel bars and pipes & tubes for a wide range of critical applications across various industries.
- WSSL is now compliant with reporting requirement of GHG emission data as mandated by the European Commission CBAM for exporting to EU
- Geography and territory expansion continues. WSSL has been getting encouraging product acceptance/ feedback from recently added USA market
- Total 45 new customers added during FY2024
- New grades development and introduction continues. For the first time in India, under "Aatma Nirbhar Bharat" WSSL is now qualified by BHEL and NTPC for manufacturing and supply of super critical boiler tubes in SS grade S30432 in an integrated manner
- Some of the critical grade that were developed and delivered during the year are:
 - o Welsonic 50 – new high value grade bright bar
 - o Super Austenitic 904L Bars as well as Pipes. Nickel Alloy 800 Bars as well as Pipes

- o Critical Heat Exchanger Tubes Ultra Low Cobalt Stainless Bars for Nuclear Power application
- o Alloy 625 – High Nickel Alloy Seamless Tubing tested at 12,000 PSI for a critical application
- From zero renewable energy until FY2023, company sourced about 30% electricity from renewable sources during FY2024
- The company achieved zero water discharge and are committed to zero waste to landfill in our manufacturing facility
- The Company expects to sustain and further improve the performances on significant focus on:
 - o Penetrating into newer markets and customer acquisition,
 - o Developing and delivering new, value added and critical products.
 - o Strategic cooperation and securing approvals and accreditations
 - o Nurturing innovation and digitization of processes etc. which are part of company’s growth strategy

A. SEGMENT WISE AND PRODUCT WISE PERFORMANCE

Product wise performance is given in Directors’ Report under the heading ‘Operations’.

B. FUTURISTIC STATEMENT

Company’s performance as expressed or implied could differ materially due to economic conditions affecting demand/supply and price condition in the domestic & overseas markets, changes in the Government regulations, tax laws & other incidental factors.

C. RISKS & CONCERNS

Risk is integral to any business. The Company has evolved a proper governance to identify and access potential risks and also formulate appropriate mitigation plans as under –

- Rising input cost – Identifying alternative sources for procurement of key raw material in cost competitive manner dividing the exposure into various kinds of raw materials which are also interchangeable.
- Labour availability – In order to retain the labour company has taken initiative of providing training on skill development and also introduced performance linked incentive schemes.
- Competition – To minimize the threat of competition the Company is regularly identifying the niche/high value segment and working aggressively with the customer centric approach. Various new approvals have been obtained and more are underway.
- Trade barriers – Wherever the Company finds surging of cheaper imports in the country, the matter will be timely taken through business associations with appropriate authorities in the Government for suitable protection / remedial measures.

SWOT

Strengths:

- Fully integrated primary stainless steel producer with forward integration into bright bars, seamless pipes and tubes
- Quick turnaround time
- Strong customer base across different geographies and growing
- Experienced management team
- Wide product range along with strong new product development capabilities
- Unique size range in steel bar offerings
- Superior hot extrusion process for stainless steel pipes
- Various important accreditations and certifications

Weaknesses:

- Low capacity utilization.
- High competition especially in domestic Indian market.
- Availability of talent skilled/experience in the sector.

Opportunities:

- New/value added products
- New Markets in USA and UK
- PSU business under Make in India preference
- Sustainability / Low emission products
- Consumption / demand growth in India

Threats:

- Volatile commodity prices, RM price fluctuations
- Preference for local producers and tariff/non-tariff barriers in many export markets
- Delay in ramp up of new businesses
- Challenging macro-economics and geopolitical scenario
- Disruption in raw material supply chain owing to GHG policies

D. INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

The internal control system encompasses the policies, processes, tasks, behaviors and other aspects of our company that taken together, facilitate effective and efficient operations.

The Company employs adequate and effective system for internal control that provide for:

- i) Security of the asset
- ii) Efficient management information system
- iii) Compliance with all laws and regulations
- iv) Compliance with all standard system and quality standards.

E. INDUSTRIAL RELATIONS & HUMAN RESOURCES

Our company is maintaining the good industrial relationship. Company recognizes that human capital is its most important asset and due care is taken by various HR initiatives at company level like employee development, talent pool program etc.

F. DISCUSSION & FINANCIAL PERFORMANCE

Operational performance vis a vis financial performance of the Company is discussed in details in Directors' Report.

G. DISCUSSION ON CHANGES IN KEY FINANCIAL RATIOS

Ratio	FY24	FY23	Remarks
Debtors Turnover	15.51	14.75	The Debtors Turnover ratio has improved on account of increase in turnover and better realizations and focus on lower non-credit sales
Inventory Turnover	2.08	1.82	Increase in the ratio is mainly on account of decrease in average inventory maintained compared to cost of goods sold in the current year
Interest Coverage Ratio	1.86	0.55	The ratio has improved on account of higher Operating margins in the current year compared to previous year
Current Ratio	0.95	1.17	Current Ratios is decreased due to increase in current liabilities
Debt Equity Ratio	2.92	7.94	Ratio improved due to increase in net worth on account of profit earned in current year.
Operating Profit Margin (%)	11.43%	7.54%	Operating profit has increased in FY24 compare to FY23 on account of positive margins and higher turnover
Net Profit Margin (%)	8.97%	-3.29%	Increase in net profit margin due to profit earned during the year as compared to loss incurred in previous year.
Return on Net Worth (ROE)	55.90%	-29.25%	Ratio in FY24 is improved due to profit earned during the year compare to losses in FY23

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

S. No	Details of the listed entity	Data/Information
1	Corporate Identity Number (CIN) of the Listed Entity	L27100GJ1980PLC020358
2	Name of the Listed Entity	Welspun Specialty Solutions Limited (Formerly known as RMG Alloy Steel Limited)
3	Year of incorporation	1980
4	Registered office address	Plot No. 1, G. I. D. C. Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat 393 110
5	Corporate address	5th Floor, Welspun House, Kamala Mills Compound, S. B. Marg, Lower Parel (W), Mumbai 400 013
6	E-mail	companysecretary_wssl@welspun.com
7	Telephone	022 6133 6796 / 2490 8000
8	Website	www.welspunspecialty.com
9	Financial year for which reporting is being done	1st April 2023 - 31st March 2024
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited
11	Paid-up Capital	Rs. 368,95,77,646/-
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Alok Mishra - President-Sustainability Phone: 022 66136000 Email-ID: alok_mishra@welspun.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures under this report are on a standalone basis. This year the report is published on a voluntary basis. The reporting boundary consists of 1 nos. of manufacturing facility of Welspun Specialty Solutions Ltd. located at Jhagadia, Dist. Bharuch, Gujarat.
14	Name of assurance provider	Not Applicable
15	Type of assurance obtained	Not Applicable

II. Products/services

16. 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	Welspun Specialty Solutions Ltd. (WSSL) is a world class manufacturer of Alloy & Stainless-Steel products which includes billets, ingots, black bars, tubes, pipes and hollow profiles of tube or pipe fittings.	The products are industrial B2B products that are engineered to order and hence very specific to the project for which they are to be used.	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
i	Blooms and Ingots	24103	4%
ii	Hot-rolled and cold-rolled Steel products	24105	59%
iii	Tube and tube fittings of Steel	24106	37%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	1	1	2
International	0	0	0

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Across all 28 states
International (No. of Countries)	Around 15 countries

b. What is the contribution of exports as a percentage of the total turnover of the entity? Export - 37%

c. A brief on types of customers

WSSL trades its products in the B2B segment, and its major clientele includes steel manufacturers, stockists, Government entities (nuclear, thermal, oil and gas. etc), EPC's and Fabricators.

IV. Employees

20. Details as at the end of Financial Year:

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)	256	239	93.36%	17	6.64%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	256	239	93.36%	17	6.64%
WORKERS						
4.	Permanent (F)	387	387	100%	0	0
5.	Other than Permanent (G)	373	373	100%	0	0
6.	Total workers (F + G)	760	760	100%	0	0

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)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total workers (F + G)	0	0	0	0	0

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.50%
Key Management Personnel	2	0	0%

22. Turnover rate for permanent employees and workers

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	31.3%	42.9%	31.9%	37.5%	37.5%	37.5%	44.6%	54.5%	44.9%
Permanent Workers	22.2%	0.0%	22.2%	20.3%	0.0%	20.3%	15.4%	0.0%	15.4%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ 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 Corp Limited	Holding Company	50.03%	Holding Company is a listed company managing its own Business Responsibility initiatives as per the legal requirements applicable to them.

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: - No

- a. Turnover (in Rs.) : 696.67 crores
- b. Net worth (in Rs.) : 111.31 crores

VII. Transparency and Disclosures Compliances

25. 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 2023-24			FY 2022-23		
			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	https://www.welspunspecialty.com/policy.php	0	0	-	0	0	-
Investors (other than shareholders)	Yes		0	0	-	0	0	-
Shareholders	Yes		6	0	-	0	0	-
Employees and workers	Yes		0	0	-	0	0	-
Customers	Yes		0	0	-	0	0	-
Value Chain Partners	-		0	0	-	0	0	-
Other (please specify)	-		0	0	-	0	0	-

26. Overview of the entity's material responsible business conduct issues

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	Climate Change	Risk	Changing climatic pattern and increased unfavourable weather events	WSSL has adopted Climatic change strategies including renewable power, water recycling, alternate fuels etc.	Negative implication
2	Energy and Carbon	Risk	-	WSSL has a Power Purchase agreement and is integrating renewable energy along with grid energy.	Negative implication
3	Occupational Health & Safety	Risk	-	WSSL has Safety Committees in Its facilities that ensure adherence to WSSL's Occupational Health, Safety and Environment (OHSE) policy, compliance with regulations and provide safety trainings to its employees and contract staff. Additionally, they monitor safety parameters to identify the gaps in preventive risk mitigation, improving processes and procedures	Negative implication
4	Water management	Risk	-	WSSL measures and monitors the quantity of water consumed across all operations. WSSL aims to ensure water stewardship by identifying operations where water conservation techniques can be implemented and using recycled water to limit water consumption. It also ensures proper treatment of wastewater from its facilities in line with applicable standards and regulations.	Negative implication
5	Air emission	Risk	-	By proper maintenance of Mechanical equipment, continuous monitoring and upgradation	Negative implication
6	Human rights	Risk	-	Our Code of Conduct and Ethics Policy, Prevention of Sexual Harassment (PoSH) Policy, and HR practices covers aspects of human rights for WSSL's operations	Negative implication
7	Waste management	Risk	-	WSSL has undertaken initiatives towards reducing waste generation and effectively segregate, treat and dispose it based on the type of waste generated in line with guidelines from Pollution Control Boards. It has adopted the 3R approach (i.e., Reduce, Reuse, Recycle) to monitor the waste generated from its operations and identify areas for waste reduction, recycling and reuse.	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)
8	Risk identification & management	Risk	-	WSSL has established a risk management policy that defines the overall risk management framework covering guidelines for risk identification, assessment, prioritization, mitigation and monitoring. The risk management committee of the Board oversees and reviews the risk management framework as well as the assessment of risks, its management and mitigation procedures. The committee reports its findings and recommendations to the Board.	Negative implication
9	Compliance	Risk	-	Risk registers are developed for each location and drilled down to each function which includes the compliance aspects of business. Plant head and functional heads are responsible to manage the risks and ensure compliance to the regulatory requirements.	Negative implication
10	Circular economy	Opportunity	-	Not Applicable	Positive implication
11	Sustainable product (Green Steel)	Opportunity	-	Not Applicable	Positive implication
12	Supply chain sustainability/ value chain	Risk	-	WSSL is going to implement a Supplier Code of Conduct based on ESG parameters for its suppliers to adhere and follow. It will regularly evaluate its vendors on required quality standards to ensure the highest standards in material procurement	Negative implication
13	Biodiversity and ecology	Risk	-	Plantation initiative through Welspun Foundation near all operation sites	Negative implication

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	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	https://www.welspunspecialty.com/policy.php								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No								
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The policies are based on prescribed principles, conformance to the spirit of international standards like ISO 9001, ISO 14001, ISO 45001 and applicable local byelaws. Certifications BIS - Bureau of Indian Standards RINA - Marine Product Certification ISO/IEC 17025 - National accreditation board for testing and calibration laboratories								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	-								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	-								
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) WSSL has integrated ESG considerations into its foundational principles, aligning them with the company's purpose, mission, and core values. The firm is dedicated to offering steel solutions that are not only profitable but also contribute to a sustainable future for all stakeholders. By actively managing and overseeing ESG elements, WSSL ensures these factors have a positive influence on its business operations, workforce, local communities, and future endeavors. The company's primary goals include enhancing its market competitiveness, increasing profitability, and generating substantial value for its stakeholders.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Anuj Burakia - CEO & Whole time Director, +91 22 266136000 anuj_burakia@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								

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)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	CEO & Whole Time Director									Quarterly								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	CEO & Whole Time Director									Quarterly								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No								

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Not Applicable

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:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	Raw material, Brands and Marketing, Consumer	100.00%
Key Managerial Personnel	1	Insights, Business specific updates, Health and safety, Different channels of customers, CSR activities, Code of conduct.	100.00%
Employees other than BoD and KMPs	1	Health and safety, Business specific & operations	100.00%
Workers	1	updates, Skill upgradation, Human rights, Code of conduct and other trainings as per business requirement.	100.00%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (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):

Monetary					
Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	Nil	Nil	Not Applicable
Settlement	Nil	Nil	Nil	Nil	Not Applicable
Compounding fee	Principle 1	The Regional Director North Western Region, MCA, Ahmedabad	Rs.1,25,000/-	The Company had filed application for compounding of offence for non-filing of cost audit report for the FY 2018-19 which was disposed of by the Authority after payment of compounding fees of Rs. 1 Lakh by the Company and Rs.25,000/- by the Whole Time Director during the year 2023-24.	No
Imprisonment	Nil	Nil	Nil	Nil	Not Applicable
Punishment	Nil	Nil	Nil	Nil	Not Applicable

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

No.

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, WSSL does have an anti-corruption and anti-bribery policy. The policy is available publicly on the following web link. <https://www.welspunspecialty.com/policy.php>

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 2023-24	FY 2022-23
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Nil	0	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Nil	0	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.

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	173	291

9. Open-ness of business

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	90%	84%
	b. Number of trading houses where purchases are made from	52	42
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	73%	75%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	0%	0%
	b. Number of dealers / distributors to whom sales are made	0	0
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	0%	0%
Share of RPTs	a. Purchases (Purchases with related parties / Total Purchases)	2.38%	2.39%
	b. Sales (Sales to related parties / Total Sales)	0.34%	9%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0	0
	d. Investments (Investments in related parties / Total Investments made)	0	0

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Nil	Nil	Nil

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. Evaluation processes are established to prevent any conflict of interest among board members.

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 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	Nil	Nil	
Capex	Nil	Nil	

2. a. Does the entity have procedures in place for sustainable sourcing? - No
 b. If yes, what percentage of inputs were sourced sustainably? - Not Applicable
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.

	Process to safely reclaim the product
Plastics (including packaging)	Sent to authorized recyclers
E-waste	Sent to authorized recyclers
Hazardous waste	Transported to vendors designated by the pollution control board for disposal/recycling/ co-processing.
Other waste.	Other waste material includes stainless steel scrap which is mostly recycled. Any other waste is disposed/recycled as per the applicable regulations.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).
 No.
5. If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.
 Not Applicable

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)?
 No.
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.
 No

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 2023-24	FY 2022-23
Scrap Stainless steel	100%	100%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA			NA		
E-waste						
Hazardous waste						
Other waste						

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	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	% of employees covered by										
	Total (A)	Health insurance		Accident 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	239	239	100%	239	100%	0	0	239	100%	0	0
Female	17	17	100%	17	100%	17	100%	0	0	17	100%
Total	256	256	100%	256	100%	17	6.64%	239	93.36	17	6.64%
Other than Permanent employees											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	387	387	100%	387	100%	0	0	387	100%	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	387	387	100%	387	100%	0	0	387	100%	0	0
Other than Permanent employees											
Male	373	0	0	373	100%	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	373	0	0	373	100%	0	0	0	0	0	0

- c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-24	FY 2022-23
Cost incurred on well- being measures as % of total revenue of the company	0.19%	0.24%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2023-24			FY 2022-23		
	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%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	NA	NA	NA	NA	NA	NA
Others – 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, the offices of the entity are accessible to differently abled employees and workers.

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.

No

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%	57.14%	0	0
Female	0	0	0	0
Total	100%	57.14%	0	0

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, A Grievance Register is maintained to record grievances if any. A designated team on site is responsible to redress the grievances at the earliest.
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 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (C)	% (D / C)
Total Permanent Employees	-	-	-	-	-	-
Total Permanent Workers	-	-	-	-	-	-
NA						

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	239	239	100%	141	59%	228	228	100%	177	78%
Female	17	17	100%	6	35%	11	11	100%	2	18%
Total	256	256	100%	147	57%	239	239	100%	179	75%
Workers										
Male	760	760	100%	118	16%	699	699	100%	97	14%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Total	760	760	100%	118	16%	699	699	100%	97	14%

9. Details of performance and career development reviews of employees and worker:

Benefits	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	239	197	82%	228	191	84%
Female	17	7	41%	11	6	55%
Total	256	204	80%	239	197	82%
Workers						
Male	760	349	46%	699	290	41%
Female	0	0	0%	0	0	0%
Total	760	349	46%	699	290	41%

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? If yes, the coverage such system?

Yes, we have 100% coverage of HSE management system across our plant.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Yes,

- Step 1: Collect Existing Information about Workplace Hazards.
- Step 2: Inspect the Workplace for Safety Hazards.
- Step 3: Identify Health & Work-Related Hazards.
- Step 4: Conduct Incident Investigations.
- Step 5: Identify Hazards Associated with Emergency Situations

We have initiated our digitalization, through “WELSAFE” - an inhouse portal created for enhancing our safety standards.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks.

Yes

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?

Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0.19
Total recordable work-related injuries	Employees	0	0
	Workers	0	2
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Safety is important aspect of our organization. At WSSL, we take various measures to ensure health & safety across organization which is described below:

- Safety training to employees and workers
- Establishment of safety committee and appointment of site managers to increase the responsibility of our teams
- Reviewing workplace HSE inspections performance
- Review employee complaints regarding safety and health hazards
- Regular safety inspections and audits

13. Number of Complaints on the following made by employees and workers:

Benefits	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	0	0	0	0
Health Safety	0	0	0	0	0	0

14. Assessments for the year:

	FY 2023-24
% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	100%
Health and safety practices	<p>To ensure a comprehensive assessment of our workplace, we have implemented multiple evaluation methods for the fiscal year FY '24, including:</p> <ul style="list-style-type: none"> • Internal Audits: Certified Internal Auditors conduct internal audits every six months to assess our adherence to safety standards and protocols. • External Audit: Accredited 3rd party audit firm M/s DQS successfully completed Focus Audits and Certificate Renewal Audits, providing an external perspective on our workplace safety practices. • Apex Committee Member's Plant Visit: Members of the Apex Committee visit our plants with the specific objective of identifying any gaps in workplace management. This helps in addressing potential issues and implementing necessary measures to enhance safety protocols. • By conducting these diverse assessments, we strive to maintain a proactive approach to workplace safety, continuously improve our safety measures, and provide a secure working environment for all employees.
Working Conditions	<p>The assessment of working conditions encompasses the entire premises, which includes all operational and production activities, health and hygiene facilities, administrative and office buildings, the canteen, Admin building, and the store. This comprehensive evaluation ensures that all aspects of our facilities are thoroughly examined to promote a safe and conducive working environment for our employees.</p>

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

We have established an Environmental, Health, and Safety (EHS) team that is dedicated to ensuring a safe and secure working environment. This team plays a crucial role in proactively identifying potential safety-related risks and hazards within our operations. They conduct regular assessments, inspections, and evaluations to identify areas of concern and take necessary measures to address them promptly.

The EHS team works closely with various departments and employees at all levels of the organization to gather information and feedback regarding safety issues. They analyze data, conduct risk assessments, and develop appropriate strategies to mitigate risks and enhance safety measures. They also provide guidance and training to employees on best practices, safety protocols, and the proper use of safety equipment.

Additionally, the EHS team stays updated on relevant regulations, industry standards, and emerging safety practices to ensure our organization remains compliant and adopts the most effective safety measures. Their efforts are vital in creating a safety-conscious culture and promoting a work environment where every individual feels safe, protected, and empowered to raise any safety concerns.

Our EHS team demonstrates our commitment to maintaining a high standard of safety and risk management throughout our operations, prioritizing the well-being of our employees and stakeholders.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of

(A) Employees - Yes

(B) Workers - Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Social Security Insurance Schemes and Mediclaim Insurance are available to all employees. In the event of a death or disability, the employee's nominee (or the employee themselves in the event of a disability) is entitled to compensation in line with the terms of the Employees' Compensation Act. Additionally, the employee or his or her nominee is eligible for compensation under the "Associate Welfare Scheme" and the "Employees' Deposit Linked Insurance Scheme."

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been 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	
	FY 2023-24	FY2022-23	FY 2023-24	FY2022-23
Employees	0	0	0	0
Workers	0	0	0	0

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, for selected roles based on business requirements.

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	0%
Working Conditions	0%

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.

Not Applicable

PRINCIPLE 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.

WSSL routinely interacts with its internal and external stakeholders through organised procedures such as meetings, workshops, one-on-one conversations etc. for identifying 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)	Channels of communication (Advertisement, Community, Meetings, Notice, Board, Website), Other	Frequency of engagement (Annually/Half yearly/Quarterly/ others please Specify	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	Quarterly results calls, Participation in investor conferences, Media releases and investor presentations	Quarterly	Financial performance, Capital allocation, Risk management
Government and regulators	No	Engagement on a need basis, participation in industry level consultation groups, participation in forums	Continuous	Compliance, Sustainable practices, Inclusive growth
Employees	No	Employee surveys, Team building workshop, Capacity building and training, Annual appraisals, Employee newsletters, Rewards and recognitions, Volunteering opportunities	Continuous	Professional growth, Diversity at the workplace, Leadership Connect sessions, Workplace safety, Equal opportunities, Worklife balance, Wages and benefits
Business partners / suppliers and contractors	No	Contract agreements, Direct interactions, Supplier meets, Membership in industry associations	Continuous	Business ethics, Transparency, Compliance, Payment processing cycles
Communities & NGOs	Yes	Direct engagement, Dedicated CSR team, CSR projects and initiatives, Visits and camps, Community need assessments	Continuous	Infrastructure development, Education & healthcare, Environmental protection, Employment opportunities, Human rights
Customers	No	Active Participation in Prequalification Processes, Business Development Visits and Presentations, Participation in Product Development Programs for Specific Projects and Applications, Multi-level Relationship Management, Promoting Ethical Business Practices	Continuous	Increasing customer base, winning over competition, Providing Customized Solutions, Enhancing Collaboration, Ethical Transparency

Leadership Indicators

- 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.**

Stakeholder feedback is collected by various function heads and passed on to the board members in the stakeholder relationship committee through the agenda of the meetings. The committee provides feedback and necessary corrective actions.

- 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, stakeholder consultations is used to support the identification and management of environmental and social topics. The concern raised by the stakeholder are analysed by the concerned team members and after detailed evaluation with the respective support team, necessary actions are taken by the top management to resolve the same.

- 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.**

WSSL has consulted with the vulnerable stakeholder groups in nearby villages and has undertaken CSR initiatives in terms of sanitation, installation of street light, providing raw material for road construction etc. to address their concerns.

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 2023-24			FY 2022-23		
	Total (A)	No. employees workers covered (B)	% (B / A)	Total (C)	No. employees workers covered (D)	% (D / C)
Employees						
Permanent	256	256	100%	239	239	100%
Other than permanent	0	0	0%	0	0	0%
Total Employees	256	256	100%	239	239	100%
Workers						
Permanent	387	387	100%	315	315	100%
Other permanent than	373	0	0%	384	0	0%
Total Workers	760	387	51%	699	315	45%

- 2. Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2023-24 Current Financial Year					FY 2022-23 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	256	0	0	256	100%	239	0	0	239	100%
Male	239	0	0	239	100%	228	0	0	228	100%
Female	17	0	0	17	100%	11	0	0	11	100%
Other than Permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0

Category	FY 2023-24 Current Financial Year					FY 2022-23 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)
Workers										
Permanent	387	0	0	387	100%	315	0	0	315	100%
Male	387	0	0	387	100%	315	0	0	315	100%
Female	0	0	0	0	0	0	0	0	0	0
Other than Permanent	373	0	0	373	100%	384	0	0	384	100%
Male	373	0	0	373	100%	384	0	0	384	100%
Female	0	0	0	0	0	0	0	0	0	0

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	No fixed remuneration is paid to the non-executive / independent directors. They are paid fees for attending meetings of the Board/ Committees of the Board. (Remuneration is paid to the CEO & Whole time director is paid)	1	No fixed remuneration is paid to the non-executive / independent directors. They are paid fees for attending meetings of the Board/ Committees of the Board.
Key Managerial Personnel	2	50,48,830	0	0
Employees other than BoD and KMP	236	5,42,638	17	3,06,384
Workers	760	2,04,000	0	0

b. Gross wages paid to females as % of total wages paid by the entity, in the following

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	2.38%	1.58%

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, Human Resource (HR) team acts as focal point responsible for addressing issues pertaining to human rights.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The issues raised pertaining to human rights are brought to attention of the HR team. Based on the grievance, HR brings the necessary stakeholders including the board members, KMP's or/and internal employees as and when required to redress the same after detailed scrutinisation.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	No Complaints	0	0	No Complaints
Discrimination at workplace	0	0	No Complaints	0	0	No Complaints
Child Labour	0	0	No Complaints	0	0	No Complaints
Forced Labour/ Involuntary Labour	0	0	No Complaints	0	0	No Complaints
Wages	0	0	No Complaints	0	0	No Complaints
Other human rights related issues	0	0	No Complaints	0	0	No Complaints

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

An internal committee for POSH is in place to prevent adverse consequences to the complainant in discrimination and harassment cases.

9. Do human rights requirements form part of your business agreements and contracts?

Yes

10. 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	-

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

There were no corrective actions taken as no concerns were registered during the year.

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

No business procedures have been altered or added as a result of resolving human rights complaints or grievances

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

No due diligence conducted

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 value of business done with such partners) that were assessed
Sexual Harassment	0
Discrimination at workplace	0
Child Labour	0
Forced Labour/Involuntary Labour	0
Wages	0
Others – please specify	0

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not Applicable

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 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	37,393 GJ	0
Total fuel consumption (B)	12,947 GJ	917 GJ
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	50,340 GJ	917 GJ
From non-renewable sources		
Total electricity consumption (D)	1,08,396 GJ	1,11,293 GJ
Total fuel consumption (E)	1,49,590 GJ	1,08,153 GJ
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	2,57,986 GJ	2,19,446 GJ
Total energy consumed (A+B+C+D+E+F)	3,08,326 GJ	2,20,363 GJ
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	443 GJ/INR crore	462 GJ/INR crore
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	982 GJ/ USD million	995 GJ/USD million
Energy intensity in terms of physical output	10.78 GJ/MT of bloom	13 GJ/MT of bloom
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

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.

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	2,60,447	2,81,767
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	2,60,447	2,81,767
Total volume of water consumption (in kilolitres)	2,60,447	2,81,767
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	374 KL/INR crore	591 KL/INR crore
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	829 KL/ USD million	1,272 KL/ USD million
Water intensity in terms of physical output	9.15 KL/MT of bloom	16.58 KL/MT of bloom

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. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

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. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. -

Yes, Zero Liquid Discharge is implemented on site.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	Ton	13.82	8.36
SOx	Ton	3.70	2.02
Particulate matter (PM)	Ton	5.94	3.63
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
HF	Ton	0.70	0.69

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.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	12,870	8,772
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	21,378	21,179
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	MT.CO2e/INR crore	49	62.82
Total Scope 1 and Scope 2 Emission intensity Per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	MT.CO2e/USD million	109	135
Total Scope 1 and Scope 2 emission intensity in terms of physical output	MT.CO2e /MT of bloom	1.20	1.76
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No.

Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, the electricity sourced is partially renewable electricity along with usage of Biomass and other low emission fuels.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-

Parameter	FY 2023-24	FY 2022-23
Other Hazardous waste. Please specify, if any. (G)	ETP Sludge – 17.24 Empty containers – 11.78	ETP Sludge – 6.45 Empty containers – 6.60
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by	Wood – 12.37 Metal scrap – 2.44 Slag – 5285.00	Wood – 3.12 MS scrap – 3.87 Slag – 3156.00
Total (A+B + C + D + E + F + G + H)	5328.83	3176
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	7.64 MT/INR crore	6.66 MT/INR crore
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	17 MT/USD million	14.34 MT/USD million
Waste intensity in terms of physical output	0.18 MT/MT of bloom	0.19 MT/MT of bloom
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	FY 2023-24	FY 2022-23
(i) Recycled	26.59	13.59
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	26.59	13.59
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	FY 2023-24	FY 2022-23
(i) Incineration	-	-
(ii) Landfilling	17.24	6.45
(iii) Other disposal operations	5285	3156
Total	5302.24	3162.45

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

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.

- The generated waste on site waste are managed and handled as per their characteristic i.e. Non-hazardous & Hazardous.
- Collection and Segregation of different types of wastes into designated Waste Storage Yard as identified.
- Standard Operating Procedure (SOP) has been developed for smooth operation, handling, and transportation.
- As per the classification of the waste, they are transported to the Vendor or Recycler authorized by Pollution Control Boards.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests,

coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable as there are no operations near above-mentioned zones			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable as no environmental impact assessments was carried out in the FY 2023-24					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not applicable as no environmental impact assessments was carried out in FY 2023-24				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

Not Applicable as the manufacturing facility is not located in water stressed area.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Not available	Not available
Total Scope 3 emissions per rupee of turnover		Not available	Not available
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		Not available	Not available

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. With respect to the ecologically sensitive areas reported at Question 11 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 as the facility is not located at an ecological sensitive area.

4. 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	Onsite STP and ETP	The in-situ ETP and STP recycles the process based effluent and sewage respectively.	Availability of recycled water for reuse for internal processes and landscaping thereby achieving Zero water discharge.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, WSSL has business continuity and disaster management plan.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

There is no significant adverse impact to the environment, arising from the value chain of WSSL.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

No value chain partners assessed for environmental impacts

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. - 6 (Six).
 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	Indian Stainless and Seamless pipe Manufacturers Association (ISSMA)	National
2	Indian Stainless Steel Development Association (ISSDA)	National
3	Sponge Iron Manufacturers Association (SIMA)	National
4	Indian Merchants Chamber (IMC)	National
5	Engineering Export Promotion Council (EEPC)	National
6	Association Italian Pressure Equipment (AIPE)	International

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Nil	Nil	Nil

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sr. No	Public policy advocated	Method advocated for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
Not Applicable					

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Not Applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not Applicable.

3. Describe the mechanisms to receive and redress grievances of the community.

Community complaints are initially brought to the CSR team's attention, if any. The issue is discussed with the appropriate department depending on the type of grievance. Accordingly, actions are taken to address the grievance. The action plan is carried out in accordance with mutual agreement.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	16.41%	10.00%
Directly from within India	94.33%	89%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24	FY 2022-23
Rural	37.30%	35.24%
Semi-urban	3.43%	3.60%
Urban	40.08%	40.44%
Metropolitan	19.19%	20.71%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

No negative social impact identified

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
1	Gujarat	Bharuch district	5 lakh

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? - No

(b) From which marginalized /vulnerable groups do you procure? - Not Applicable

(c) What percentage of total procurement (by value) does it constitute? - Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

- Not Applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

- Not Applicable

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Sanitation Block in school - 3 Toilet & Wash Basin - Motipura	150	100%
2	Street Light (100 LED Lights) – Selod and Motipura	700	-
3	Slag Dumping for road repair - 200 Tons - Selod	700	-

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

In case any product supplied to the client is found to not conform to the specifications, the Clients can raise a formal customer complaint. Upon receiving the complaint, we review the same, refer the data of the testing done at our mills and if need arises, we mobilise our inspector to the site to verify the complaint. Once the complaint is verified as genuine, a root cause analysis is done to identify the root cause/s and a Corrective And Preventive Actions (CAPA) is prepared and presented to the customer. Any commercial issues, costs for repair/ rectification, rectification plan schedule etc is negotiated with the customer and the rectification/ repairs are completed. As a preventive action, any lessons learnt from the project are discussed at Quarterly review meetings and any modifications needed to the SOP's/ Quality Assurance Plans are made. The lessons learnt are taken into consideration while negotiating any future project contracts.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information 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	100%

3. Number of consumer complaints in respect of the following:

Category	FY2023-24 (Current Financial Year)		Remarks	FY2022-23 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential Services	0	0	-	0	0	-
Restrictive Trade Practices Unfair Trade Practices	0	0	-	0	0	-
Other	0	0	-	0	0	-

4. Details of instances of product recalls on account of safety issues:

S. No.	Number	Reasons for recall
Voluntary recalls	0	0
Forced recalls	0	0

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.

Yes, the policy is available at web-link: <https://www.welspunspecialty.com/policy.php>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Cyber Security and Data privacy of customers: We have project specific server/ share point for each project where the data pertaining to that project is stored. The access to this is controlled and provided to only select persons handling the project. Generally, project contracts have a secrecy/ non-disclosure clause wherein a specific period is mentioned up to which we must store the project data with us. If not, then the project data is stored for a period of 5 years. Re-occurrence of instances of product recalls: In case even after taking the preventive actions and modifications to SOP's Quality plans as mentioned above, there is an instance of a re-occurrence of defects, then a re-assessment of the root cause analysis is done any parameters that were previously overlooked are identified. A new CAPA is made and accordingly actions taken, and any further necessary changes made to the SOP's and Quality plans Penalty/ action taken by regulatory authorities.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches - 0.
- b. Percentage of data breaches involving personally identifiable information of customers – 0.
- c. Impact, if any, of the data breaches – 0.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The information pertaining to products and services can be accessed by clicking on this link - <https://www.welspunspecialty.com/index.php>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The safety instructions differ from product to product. Safety and responsible usage is communicated to the customers during product delivery

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Yes, there are mechanisms in place to notify in case of disruption/discontinuation of essential services. The customers are informed through emails/phone call.

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.

No.

5. 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

Independent Auditor’s Report

To the Members of Welspun Specialty Solutions Limited
 Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Welspun Specialty Solutions Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the “Auditor’s Responsibilities for the Audit of the Financial Statements” section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>Assessment of recoverability of deferred tax asset recognised (Refer Note 40 to the financial statements)</p> <p>The Company has significant accumulated tax losses and unabsorbed depreciation on account of past losses against which deferred tax asset was recognised only to the extent of deferred tax liability until the prior year end due to continued losses and lack of convincing evidence.</p> <p>During the year, the Company has earned profits consistently over the quarters and expects to continue to make profits. Therefore, the Company has recognised additional deferred tax assets during the year based on future business plans adjusted for possible uncertainties and have calculated the amount of deferred tax assets to the extent of probable taxable profits over the next four years.</p> <p>The ultimate recoverability of the deferred tax asset will depend upon continued improvement in the profitability of the Company.</p> <p>The assessment of recoverability of deferred tax assets is considered to be a key audit matter as it involves significant judgement.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> - Understanding, evaluating and testing the design and operating effectiveness of controls over recoverability of deferred tax assets including business plans used in such assessment. - Comparing the actual performance for the year ended March 31, 2024 against the budget for the year. - Evaluating reasonableness of key assumptions like revenue growth and gross margins used in the future projections of profits - Testing the accuracy and appropriateness of the input data - Performing sensitivity analysis over key assumptions to corroborate that recognised amount of deferred tax assets is within a reasonable range - Testing related presentation and disclosure in the financial statements. <p>Based on the above procedures performed, we noted that the management’s assessment of amount of recognition of deferred tax assets is reasonable.</p>

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' Report, Corporate Governance Report and Business Responsibility and Sustainability Report, but does not include the financial statements and our auditor's report thereon.

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

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

We have nothing to report in this regard.

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

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable,

matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period 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.

Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

14. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(b) above on reporting under Section 143(3)(b) and paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors), Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 37 to the financial statements;

- ii. The Company was not required to recognise a provision as at March 31, 2024 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any long-term derivative contracts as at March 31, 2024.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 50(vii) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other 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 50(vii) to the 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 that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year.
 - vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except for changes made through specific access and for direct database changes. Further, during the course of performing our procedures, except the aforesaid instances, we did not notice any instance of audit trail feature being tampered with.
15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

Neeraj Sharma
Partner
Membership Number 108391

UDIN: 24108391BKCZBC1603
Place: Mumbai
Date: April 26, 2024

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of Welspun Specialty Solutions Limited on the financial statements for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Welspun Specialty Solutions Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained

and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

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

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

Neeraj Sharma
Partner
Membership Number 108391

UDIN: 24108391BKCZBC1603
Place: Mumbai
Date: April 26, 2024

Annexure B to Independent Auditor's Report

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Welspun Specialty Solutions Limited on the financial statements for the year ended March 31, 2024

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

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3(a) and Note 3(b) to the financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value (Rs. In Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Freehold Land	14	RMG Alloy Steel Limited	No	29 Years	Title deeds are held in the former name of the Company
Right of use assets	351	RMG Alloy Steel Limited	No	29 Years	Title deeds are held in the former name of the Company

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 500 lakhs, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account. (Also, refer Note 50(ii) to the financial statements)

- iii. The Company has not made any investments, granted secured/ unsecured loans/ advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order is not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.
- (b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, the term loans have been applied for the purposes for which they were obtained. (Also, refer Note 50(xii) to the financial statements)
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required

to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has three CICs as part of the Group as detailed in note 51 to the financial statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

Neeraj Sharma
Partner
Membership Number 108391

UDIN: 24108391BKCZBC1603
Place: Mumbai
Date: April 26, 2024

Balance Sheet as at March 31, 2024

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

	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	19,453	20,314
Right-of-use assets	3(b)	249	252
Capital work-in-progress	3(c)	523	117
Intangible assets	4	104	165
Income tax assets (net)	5	44	30
Financial assets			
Other financial assets	6	109	72
Other non-current assets	7	169	66
Deferred Tax Asset (net)	40	3,387	-
Total non-current assets		24,038	21,016
Current assets			
Inventories	8	26,856	19,837
Financial assets			
Trade receivables	9	4,853	4,132
Cash and cash equivalents	10	1	29
Bank balances other than cash and cash equivalents	11	55	51
Other financial assets	12	67	9
Other current assets	13	2,848	2,602
Total current assets		34,680	26,660
Total assets		58,718	47,676
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	31,805	31,805
Other equity			
Equity component of compound financial instruments	16(a)	3,775	3,775
Reserves and surplus	15(a)	(26,316)	(32,550)
Other reserves	15(b)	44	(93)
Total equity		9,308	2,937
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	12,232	21,859
Other financial liabilities	17	615	-
Provisions	18	195	143
Total non-current liabilities		13,042	22,002
Current liabilities			
Financial liabilities			
Borrowings	19	13,719	1,469
Trade payables	20		
- total outstanding dues of micro and small enterprises		511	176
- total outstanding dues other than above		20,317	19,822
Other financial liabilities	21	620	418
Provisions	22	157	156
Other current liabilities	23	1,044	696
Total current liabilities		36,368	22,737
Total liabilities		49,410	44,739
Total equity and liabilities		58,718	47,676

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

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

Neeraj Sharma
Partner
Membership No. 108391

Place: Mumbai
Date: April 26, 2024

For and on behalf of the Board of Directors

B.K. Goenka
Chairman
DIN: 00270175

Brijveer Singh
Chief Financial Officer

Place: Mumbai
Date: April 26, 2024

Anuj Burakia
CEO & Whole Time Director
DIN: 02840211

Suhas Pawar
Company Secretary
ACS: 36560

Statement of Profit and Loss for the year ended March 31, 2024

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

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Revenue from operations	24	69,667	41,783
Other income	25	2,150	1,476
Total income		71,817	43,259
Expenses			
Cost of materials consumed	26	48,427	33,467
Changes in inventories of work-in-progress and finished goods	27	(4,546)	(8,409)
Employee benefits expense	28	4,165	3,327
Depreciation and amortisation expense	29	1,548	1,491
Power and Fuel Expense		6,196	4,591
Consumption of Stores and Spares		4,750	3,431
Other expenses	30	5,092	3,704
Finance costs	31	3,325	3,031
Total expenses		68,957	44,633
Profit / (Loss) before tax		2,860	(1,374)
Income tax expense / (credit)			
Current tax	41	-	-
Deferred tax	41	(3,387)	-
Total income tax expense/ (credit)		(3,387)	-
Profit / (Loss) for the year (A)		6,247	(1,374)
Other comprehensive income, net of tax			
Items that may be reclassified to profit or loss			
Fair value change gain/ (loss) on derivatives designated as cash flow hedge (net)		137	(33)
Items that will not be reclassified to profit or loss			
Remeasurements gain/ (loss) on defined benefit obligations		(13)	(17)
Other comprehensive income for the year, net of tax (B)		124	(50)
Total comprehensive income for the year (A+B)		6,371	(1,424)
Earnings per equity share			
Basic earnings per share of face value of Rs. 6 each (in Rupees)	35	1.18	(0.26)
Diluted earnings per share of face value of Rs. 6 each (in Rupees)	35	1.18	(0.26)

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

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

Neeraj Sharma
Partner
Membership No.108391

Place: Mumbai
Date: April 26, 2024

For and on behalf of the Board of Directors

B.K. Goenka
Chairman
DIN: 00270175

Brijveer Singh
Chief Financial Officer

Place: Mumbai
Date: April 26, 2024

Anuj Burakia
CEO & Whole Time Director
DIN: 02840211

Suhas Pawar
Company Secretary
ACS: 36560

Statement of Cash Flows for the year ended March 31, 2024

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

	Yearended March 31, 2024	Year ended March 31, 2024
A) Cash flow from operating activities		
Profit / (loss) before tax	2,860	(1,374)
Adjustments for:		
Depreciation and amortisation expense	1,548	1,491
(Gain)/loss on sale/discarding of property, plant and equipment (net)	(20)	1
Finance costs	3,325	3,031
Gain on sales of investments	(4)	(5)
Loss allowance on trade receivables	-	18
Interest income on bank deposits	(6)	(4)
Interest on income tax refund	(2)	(10)
Unrealised loss / (gain) on foreign currency transactions and translations	106	(28)
Liabilities/ provisions no longer required written back	(118)	(15)
	4,829	4,479
Operating profit before changes in working capital	7,689	3,105
Movement in working capital		
Movement in other non-current financial assets	(37)	(72)
Movement in inventories	(7,019)	(8,392)
Movement in trade receivables	(690)	(2,637)
Movement in other current financial assets	(58)	59
Movement in other current assets	(246)	(1,016)
Movement in non current provisions	39	(5)
Movement in trade payables	946	13,259
Movement in other current financial liabilities	(214)	144
Movement in other current liabilities	348	347
Movement in current provisions	1	74
	(6,930)	1,761
Cash flow from operations	759	4,866
Income taxes paid (net of refund received)	(12)	145
Net cash generated from operating activities (A)	747	5,011
B) Cash flow from investing activities		
Payments for property, plant and equipment (including Capital work-in-progress, capital advance and capital creditors)	(1,266)	(508)
Proceeds from disposal of property, plant and equipments	20	1
Proceeds from redemption of investments	3,489	2,015
Purchase of investments	(3,485)	(2,010)
Purchase of intangible assets	(4)	(46)
(Investments in)/ Proceeds from maturity of fixed deposit (net)	(4)	40
Interest income on fixed deposits	6	4
Net cash used in investing activities (B)	(1,244)	(504)
C) Cash flow from financing activities		
Proceeds from non current borrowings	-	9,400
Repayment of non current borrowings	(965)	(10,885)
Proceeds from current borrowings	3,387	548
Interest paid	(1,953)	(4,042)
Net cash generated from / (used in) financing activities (C)	469	(4,979)

	Yearended March 31, 2024	Year ended March 31, 2024
Net decrease in cash and cash equivalents (A+B+C)	(28)	(472)
Cash and cash equivalents at the beginning of the year	29	501
Cash and cash equivalents at the end of the year	1	29
Net decrease in cash and cash equivalents	(28)	(472)
Cash and cash equivalents as per above comprise of the following:		
Cash on hand	1	*
Balances with banks		
- In current accounts	-	29
Balance per statement of cash flows	1	29

* Amount is below the rounding off norm adopted by the Company.

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

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

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

Neeraj Sharma

Partner

Membership No.108391

Place: Mumbai

Date: April 26, 2024

For and on behalf of the Board of Directors

B.K. Goenka

Chairman

DIN: 00270175

Brijveer Singh

Chief Financial Officer

Place: Mumbai

Date: April 26, 2024

Anuj Burakia

CEO & Whole Time Director

DIN: 02840211

Suhas Pawar

Company Secretary

ACS: 36560

Statement of changes in equity for the year ended March 31, 2024

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

A. Equity share capital

Particulars	Amount
Balance as at April 01, 2022	31,805
Changes in equity share capital during the year	-
Balance as at March 31, 2023	31,805
Changes in equity share capital during the year	-
Balance as at March 31, 2024	31,805

B. Other equity [refer note 15(a), 15(b) and 16(a)]

	Reserves and surplus				Other reserves	Equity Component of compound financial instruments	Total other equity
	Retained earnings	Securities premium	General reserve	Total reserve and surplus	Cash flow hedging reserve	Equity Component of 12% Non-cumulative redeemable preference shares (Refer note 16(a))	
Balance as at April 01, 2022	(60,561)	28,849	553	(31,159)	(60)	3,775	(27,444)
Loss for the year	(1,374)	-	-	(1,374)	-	-	(1,374)
Other comprehensive income for the year	(17)	-	-	(17)	(33)	-	(50)
Total comprehensive income for the year	(1,391)	-	-	(1,391)	(33)	-	(1,424)
Balance as at March 31, 2023	(61,952)	28,849	553	(32,550)	(93)	3,775	(28,868)
Profit for the year	6,247	-	-	6,247	-	-	6,247
Other comprehensive income for the year	(13)	-	-	(13)	137	-	124
Total comprehensive income for the year	6,234	-	-	6,234	137	-	6,371
Balance as at March 31, 2024	(55,718)	28,849	553	(26,316)	44	3,775	(22,497)

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

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

For **Price Waterhouse Chartered Accountants LLP**

Firm Registration Number: 012754N/N500016

Neeraj Sharma

Partner

Membership No.108391

Place: Mumbai

Date: April 26, 2024

For and on behalf of the Board of Directors

B.K. Goenka

Chairman

DIN: 00270175

Brijveer Singh

Chief Financial Officer

Place: Mumbai

Date: April 26, 2024

Anuj Burakia

CEO & Whole Time Director

DIN: 02840211

Suhas Pawar

Company Secretary

ACS: 36560

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

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

General Information

Welspun Specialty Solutions Limited (“the Company”) is a public limited Company incorporated in India with its registered office in Plot No 1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat – 393 110. The Company is listed on the Bombay Stock Exchange (BSE). The Company is a multi-product manufacturer of Billet, Rolled Bar, Black Bar, Ingot, Bloom and Seamless Pipe and Tubes.

The financial statements as at March 31, 2024 were approved for issue by the Board of Directors on April 26, 2024.

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (‘the functional currency’). The financial statements have been presented in Indian Rupees (INR), which is the Company’s functional currency. All financial information presented in INR has been rounded off to the nearest lakhs unless otherwise stated.

1. Material Accounting Policies

The material accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been consistently applied during the years presented in these financial statements.

(a) Basis of preparation

(i) Compliance with Ind AS

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

(ii) Historical cost convention

The financial statements have been prepared on an accrual and going concern basis.

The financial statements have been prepared on a historical cost basis, except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivatives instruments)	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

(iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle (i.e 12 months) and other criteria set out in Schedule III (Division II) to the Act.

(iv) New and amended standards adopted by the company

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

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

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications. These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company’s accounting policy already complies with the now mandatory treatment.

(b) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component

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

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

accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Cost of Capital Work in Progress ('CWIP') comprises amount paid towards acquisition of property, plant and equipment outstanding as of each balance sheet date and construction expenditures, other expenditures necessary for the purpose of preparing the CWIP for its intended use and borrowing cost incurred before the qualifying asset is ready for intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.

Depreciation methods, estimated useful lives and residual value

Freehold land is not depreciated. Leasehold improvements and Lease hold land are amortised over the shorter of estimated useful life or the related lease term. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Assets	Estimated Useful Lives (in years)
Non- Factory Building	60
Factory Building	30
Electrical Installation	10
Office and other equipment	Ranging between 3 to 5 years
Computer	3 years except networking equipment's which are depreciated over useful life of 5 years
Vehicles	10
Furniture and fixtures	10

These estimated useful lives are in accordance with those prescribed under Schedule II to the Companies Act, 2013 except in respect of plant and machinery wherein the estimated useful lives as per schedule II is 5 to 25 years and lives considered is 5 to 30 years based on a technical evaluation done by the Management.

Plant and machinery is depreciated on straight line method over the useful life ranging between 5 years to 30 years in order to reflect the actual usage of

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

The residual values are not more than 5% of the original cost of the asset.

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

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

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

(c) Impairment of assets

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

(d) 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.

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

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

a) Financial assets

(I) Classification

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

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

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held.

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

(III) Impairment of financial assets

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

For trade receivables and contract assets, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(IV) Derecognition of financial assets

A financial asset is derecognised only when

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

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

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

(V) Income recognition

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis by reference to principal outstanding and the effective interest rate applicable which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the

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

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

gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

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

(VI) Cash and cash equivalents

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

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

(VII) Trade receivables

Trade Receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects company's unconditional right to consideration (that is, payment is due only on passing of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financial components. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost less loss allowance.

b) Financial liabilities

(I) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability.

After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

(II) Derecognition

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

(III) Borrowings

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

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

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

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

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

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

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. Other borrowing costs and interest cost are charged to statement of Profit and Loss.

(IV) Trade and other payables

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

Trade payables includes acceptances arrangements where operational suppliers of goods are paid by banks while Company continues to recognise the liability till settlement with the banks.

c) Derivatives and hedging activities

In order to hedge its exposure to foreign exchange, the Company enters into forward 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 marked to market to their fair value at the end of each reporting period.

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

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

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

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

(I) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised

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

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

in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other income or other expenses (as applicable).

When forward contracts are used to hedge forecast transactions, the Company generally designates the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

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

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss within other income or other expense (as applicable). If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that

the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in statement of profit or loss at the time of the hedge relationship rebalancing.

(II) Derivatives that are not designated as hedges

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

d) 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.

(e) Inventories

Raw materials, stores and spares, work in progress and finished goods

Raw materials, stores and spares, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials 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 on 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

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

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

course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(f) Income tax and deferred tax

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

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

(i) Current tax

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

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

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

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

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

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

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

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

(g) Revenue Recognition

Sale of goods

The Company derives revenue principally from sale of SS bars, SS pipes & tubes.

The Company recognises revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Company has the present right to

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

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

payment, all of which occurs at a point in time upon shipment or delivery of the product. The Company considers freight activities as costs to fulfil the promise to transfer the related products and the customer payments for freight costs are recorded as a component of revenue.

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

The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the Company expects to be entitled to in exchange for transferring of promised goods and services to the customer.

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

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

(h) Foreign Currency Transaction

Transactions and Balances

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

Non-monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rates at the dates of the transaction.

Foreign exchange gains and losses are presented in other expense/income in the Statement of Profit and Loss on a net basis.

(i) Government grants

Grants from the government are recognised at their fair value where there is a reasonable

assurance that the grant will be received, and the Company will comply with all attached conditions.

Export incentives and Incentive Income are recognised when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.

2. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

(i) Estimation of provision for Impairment

An impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long-term growth rates; and the selection of discount rates to reflect the risks involved.

(ii) Estimation of Defined Benefit Obligations

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 employment 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

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

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

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.

(iii) Estimation of useful life of Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of 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.

(iv) Estimated fair value of Financial Instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Management uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

(v) Estimation of Provision for Inventory

The Company writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of estimates of net selling prices of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

(vi) Estimation of Deferred tax recoverable

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has recognised deferred tax assets on carried forward losses and accumulated depreciation. The Company has made losses in the past. In the current year, the Company has made taxable profit and is expected to continue to make profit in the future. Hence the Company has recognised deferred tax assets based on projected profit in the next four years. The Company will continue to evaluate the expected recovery and recognises additional deferred tax assets in the future as considered appropriate.

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

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

3(a) Property, plant and equipment

Carrying amounts	Freehold land	Buildings	Plant and machinery	Electrical Installation	Furniture and fixtures	Vehicles	Office equipments	Total
Year ended March 31, 2023								
Gross carrying amount								
Balance as at April 01, 2022	14	11,641	38,988	2,682	136	38	384	53,883
Additions	-	42	873	-	1	-	27	943
Disposals	-	-	325	-	67	9	194	595
Gross carrying amount As at March 31, 2023	14	11,683	39,536	2,682	70	29	217	54,231
Year ended March 31, 2024								
Gross carrying amount								
Additions	-	18	556	-	6	*	39	619
Disposals	-	-	4	97	-	-	-	101
Gross carrying amount as at March 31, 2024	14	11,701	40,088	2,585	76	29	256	54,749
Accumulated depreciation								
Year ended March 31, 2023								
Balance as at April 01, 2022	-	5,860	24,639	2,151	115	19	302	33,086
Additions	-	313	1,011	60	3	4	33	1,424
Disposals	-	-	325	-	67	9	192	593
Accumulated depreciation As at March 31, 2023	-	6,173	25,325	2,211	51	14	143	33,917
Year ended March 31, 2024								
Additions	-	319	1,056	61	3	4	37	1,480
Disposals	-	-	4	97	-	-	-	101
Accumulated depreciation as at March 31, 2024	-	6,492	26,377	2,175	54	18	180	35,296
Net carrying amount of property, plant and equipment								
Balance As at March 31, 2023	14	5,510	14,211	471	19	15	74	20,314
Balance as at March 31, 2024	14	5,209	13,711	410	22	11	76	19,453

* Amount is below the rounding off norm adopted by the Company.

- Notes:**
- For property, plant and equipment pledged as security, refer note 16 and note 19.
 - In the previous year ended March 31, 2023, the Company conducted the physical verification of Property, plant and equipment and identified old assets which were not in use and the same had been removed from the fixed assets register. The gross carrying amount of the assets removed from the fixed assets register was Rs. 595 lakhs, accumulated depreciation on those assets was Rs. 593 lakhs.

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

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

3(b) Right-of-use asset

	As at March 31, 2024	As at March 31, 2023
Right-of-use assets		
Leasehold land	351	351
Accumulated Depreciation		
Opening balance	99	95
Amortisation accounted in statement of Profit and Loss	3	4
Closing balance	102	99
Net carrying amount	249	252

(i) Amount recognised in balance sheet

The Balance sheet shows the following amounts relating to leases:

	As at March 31, 2024	As at March 31, 2023
Right-of-use asset		
Leasehold land	249	252
Total	249	252

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

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

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation charge of Right-of-use assets	3	4
Expense relating to low value leases (included in other expenses)	14	13
Total	17	17

Note:

1. The lease period for land is 99 years and the Company has made upfront payment for lease rentals at the time of inception of lease. Therefore there is no lease liability and finance cost in relation to right-of-use asset
2. For right-of-use asset pledged as security refer note 16 and note 19.
3. The Company has leases of Delhi and Mumbai offices which are of low value. The Company elected not to recognise right to use assets and lease liabilities for these leases. The lease payment of such leases are directly debited to Statement of Profit and Loss.

3(c) Capital work-in-progress

Opening balance as at April 01, 2022	619
Additions	461
Capitalisation	963
Closing balance as at March 31, 2023	117
Opening balance as at April 01, 2023	117
Additions	979
Capitalisation	573
Closing balance as at March 31, 2024	523

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

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

Capital work-in-progress aging :

Aging for capital work-in-progress (CWIP) as at March 31, 2024 is as follows:

Capital work-in-progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	431	92	-	-	523
Total	431	92	-	-	523

Capital work-in-progress aging :

Aging for capital work-in-progress (CWIP) as at March 31, 2023 is as follows:

Capital work-in-progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	117	-	-	-	117
Total	117	-	-	-	117

Notes:

- For Capital work-in-progress pledged as security, refer note 16 and note 19.
- There are no projects temporarily suspended as at March 31, 2024 and March 31, 2023.
- The completion schedule for the above capital work-in-progress is not overdue nor has exceeded its cost compared to its original plan.
- Capital work-in-progress majorly comprises of plant and machinery and buildings.

4 Intangible assets

Carrying amounts	Computer software
Year ended March 31, 2023	
Gross carrying amount	-
Balance as at April 01, 2022	333
Additions	46
Disposals	-
Gross carrying amount as at March 31, 2023	379
Year ended March 31, 2024	
Gross carrying amount	-
Additions	4
Disposals	-
Gross carrying amount as at March 31, 2024	383
Accumulated amortisation	
Year ended March 31, 2023	
Balance as at April 01, 2022	151
Additions	63
Disposals	-
Accumulated amortisation as at March 31, 2023	214
Year ended March 31, 2024	
Additions	65
Disposals	-
Accumulated amortisation as at March 31, 2024	279
Net carrying amount of Intangible asset	
As at March 31, 2023	165
As at March 31, 2024	104

Note: 1. None of the above intangible assets are other than internally generated.

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

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

5 Income tax assets (net)

	As at March 31, 2024	As at March 31, 2023
Advance taxes paid including tax deducted at source (net of provision for tax March 31, 2024: Nil (March 31, 2023: Nil))	44	30
Total Income tax assets	44	30

6 Other non current financial assets

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Security deposits	109	72
Total other non-current financial assets	109	72

7 Other non current assets

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Capital advances	169	66
Total other non-current assets	169	66

8 Inventories

	As at March 31, 2024	As at March 31, 2023
Raw materials	4,469	2,708
Work-in-progress	9,860	8,681
Finished goods	8,978	5,611
Stores and spares	3,549	2,837
Total inventories	26,856	19,837

Note:

Write-downs of inventories to net realisable value amounted to Rs. 80 lakhs (Rs. 75 lakhs as on March 31, 2023). These were recognised as an expense during the year and included in changes in value of inventories of work-in-progress and finished goods in statement of profit and loss.

For inventories pledged as security, refer note 16 and note 19.

9 Trade receivables

	As at March 31, 2024	As at March 31, 2023
Trade receivables from related parties (refer note 39)	-	174
Trade receivables from others	5,462	4,567
Less: Loss allowance	(609)	(609)
Total trade receivables	4,853	4,132
Current portion	4,853	4,132
Break up of security details		
Unsecured, considered good	4,853	4,132
Unsecured, considered doubtful	609	609
Total	5,462	4,741
Loss allowance	(609)	(609)
Total trade receivables	4,853	4,132

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

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

Note:

1. Refer note 46 for ageing schedule of trade receivables.
2. For trade receivables pledged as security, refer note 16 and note 19.

10 Cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023
Cash on hand	1	*
Balances with banks		
- in current accounts	-	29
Total cash and cash equivalents	1	29

* Amount is below the rounding off norm adopted by the Company.

11 Bank balances other than cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023
Other bank balances:		
Deposits with original maturity of more than three months but less than twelve months [#]	53	49
Margin money deposits	2	2
Interest accrued on deposits	*	*
Total bank balances other than cash and cash equivalents	55	51

[#] includes Rs. 53 Lakhs (March 31, 2023: 49 Lakhs) on which a lien has been created.

* Amount is below the rounding off norm adopted by the Company.

12 Other current financial assets

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Foreign-exchange Forward contracts	67	9
Total other current financial assets	67	9

13 Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Balance with statutory authorities	1,906	1,695
Advance to suppliers	339	117
Prepaid expenses	307	51
Advance to employees	2	1
Export benefit receivable	51	43
Electricity duty refund receivable	-	92
Incentive receivable (refer note 34)	243	601
Other receivables	*	2
Total other current assets	2,848	2,602

* Amount is below the rounding off norm adopted by the Company.

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

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

14 Equity share capital

	Equity shares		
	Number of Shares	Par value	Amount
Authorised share capital			
As at April 01, 2022	55,00,00,000	6	33,000
Increase/ (decrease) during the year	-	-	-
As at March 31, 2023	55,00,00,000	6	33,000
Increase/ (decrease) during the year	-	-	-
As at March 31, 2024	55,00,00,000	6	33,000
Issued, subscribed and paid up capital	53,00,89,156	6	31,805
Equity shares of Rs.6 each	-	-	-
Total equity share capital	53,00,89,156	6	31,805

a) Movement in equity shares capital

Particulars	Number of Shares	Amount
Issued, subscribed and paid up capital		
As at April 01, 2022	53,00,89,156	31,805
Increase/ (decrease) during the year	-	-
As at March 31, 2023	53,00,89,156	31,805
Increase/ (decrease) during the year	-	-
As at March 31, 2024	53,00,89,156	31,805

b) Terms and rights attached to equity shares

The Company has 530,089,156 equity share having par value of Rs. 6/- each fully paid up. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends, if any, in Indian rupees. The dividend proposed if any, by the board of Directors is subject to the approval of the Shareholders in ensuing annual general meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the company

Name of the Shareholders	As at March 31, 2024		As at March 31, 2023	
	No of shares	% of total number of shares	No of shares	% of total number of shares
Welspun Corp Limited (Holding company)	26,51,90,034	50.03%	26,51,90,034	50.03%
Dilipkumar Lakhi	12,21,32,717	23.04%	12,21,32,717	23.04%

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

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

d) Details of shareholding of promoters

Name of the Shareholders	As at March 31, 2024		
	No. of shares	% of total number of shares	Percentage of change during the year
Equity Shares			
Welspun Corp Limited	26,51,90,034	50.03%	0.00%
MGN Agro Properties Private Limited	1,86,66,666	3.52%	0.00%
Welspun Group Master Trust	85,73,078	1.62%	0.00%

Name of the Shareholders	As at March 31, 2023		
	No of shares	% of total number of shares	Percentage of change during the year
Equity Shares			
Welspun Corp Limited	26,51,90,034	50.03%	0.00%
MGN Agro Properties Private Limited	1,86,66,666	3.52%	0.00%
Welspun Group Master Trust	85,73,078	1.62%	100.00%

e) Share Pledge details

No shares are pledged by the promoter and promoter group companies as on March 31, 2024 (March 31, 2023: Nil).

15(a) Reserve and surplus

	As at March 31, 2024	As at March 31, 2023
(i) Securities premium		
Opening balance	28,849	28,849
Movement during the year	-	-
Closing balance	28,849	28,849
(ii) General reserve		
Opening balance	553	553
Movement during the year	-	-
Closing balance	553	553
(iii) Retained earnings		
Opening balance	(61,952)	(60,561)
Net profit / (loss) for the year	6,247	(1,374)
Item of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post employment benefit obligations, net of tax	(13)	(17)
Closing balance	(55,718)	(61,952)
Total Reserves & Surplus	(26,316)	(32,550)

Nature and purpose of other equity

(i) Securities premium

Securities premium is used to record the premium on issue of shares.

(ii) General reserve

General Reserve represents appropriation of profit by the Company. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

(iii) Retained Earnings

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

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

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

15(b) Other reserve

	As at March 31, 2024	As at March 31, 2023
Cash flow hedging reserve		
Opening balance	(93)	(60)
Amount recognised in cash flow hedging reserve during the year (net)	243	(16)
Gain transferred to statement of profit and loss	(106)	(17)
Closing balance	44	(93)

Nature and purpose of other reserve

Cash flow hedging reserve

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

16 Non-current borrowings

	As at March 31, 2024	As at March 31, 2023
Secured		
- Rupee Term Loan from bank (refer note (i) below)	965	1,930
Unsecured		
Loan from related party (Refer note (ii) below and note 39)	9,400	18,263
Liability component of compound financial instruments		
12% Non-cumulative redeemable preference shares of Rs.10/- each fully paid up (Refer note 16(a)(iv))	1,867	1,666
Total borrowings	12,232	21,859

(i) Term loan

Rupee term loan of Rs. 1,930 Lakhs (including current maturities of Rs. 965 Lakhs) (Previous year Rs. 2,895 Lakhs, including current maturities of Rs. 965 Lakhs) is secured by way of:

1. First Pari Passu charge on Property, plant and equipment and Right-of-use assets of the Company both present and future.
2. Second Pari Passu charge on all current assets of the Company both present and future.
3. Corporate Guarantee by Welspun Corp Limited.

The Rupee term Loan carries interest rate of 8.26%-8.85% p.a. (March 31, 2023: 6.55%-8.95% p.a.). Interest rate is derived from MCLR plus margin. Loan is repayable in 6 remaining quarterly instalments till September 30, 2025.

(ii) Loan from related party

1. Loan from related party is repayable as below
Rs. 5,900 Lakhs repayable on April 2025
Rs. 3,500 Lakhs is repayable on June 2025
Disclosed under current borrowings (refer note 19):

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

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

Rs. 2,363 Lakhs is repayable on September 2024

Rs. 500 Lakhs is repayable on November 2024

Rs. 6,000 Lakhs repayable on March 2025

2. The loan from related party carries interest rate of 7.25% p.a. (March 31, 2023: 7.25% p.a.).

16(a) Details of preference shareholders

i Preference share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of shares	Amount	No of shares	Amount
Authorised:				
Preference Shares of Rs. 10/- each	23,50,00,000	23,500	23,50,00,000	23,500
Issued, Subscribed and Paid up:				
12% Non-Cumulative Redeemable Preference Shares of Rs.10/- each	5,09,04,271	5,090	5,09,04,271	5,090

ii Reconciliation of the number of shares

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of shares	Amount	No of shares	Amount
Preference shares : face value of Rs. 10 each				
As at beginning of the year	5,09,04,271	5,090	5,09,04,271	5,090
Increase/ (decrease) during the year	-	-	-	-
Outstanding at the end of the year	5,09,04,271	5,090	5,09,04,271	5,090

iii Details of preference shareholders holding more than 5% shares

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of shares	% holding	No of shares	% holding
Right Growth Trading Private Limited	5,09,04,271	100%	5,09,04,271	100%

iv Rights, preference and restrictions attached to preference shares

- The non-cumulative redeemable preference shares carry dividend of 12% per annum;
- The non-cumulative redeemable preference shares are redeemable at par on February 19, 2033 or any date before based on the availability of the cash flow.
- Preference shares does not carry any voting rights in the Company, except as provided in the Companies Act, 2013. Preference share will have priority over equity shares in the payment of dividend and repayment of capital.
- Refer note 33 for recognition of the fair value of the preference shares.

	As at March 31, 2024	As at March 31, 2023
12% Non-cumulative redeemable preference shares		
Face value	5,090	5,090
Equity component	3,775	3,775
Accumulated Interest expense	552	351
Interest paid	-	-
Non-current borrowings portion	1,867	1,666

17 Other non-current financial liabilities

	As at March 31, 2024	As at March 31, 2023
Interest accrued on borrowings	615	-
Total other non-current financial liabilities	615	-

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

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

18 Non Current Provisions

	As at March 31, 2024	As at March 31, 2023
Employee benefit obligations		
Gratuity (refer note 36)	195	143
Total non-current provisions	195	143

19 Current borrowings

	As at March 31, 2024	As at March 31, 2023
Secured		
Cash credit from banks (Refer note below)	3,891	504
Current maturities of long-term borrowings (Refer note 16(i))	965	965
Unsecured		
Loan from related party (Refer note 16(ii) and note 39)	8,863	-
Total current borrowings	13,719	1,469

Note:**Cash credit from banks is secured by way of:**

- i. First Pari Passu charge on all current assets of the Company both present and future.
- ii. Second Pari Passu charge on Property, plant and equipment and Right-of-use assets of the Company both present and future.
- iii. Corporate Guarantee by Welspun Corp Limited.

Interest on cash credit ranges from 8.50% to 9.65% (March 31, 2023: 7.10% to 8.90%) varies from bank to bank. It is reset after every 3 months based on the RBI interest rate. Interest are charged either on T-Bill plus margin or MCLR plus margin.

20 Trade payables

	As at March 31, 2024	As at March 31, 2023
Trade payables: dues of micro and small enterprises (refer note 20(a))	511	176
Trade payables other than above:		
Trade payables for acceptances (refer note 20(b))	15,045	17,624
Trade payable to related parties (refer note 39)	724	71
Trade payables others	4,548	2,127
Total trade payables	20,828	19,998

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

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

Refer note 47 for ageing schedule of trade payable.

20(a) Micro, Small and Medium Enterprises Development Act, 2016

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

Particulars	As at March 31, 2024	As at March 31, 2023
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	511	176
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	*	*
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	668	253
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	9	4
Interest accrued and remaining unpaid at the end of the accounting year	9	4
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	13	4

* Amount is below the rounding off norm adopted by the Company.

20(b) Trade payables for acceptances represents the extended interest bearing credit offered by the supplier which is secured against Usance Letter of Credit (LC) Under this arrangement, the supplier is eligible to receive payment from negotiating bank prior to the expiry of the extended credit period. The interest for the extended credit period payable to the bank on maturity of the LC has been presented under Finance Cost.

21 Other current financial liabilities

	As at March 31, 2024	As at March 31, 2023
Interest accrued on borrowings	580	23
Security deposits	*	1
Corporate guarantee charges payable (Refer note 39)	-	89
Capital creditors	38	178
Foreign exchange forward contracts	2	127
Total other current financial liabilities	620	418

* Amount is below the rounding off norm adopted by the Company.

22 Current provisions

	As at March 31, 2024	As at March 31, 2023
Employee benefit obligations		
Gratuity (refer note 36)	56	64
Leave obligations (refer note 36)	101	92
Total current provisions	157	156

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

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

23 Other current liabilities

	As at March 31, 2024	As at March 31, 2023
Advance received from customers	582	498
Statutory dues payable	297	146
Employee dues payable	165	52
Total other current liabilities	1,044	696

24 Revenue from operations

	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contracts with customers		
Sale of products	68,135	41,178
	68,135	41,178
Other operating revenue		
Export incentives	478	261
Scrap sales	133	38
Job-work sales	921	306
	1,532	605
Total revenue from operations	69,667	41,783

The Company is primarily engaged in the business of manufacture and distribution of steel and steel products and revenue from such products is derived from transfer at a point in time which is shown under sale of products as above.

Revenue from operations is same as contract price and no discount or any other adjustments required to be done.

25 Other income

	Year ended March 31, 2024	Year ended March 31, 2023
Interest income		
Fixed deposits	6	4
Income tax refund	2	10
Interest from Customers	83	68
Incentive income (Refer note 34)	1,181	906
Other non operating income		
Insurance claims received (Refer note 49)	-	58
Net foreign exchange differences	736	410
Gain on sale of property plant and equipments (Net)	20	-
Gain on sale of investments	4	5
Liabilities/ Provision no longer required written back	118	15
Total other income	2,150	1,476

26 Cost of materials consumed

	Year ended March 31, 2024	Year ended March 31, 2023
Raw materials at the beginning of the year	2,708	2,888
Add: Purchases	50,188	33,287
Less : Raw materials at the end of the year	4,469	2,708

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

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

Total cost of materials consumed	48,427	33,467
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27 Changes in inventories of work-in-progress and finished goods

	Year ended March 31, 2024	Year ended March 31, 2023
Opening balance		
Work-in-progress	8,681	4,155
Finished goods	5,611	1,728
Total opening balance	14,292	5,883
Closing balance		
Work-in-progress	9,860	8,681
Finished goods	8,978	5,611
Total closing balance	18,838	14,292
Total changes in inventories of work-in-progress and finished goods	(4,546)	(8,409)

28 Employee benefits expense

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	3,797	3,034
Contribution to provident and other funds (refer note 36)	176	144
Gratuity expense (refer note 36)	63	48
Staff welfare expenses	129	101
Total employee benefits expense	4,165	3,327

29 Depreciation and amortisation expense

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment	1,480	1,424
Depreciation of right-of-use assets	3	4
Amortisation of intangible assets	65	63
Total depreciation and amortisation expense	1,548	1,491

30 Other expenses

	Year ended March 31, 2024	Year ended March 31, 2023
Labour charges	966	732
Job work charges	753	250
Freight, material handling and transportation	988	1,173
Hire charges-Equipments	91	61
Hire charges-Vehicle	116	90
Rental charges (refer note 3(b))	14	13
Rates and taxes	129	36
Repairs and maintenance		
Plant and machinery	186	76
Buildings	32	11
Others	170	73

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

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

	Year ended March 31, 2024	Year ended March 31, 2023
Travel and conveyance expenses	195	80
Loss allowance on trade receivables	-	18
Communication expenses	12	7
Legal and professional fees	482	298
Insurance	163	121
Directors' sitting fees (refer note 39)	9	8
Printing and stationery	24	9
Security charges	103	99
Membership and fees	19	-
Payment to auditors (refer note 30(a) below)	26	26
Sales promotion expenses	124	68
Commission on sales to agents	324	269
Loss on disposal of property, plant and equipment (net)	-	1
Miscellaneous expenses	166	185
Total other expenses	5,092	3,704

30(a) Payment to auditors

	Year ended March 31, 2024	Year ended March 31, 2023
As auditor:		
Audit fee	18	18
Tax audit fee	2	2
In other capacities		
Certification fees	4	6
Reimbursement of expenses	2	-
Total payment to auditors	26	26

31 Finance costs

	Year ended March 31, 2024	Year ended March 31, 2023
Interest on financial liabilities not at fair value through profit and loss		
Interest on Term Loan	225	277
Interest on working capital loan	2,348	2,264
Interest on 12% Non-cumulative redeemable preference shares (Refer note 16(a))	201	185
Other finance cost (including corporate guarantee charges)	551	305
Total finance cost	3,325	3,031

32 Going Concern

The Company has earned profit in the current financial year, however the Company has accumulated losses as on March 31, 2024. The net worth of the Company is positive. The Company has obtained a support letter from its holding company indicating that it will take necessary actions to organise for any shortfall in liquidity during the period of 12 months from the date of approval of the financial statements.

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

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

Based on the above, the Company is confident of its ability to meet the funds requirement and to continue its business as a going concern and accordingly, the financial statements have been prepared on that basis.

- 33** In the previous year, the Company reassessed the nature of 12% Non-Cumulative Redeemable Preference Shares (NCRPS), resulting in change in liability portion of the same. On initial recognition the fair value of the instrument is bifurcated into liability and equity component. The fair value of the liability component on initial recognition was determined as the present value of the eventual redemption amount discounted at the market rate of return. The equity component was the residual amount.
- 34** The Company is eligible for refund of State Goods and Service Tax paid through cash ledger under the “Scheme for Relief and Concessions to the viable sick industrial enterprises” issued by the Government of Gujarat Industries & Mines Department. The scheme was launched by the Government of Gujarat for the rehabilitation of sick enterprises registered with the Board for Industrial and Financial Reconstruction/ Gujarat Board for Industrial and Financial Reconstruction. During the year, the Company has recognised an income of Rs 1,181 Lakhs (Previous year - 906 Lakhs) on account of such refund and the same has been recognised under the head ‘Other Income’.

35 Earnings / (loss) per share

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit/ (loss) as presented in the statement of profit or loss		
Profit / (loss) attributable to the equity holders of the Company used in calculating basic / diluted earnings / (loss) per share	6,247	(1,374)
Weighted Average Number of equity shares outstanding		
-Basic	53,00,89,156	53,00,89,156
-Diluted	53,00,89,156	53,00,89,156
Face value per share in Rs.	6	6
Basic earnings/ (loss) per share in Rs.	1.18	(0.26)
Diluted earnings/ (loss) per share in Rs.	1.18	(0.26)

36 Employee benefit obligations

A. Defined contribution plan

The Company has recognised the following amounts in the Statement of Profit & Loss:

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Employer's Contribution to Provident Fund	173	141
Employer's Contribution to Employees' State Insurance Corporation	-	*
Employer's Contribution to Superannuation fund	3	3
Total expense recognised in the statement of Profit and loss	176	144

* Amount is below the rounding off norm adopted by the Company.

B. Defined Benefit Obligations

(i) Gratuity:

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. The plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen day wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned. The gratuity plan is unfunded and the Company does not make any contributions to funds.

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

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

This defined benefit plan expose the Company to actuarial risks, such as interest rate risk.

As per Ind AS “Employee Benefits “ (Ind AS - 19), the disclosures of Employee Benefits as defined in the Standard are given below:

Particulars	As at March 31, 2024	As at March 31, 2023	
i) Amount recognised in the balance sheet			
Present value of obligations	251	207	
Fair value of plan assets	-	-	
Net liability recognised in balance sheet	251	207	
ii) Statement of profit and loss			
Current service cost	48	36	
Interest cost	15	12	
Total amount recognised in profit or loss	63	48	
Remeasurements			
(Gain) from change in demographic assumptions	(1)	(1)	
(Gain) from change in financial assumptions	(29)	(1)	
Loss from change in experience adjustment	43	19	
Total loss amount recognised in other comprehensive income	13	17	
iii) Reconciliation of defined benefit obligation			
Opening defined benefit obligation	207	159	
Adjustment due to transfer in	-	42	
Current Service cost	48	36	
Interest cost	15	12	
Actuarial loss on obligation	13	17	
Benefits paid	(32)	(59)	
Closing defined benefit obligation	251	207	
iv) Bifurcation of liability as per schedule III			
Current	56	64	
Non-Current	195	143	
Net Liability	251	207	
v) Significant actuarial assumptions	%	%	
Discount Rate	7.22%	7.50%	
Salary Growth Rate	4.00%	4.00%	
Withdrawal Rates			
	Upto 35 Years	30%	30%
	From 36 to 45 Years	28%	29%
	Above 46 Years	21%	22%
vi) Sensitivity to key assumptions			
Impact on defined benefit obligation:			
Due to the change in discount rate			
increased by 0.5%	(4.10)	(2.95)	
decreases by 0.5%	4.24	3.04	
Due to the change in salary increase			
increased by 0.5%	4.35	3.14	
decreases by 0.5%	(4.25)	(3.07)	

vii) Defined benefit liability and employer contributions

Expected contribution to post-employment benefit plans for next year ended March 31, 2025 is Rs. 78 Lakhs (March 31, 2024: Rs. 59 Lakhs).

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

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

viii) Maturity Profile of Defined Benefit Obligation

The expected maturity analysis of undiscounted gratuity benefits is as follows:

Year	As at March 31, 2024	As at March 31, 2023
Upto 1 years	72	91
Between 1 to 2 years	17	23
2 years to 5 years	192	46
Over 5 years	-	71
Total	281	231

C. Other employee benefits

Provision for leave obligation as at March 31, 2024 is Rs. 101 Lakhs (March 31, 2023 is Rs. 92 Lakhs) recognised under:

Particulars	As at March 31, 2024	As at March 31, 2023
Current	101	92
Non-Current	-	-
Net Liability	101	92

Provision for compensated absences has been made on the basis of actuarial valuation carried out as at the balance sheet date.

37 Contingent liabilities and capital commitments

a) Contingent liabilities

The Company has contingent liabilities as at the year end in respect of :

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the Company not acknowledged as debts	328	571
Disputed indirect taxes:		
Sales tax/ Value Added Tax	20	20

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of above pending resolution of the respective proceedings.

The Company does not expect any re-imburements in respect of the above contingent liabilities.

b) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account (net of advances):	21	153

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

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

38 Segment Information

a) Description of segments and principle activities

The Company's chief operating decision maker consists of the board of directors (BOD) of the Company who examines the Company's performance only from the product perspective and has accordingly, identified only one reportable segment which is manufacturing and sale of steel and steel products.

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

c) Detail of customer contributing 10% or more of total revenue.

For the year ended	Number of Customers	Amount	% to revenue from operations
March 31, 2024	2	17,816	26%
March 31, 2023	3	16,898	40%

d) The Company is domiciled in India. The amount of its revenue recognised from sale at a point in time and other operating income from external customers broken down by location of the customers is shown in the table below.

Revenue From Operation	Year ended March 31, 2024	Year ended March 31, 2023
Outside India	25,724	15,266
Within India	43,943	26,517
Total	69,667	41,783

e) The total of non-current assets other than income tax assets, broken down by location of the assets, is shown below.

Segment assets	As at March 31, 2024	As at March 31, 2023
Outside India	-	-
Within India	20,607	20,986
Total non - current assets	20,607	20,986

39 Related party transactions

a) List of related parties

Parties where control exists

Name	Type	Effective proportion of ownership interest (%)	
		As at March 31, 2024	As at March 31, 2023
Welspun Corp Limited	Holding company	50.03%	50.03%

Fellow Subsidiaries

Welspun Tradings Limited

Welspun Metallics Limited (merged with Welspun Corp Ltd. w.e.f. October 29, 2023)

Anjar TMT Steel Private Limited

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

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

Key management personnel

Name	Nature of relationship
Mr. Balkrishan Goenka*	Non-Executive Chairman
Mr. Vipul Mathur*	Non-Executive Director
Mr. Anuj Burakia	CEO and Whole Time Director
Mr. Atul Desai	Independent Director
Mr. K.H. Viswanathan	Independent Director
Ms. Amita Misra	Independent Director
Mr. Myneni Narayana Rao	Independent Director
Mr. Prakash Tatia*	Non-Executive Director
Mr. Brijveer Singh	Chief Financial Officer (w.e.f. October 31, 2022)
Mr. Narendra Bhandari*	Chief Financial Officer (upto October 31, 2022)
Mr. Suhas Pawar	Company Secretary (w.e.f. October 31, 2022)
Ms. Rashmi Mamtura*	Company Secretary (upto September 28, 2022)

*No transactions during the year

List of others related parties over which key management personnel or relatives of such personnel exercise significant influence or control and entities which are members of same group with whom transaction have taken place during the current year or previous year.

Welspun Global Services Limited

Welspun Realty Private Limited

Welspun Global Brands Limited

Welspun Enterprises Limited

Welassure Private Limited

Welspun Living Limited (Formerly known as Welspun India Limited)

Welspun Transformation Service Limited

Welspun Global Transformation USA

Welspun Steel Limited

(b) Disclosure in respect of significant transactions with related parties during the year:

	Transactions	
	Year ended March 31, 2024	Year ended March 31, 2023
1) Sale of goods and services (including job work)		
Welspun Corp Limited	239	3,781
Total sale of goods and services	239	3,781
2) Purchase of goods and expenses incurred		
Welspun Corp Limited	805	578
Welassure Private Limited	77	84
Welspun Trading Limited	-	8
Welspun Global Brands Limited	9	12
Welspun Global Services Limited	-	@
Welspun Global Transformation USA	88	-
Anjar TMT Steel Private Limited	20	3
Welspun Transformation Service Limited	179	94
Welspun Realty Private Limited	13	15

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

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

	Transactions	
	Year ended March 31, 2024	Year ended March 31, 2023
Welspun Enterprise Limited	1	1
Total purchase of goods and expenses incurred	1,192	795
3) Interest expenses on loan availed		
Welspun Corp Limited	1,328	1,257
Total of Interest expenses on loan availed	1,328	1,257
4) Loans and deposit taken		
Welspun Corp Limited	-	9,400
Total loans and deposit taken	-	9,400
5) Loans and deposit repaid		
Welspun Steel Limited	-	4,925
Total loans and deposit repaid	-	4,925
6) Interest on Loans and deposit paid		
Welspun Corp Limited	-	1,226
Welspun Steel Limited	-	961
Total interest on loans and deposit repaid	-	2,187
7) Key management personnel compensation#		
Anuj Burakia		
Short-term employee benefit	246	124
Narendra Bhandari		
Short-term employee benefit	-	63
Brijveer Singh		
Short-term employee benefit	65	14
Rashmi Mamtura		
Short-term employee benefit	-	16
Suhas Pawar		
Short-term employee benefit	18	7
Total key management personnel compensation	329	224
8) Directors' sitting fees		
Atul Desai	1	1
Amita Misra	3	2
Myneni Narayana Rao	2	2
K. H. Viswanathan	3	3
Total directors' sitting fees	9	8

Note : Amount is exclusive of applicable taxes

With respect to post-employment benefits, as these liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

@ Amount is below the rounding off norms adopted by the Company.

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

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

(c) Disclosure of significant closing balances:

Particulars	As at March 31, 2024	As at March 31, 2023
1) Trade receivables		
Welspun Corp Limited	-	174
Welspun Metallica Limited	-	@
Total trade receivables	-	174
2) Trade payables		
Welspun Corp Limited	626	-
Welspun Transformation Services Limited	13	63
Welspun Global Brands Limited	-	@
Welspun Global Transformation USA	70	-
Welassure Private Limited	9	7
Anjar TMT Steel Private Limited	5	-
Welspun Enterprises Limited	1	1
Total trade payables	724	71
3) Other payables (other financial liabilities)		
Welspun Corp Limited (net of TDS)	-	85
Total other payables	-	85
4) Trade Advance (other current liabilities)		
Welspun Living Limited (Formerly known as Welspun India Limited)	@	@
Total trade advance	-	-
5) Security deposits		
Welspun Enterprises Limited	1	1
Total security deposits	1	1
6) Borrowings		
Welspun Corp Limited	18,263	18,263
Total borrowings	18,263	18,263
7) Interest accrued on borrowings		
Welspun Corp Limited	1,195	-
Total interest accrued on borrowings	1,195	-

@ amount is below the rounding off norms adopted by the Company.

Apart from above, the Company has taken guarantee from Welspun Corp Limited (Holding company) and guarantee charges paid are included in 'Purchase of goods and expenses incurred' above. Total corporate guarantee given by holding company is 33,739 Lakhs as on March 31, 2024 (March 31, 2023 - 33,739 Lakhs).

(d) Terms and conditions

All outstanding balances are unsecured and are payable in cash.

40 Deferred tax assets (net)

a) Deferred tax (liabilities)/assets (net)

	As at March 31, 2024	As at March 31, 2023
The balance comprises of temporary differences attributable to:		
Deferred tax assets:		
Brought forward income tax losses	5,597	2,328
Employee benefit obligations	89	78
Allowance for doubtful debts and advances	153	159
Others	15	15
	5,854	2,580
Deferred tax liabilities:		
Property, plant and equipment	2,467	2,580
	2,467	2,580
Total Deferred tax assets (net)	3,387	-

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

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

Note:

The Company has unabsorbed tax losses and depreciation that are available for offsetting against future taxable profits of the Company. The Company had recognised deferred tax assets to the extent of deferred tax liabilities of Rs. 2,580 lakhs as of March 31, 2023 due to continuous losses in the earlier years.

In view of the profit made during the year and expected continued profitability in future, during the year ended March 31, 2024, the Company has recognised additional deferred tax assets of Rs. 3,387 lakhs based on the projection of taxable profit for the next four years on prudent basis.

Also, refer note 41

41 Income tax expense / (credit)

a) Amounts recognised in profit and loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current income tax		
Current tax on profit for the year	-	-
Total current tax expense	-	-
(Increase) in deferred tax assets	(3,274)	
(Decrease) in deferred tax liabilities	(113)	-
Total deferred tax expense / (credit) (Refer note 40)	(3,387)	-
Total income tax credit recognised in statement of profit and loss	(3,387)	-

b) Reconciliation of tax expense and the accounting profit multiplied by effective tax rate:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit / (Loss) before tax	2,860	(1,374)
Tax rate	25.17%	26.00%
Tax at normal rate	720	(357)
Tax effect of:		
Current year losses on which no deferred tax assets is recognised	-	357
Set off of brought forward business loss against taxable income	(720)	-
Recognition of deferred tax assets	(3,387)	-
Net effective income tax	(3,387)	-

c) Brought forward income tax losses and unabsorbed depreciation on which no deferred tax asset is recognised in Balance Sheet

Particulars	As at March 31, 2024	As at March 31, 2023	Expiry period
Brought forward income tax losses	-	24,027	
Unabsorbed tax depreciation	36,152	43,111	Does not have expiry period
Total	36,152	67,138	

d) Advance taxes paid including tax deducted at source

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	30	166
Current tax expense	-	-
Tax paid during the year including tax deducted at source	52	38
Less: Refund received during the year	38	174
Closing balance	44	30

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

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

e) Movement in deferred tax assets and deferred tax liabilities:

Particulars	Deferred tax assets					Deferred tax liabilities		Net deferred tax assets recognised
	Brought forward income tax losses	Employee benefit obligations	Allowance for doubtful debts and advances (net)	Others	Total deferred tax assets	Property, plant and equipment	Total deferred tax liabilities	
As at April 01, 2022	2,277	60	154	15	2,506	2,506	2,506	-
Recognised in the Statement of profit and loss	51	18	5	-	74	74	74	-
Other comprehensive income	-	-	-	-	-	-	-	-
As at March 31, 2023	2,328	78	159	15	2,580	2,580	2,580	-
Recognised in the Statement of profit and loss	3,269	11	(6)	-	3,274	(113)	(113)	(3,387)
Other comprehensive income	-	-	-	-	-	-	-	-
As at March 31, 2024	5,597	89	153	15	5,854	2,467	2,467	(3,387)

42 Fair value Measurements

a) Financial instruments by category

Particulars	As at March 31, 2024		As at March 31, 2023	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
Trade receivables	-	4,853	-	4,132
Cash and cash equivalents	-	1	-	29
Bank balances other than cash and cash equivalents	-	55	-	51
Other financial assets				
Security deposits	-	109	-	72
Forward contracts	67	-	9	-
Total financial assets	67	5,018	9	4,284
Financial liabilities				
Borrowings(includes interest accrued)	-	27,146	-	23,351
Trade payables	-	20,828	-	19,998
Other financial liabilities				
Forward contracts	2	-	127	-
Others	-	38	-	268
Total financial liabilities	2	48,012	127	43,617

b) Fair value hierarchy

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

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

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

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

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Forward Contracts	-	67	-	67
Total financial assets	-	67	-	67
Financial liabilities				
Borrowings (liability component of Compound financial instrument)	-	-	-	-
Forward contracts	-	2	-	2
Total financial liabilities	-	2	-	2

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

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Security deposits	-	-	109	109
Total financial assets	-	-	109	109
Financial liabilities				
Borrowings (includes interest accrued)	-	-	27,146	27,146
Total financial liabilities	-	-	27,146	27,146

Carrying amount approximates to amortized cost.

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

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Forward contracts	-	9	-	9
Total financial assets	-	9	-	9
Financial liabilities				
Borrowings (liability component of Compound financial instrument)	-	-	-	-
Forward contracts	-	127	-	127
Total financial liabilities	-	127	-	127

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

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Security deposits	-	-	72	72
Total financial assets	-	-	72	72
Financial liabilities				
Borrowings (includes interest accrued)	-	-	23,351	23,351
Total financial liabilities	-	-	23,351	23,351

Level 1: This hierarchy includes financial instruments measured using quoted prices. There is no item under this category as at March 31, 2024 and as at March 31, 2023.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted securities.

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

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

c) Fair value measurements using significant unobservable inputs (level 3)

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

Particulars	Borrowings (liability component of Compound financial instrument)
As at April 01, 2022	1,481
Interest expenses charged to profit and loss	185
As at March 31, 2023	1,666
Interest expenses charged to profit and loss	201
As at March 31, 2024	1,867

d) Valuation inputs and relationships to fair value

	Fair value		Significant unobservable inputs	Probability weighted average		Sensitivity
	As at March 31, 2024	As at March 31, 2023		As at March 31, 2024	As at March 31, 2023	
Borrowings (liability component of Compound financial instrument)	1,867	1,666	Risk adjusted discount rate	12.05%	12.05%	The estimated fair value would increase by Rs.152 lakhs (March 31, 2023 Rs.152 lakhs) if the discount rate were lower by 1% and the same would decrease by Rs. 139 lakhs (March 31, 2023 Rs. 138 lakhs) if the discount rate were higher by 1%.

e) Valuation techniques used to determine fair value

The fair values of liability component of Compound financial instrument (Borrowing) is based on discounted cash flows using a credit adjusted borrowing rate as at the reporting date.

The fair value of forward contracts is determined using forward exchange rates prevailing with Authorised Dealers dealing in foreign exchange.

f) Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Security deposits	109	109	72	72
Total	109	109	72	72
Financial liabilities				
Borrowings (includes interest accrued)	27,146	27,146	23,351	23,351
Total	27,146	27,146	23,351	23,351

(i) The carrying amounts of cash and cash equivalents, other bank balances, trade receivables, current borrowings including accrued interest, trade payables and other current financial liabilities are considered to be the same as their fair values due to their short term nature.

(ii) The fair values and carrying values of borrowings (other than that referred in (i) above) are materially the same.

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

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

g) Classification of interest income by instrument categories

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income at amortised cost:		
Fixed deposits	6	4
Interest from Customers	83	68
Other Interest Income		
Income tax refund	2	10

43 Financial risk management objectives and policies

The Company's activities expose it 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.

This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables and other financial assets	Ageing analysis	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other financial liabilities	Borrowings maturity and cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign currency risk	Recognised financial assets and liabilities not denominated in Rupees	Sensitivity analysis	Forward foreign exchange contracts and derivative contracts

The Company's risk management is carried out by treasury department under policies approved by the board of directors. Treasury department identifies, evaluates and hedges financial risks. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity. There is no change in objectives, policies and process for managing the risk and methods used to measure the risk as compared to previous year.

A Credit risk on financial assets

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, foreign exchange transactions and other financial instruments.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

a) Trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

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

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

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. The expected loss rates are based on the payment profile of sales over of a period of 36 months before the reporting date and the corresponding historical credit losses experienced within this period.

The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The Company uses simplified approach (i.e. lifetime expected credit loss model) for impairment of trade receivables/ contract assets. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.

The Company was engaged in the production of Stainless Steel, Pipe and Alloy. The Company had significant loss allowance on trade receivables from Alloy business. However, the Company is not producing Alloy products currently. Based on the past exposure, there is low/ minimum credit risk or allowances of debtors. Exposures of trade receivable broken into ageing bucket. The Company's trade receivable do not carry a significant financing element. Hence, trade receivables are measured at transaction price. The Company makes a loss allowance using simplified approach for expected credit loss and on a case to case basis.

Exposure to credit risk

Financial asset for which loss allowance is measured using expected credit loss model

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets		
Trade Receivables	4,853	4,132
Total	4,853	4,132

Reconciliation of loss allowance on trade receivables:

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	609	591
Changes in loss allowance	-	18
Closing balance	609	609

Ageing analysis of trade receivable amounts that are past due as at the end of reporting year but not impaired:

Particulars	As at March 31, 2024			
	Gross trade receivables	Expected loss rate	Expected loss	Carrying amount of trade receivables
Trade receivables (Refer note 46):				
Not Due	3,291	0.18%	6	3,285
Less than 6 Months	1,553	0.26%	4	1,549
6 Months to 1 Year	32	46.88%	15	17
1 Year to 2 Years	53	96.23%	51	2
2 Years to 3 Years	17	100.00%	17	-
More than 3 Years	516	100.00%	516	-
Total	5,462		609	4,853

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

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

Particulars	As at March 31, 2023			
	Gross trade receivables	Expected loss rate	Expected loss	Carrying amount of trade receivables
Trade receivables (Refer note 46):				
Not Due	3,759	0.00%	-	3,759
Less than 6 Months	334	0.00%	-	334
6 Months to 1 Year	2	0.00%	-	2
1 Year to 2 Years	-	0.00%	-	-
2 Years to 3 Years	149	75.17%	112	37
More than 3 Years	497	100.00%	497	-
Total	4,741		609	4,132

b) Other financial assets

The Company maintains exposure in cash and cash equivalents, other bank balances, derivative financial instruments. Credit limits and concentration of exposures are actively monitored by the Company.

Expected credit loss for other than trade receivables has been assessed and based on life-time expected credit loss, no loss allowance provision has been required.

B Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost. The company is also supported by holding company as and when the need arises.

The Company maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 and March 31, 2023 is the carrying amounts. The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 45 -180 days. The other payables are with short-term durations. The carrying amounts are assumed to be a reasonable approximation of fair value.

a) Financing arrangements

The Company had below undrawn borrowing facilities for working capital as at March 31, 2024 and March 31, 2023.

Particulars	As at March 31, 2024	As at March 31, 2023
Floating rate		
Expiring within one year	-	-
Expiring beyond one year	11,064	11,317
Total	11,064	11,317

b) Maturities of financial liabilities

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

All non-derivative financial liabilities, and derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

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

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

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

As at March 31, 2024

Contractual maturities of financial liabilities	< 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total	Carrying value
Non-derivatives						
Borrowings (includes interest accrued and current maturities of long-term debt)	14,299	10,980	-	1,867	27,146	27,146
Trade payables	20,828	-	-	-	20,828	20,828
Other financial liabilities	38	-	-	-	38	38
Total non-derivative liabilities	35,165	10,980	-	1,867	48,012	48,012
Derivatives						
Forward contracts	2	-	-	-	2	2
Total derivative liabilities	2	-	-	-	2	2

As at March 31, 2023

Contractual maturities of financial liabilities	< 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total	Carrying value
Non-derivatives						
Borrowings (includes interest accrued and current maturities of long-term debt)	1,492	20,193	-	1,666	23,351	23,351
Trade payables	19,998	-	-	-	19,998	19,998
Other financial liabilities	268	-	-	-	268	268
Total non-derivative liabilities	21,758	20,193	-	1,666	43,617	43,617
Derivatives						
Forward contracts	127	-	-	-	127	127
Total derivative liabilities	127	-	-	-	127	127

C Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

(i) Foreign currency risks

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

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

Foreign currency exposures specifically covered by forward exchange contracts as at year end are as follows:

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

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

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

a) Foreign currency risk exposure

Particulars	As at March 31, 2024		As at March 31, 2023	
	USD	EUR	USD	EUR
Financial assets				
Trade receivables	-	1,725	104	835
Derivatives not designated as hedges				
Forward contracts (Sell foreign currency)	-	(1,725)	(104)	(835)
Derivatives designated as hedges				
Forward contracts (Sell foreign currency)	(313)	(7,495)	(238)	(11,272)
Net exposure to foreign currency risk (assets)	(313)	(7,495)	(238)	(11,272)
Financial liabilities				
Trade payables	1,929	32	2,588	30
Derivatives not designated as hedges				
Forward contracts (Buy foreign currency)	(1,929)	(32)	(2,588)	(30)
Derivatives designated as hedges				
Forward contracts (Buy foreign currency)	(630)	(71)	(962)	(21)
Net exposure to foreign currency risk (liabilities)	(630)	(71)	(962)	(21)
Total Net exposure to foreign currency risk	-	-	-	-
Net Derivatives designated as hedges	317	(7,424)	724	(11,251)

Derivative financial instruments such as foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

Foreign currency exposures not specifically covered by forward exchange contracts as at year end are Nil.

Foreign currency sensitivity

The Company does not have any unhedged foreign currency exposure, hence there is no foreign currency exchange risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Company has interest rate risk exposure mainly from changes in rate of interest on borrowing & on deposit with bank. The interest rate is disclosed in the respective notes to the financial statements of the Company. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107. The following table analyses the breakdown of the financial assets and liabilities by type of interest rate:

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets		
Interest bearing - Fixed interest rate		
Current fixed deposit	53	49

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

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

Particulars	As at March 31, 2024	As at March 31, 2023
Financial Liabilities		
Interest bearing		
Borrowings - Floating interest rate		
Cash credit from bank	3,891	504
Rupee term loan from bank	1,930	2,895
Borrowings - Fixed interest rate		
Loan from related party	18,263	18,263

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the excluding the credit exposure for which interest rate swap has been taken and hence the interest rate is fixed. With all other variables held constant, the Company's profit / (loss) before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Increase in 50 bps points		
Effect on profit/(loss) before tax	(29)	(17)
Decrease in 50 bps points		
Effect on profit/(loss) before tax	29	17

D Impact of hedging activities

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

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

As at March 31, 2024

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge ratio
	Assets	Liabilities	Assets	Liabilities		
Cash flow hedge						
Foreign exchange risk						
Forward contract	7,808	701	44	(1)	Apr 24 - Nov 24	1:1

As at March 31, 2023

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge ratio
	Assets	Liabilities	Assets	Liabilities		
Cash flow hedge						
Foreign exchange risk						
Forward contract	11,510	983	8	102	Apr 23-Oct 23	1:1

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

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

As at March 31, 2024

Type of hedge	Change in the Value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash Flow Hedge				
Foreign Exchange Risk	243	-	(106)	Revenue

As at March 31, 2023

Type of hedge	Change in the Value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash Flow Hedge				
Foreign Exchange Risk	(16)	-	(17)	Revenue

b) Movements in cash flow hedging reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Cash flow hedging reserve		
Opening balance	(93)	(60)
Amount recognised in cash flow hedging reserve during the year (net)	243	(16)
Gain/ (loss) transferred to statement of profit and loss (net)	(106)	(17)
Closing balance	44	(93)

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

The Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Company uses the hypothetical derivative method to assess effectiveness. Ineffectiveness is recognised on a cash flow hedge and net investment hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In hedges of foreign currency forecast sale and purchase transactions, hedges of interest rate risk and hedges of net investment, as applicable, this may arise if:

- (i) The critical terms of the hedging instrument and the hedged item differ (i.e. nominal amounts, timing of the forecast transaction, interest resets changes from what was originally estimated), or
- (ii) Differences arise between the credit risk inherent within the hedged item and the hedging instrument. There were no ineffectiveness recognised in the statement of profit and loss during March 31, 2024 and March 31, 2023.

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

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

44 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings (including interest accrued)	27,146	23,351
Less: Cash and Cash Equivalents	(1)	(29)
Net debt (a)	27,145	23,322
Equity	9,308	2,937
Total equity (b)	9,308	2,937
Net debt equity ratio (a/b)	2.92	7.94

The Company has complied with all the loan covenants applicable.

45 Net debt reconciliation

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	1	29
Borrowings (including interest accrued)	(27,146)	(23,351)
Net Debt	(27,145)	(23,322)

	Financial assets	Financial liabilities	Total
	Cash and cash equivalents	Borrowings	(C) = (A)+(B)
	(A)	(B)	(C)
Net debts as at April 1, 2022	501	(25,299)	(24,798)
Cash flow (net)	(472)	937	465
Interest expenses	-	(3,031)	(3,031)
Interest paid	-	4,042	4,042
Net debts as at March 31, 2023	29	(23,351)	(23,322)
Cash flow (net)	(28)	(2,423)	(2,451)
Interest expenses	-	(3,325)	(3,325)
Interest paid	-	1,953	1,953
Net debts as at March 31, 2024	1	(27,146)	(27,145)

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

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

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

Particulars	Unbilled	Not Due	Outstanding for following periods from due date					Total
			Less than 6 months	6 months -1 year	1 - 2 years	2 – 3 years	More than 3 Years	
Undisputed trade receivables								
considered good	-	3,285	1,549	17	2	-	-	4,853
which have significant increase in credit risk	-	6	4	15	51	17	71	164
Less: Loss allowance	-	(6)	(4)	(15)	(51)	(17)	(71)	(164)
Total Undisputed trade receivables (a)	-	3,285	1,549	17	2	-	-	4,853
Disputed trade receivables								
considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	445	445
Less: Loss allowance	-	-	-	-	-	-	(445)	(445)
Total Disputed trade receivables (b)	-	-	-	-	-	-	-	-
Total trade receivables (a +b)	-	3,285	1,549	17	2	-	-	4,853

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

Particulars	Unbilled	Not Due	Outstanding for following periods from due date					Total
			Less than 6 months	6 months -1 year	1 - 2 years	2 – 3 years	More than 3 Years	
Undisputed trade receivables					-			
considered good	-	3,759	334	2	*	37	-	4,132
which have significant increase in credit risk	-	-	-	-	-	112	52	164
Less: Loss allowance	-	-	-	-	-	(112)	(52)	(164)
Total Undisputed trade receivables (a)	-	3,759	334	2	-	37	-	4,132
Disputed trade receivables								
considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	445	445
Less: Loss allowance	-	-	-	-	-	-	(445)	(445)
Total Disputed trade receivables (b)	-	-	-	-	-	-	-	-
Total trade receivables (a +b)	-	3,759	334	2	-	37	-	4,132

* Amount is below the rounding off norm adopted by the Company.

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

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2 – 3 years	More than 3 Years	
Undisputed Trade Payables						-	
(i) Micro enterprise and small enterprises	-	268	243	-	-	*	511
(ii) Others	413	15,490	4,315	17	9	73	20,317
Total	413	15,758	4,558	17	9	73	20,828

* Amount is below the rounding off norm adopted by the Company.

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

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

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

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2 – 3 years	More than 3 Years	Total
Undisputed Trade Payables							
(i) Micro enterprise and small enterprises	-	172	4	-	-	-	176
(ii) Others	425	17,741	1,506	14	22	114	19,822
Total	425	17,913	1,510	14	22	114	19,998

There are no disputed trade payables as on March 31, 2024 and March 31, 2023.

48 Analytical Ratios to the Financial Statements as of and for the year ended March 31, 2024

Sr no.	Ratios	Numerator	Denominator	March 31, 2024	March 31, 2023	Variance in %	Remark
1	Current ratio (times)	Current assets	Current liabilities	0.95	1.17	-19%	Variation is not material (below 25%)
2	Debt-equity ratio (times)	Total debt	Equity	2.92	7.94	-63%	Ratio improved due to increase in net worth on account of profit earned in current year.
3	Debt service coverage ratio (times)	Earnings available for debt service	Debt Service	2.65	0.21	1157%	Debt Service Coverage ratio has significantly increased due to profit earned during the year.
4	Return on equity ratio (%)	Profit / (Loss) for the year	Average shareholders equity	102.05%	-37.65%	-371%	Return on equity ratio has increased due to profit earned during the year.
5	Inventory turnover ratio (times)	Cost of goods sold	Average inventory	2.08	1.82	14%	Variation is not material (below 25%)
6	Trade receivables turnover ratio (times)	Revenue from operations	Average Trade receivable	15.51	14.75	5%	Variation is not material (below 25%)
7	Trade payable turnover ratio (times)	Net Credit purchases	Average Trade Payables	3.28	3.38	-3%	Variation is not material (below 25%)
8	Net capital turnover ratio (times)	Revenue from operations	Working capital	-41.26	10.65	-487%	Decrease in working capital due to current portion of long term liability classification during the year.
9	Net Profit margin (%)	Profit / (Loss) for the year	Revenue from operations	8.97%	-3.29%	-373%	Increase in net profit margin due to profit earned during the year as compared to loss incurred in previous year.
10	Return on capital employed (%)	Earnings before interest and tax	Capital employed	17.54%	6.31%	178%	Return on capital employed has increased due to profit earned during current financial year.
11	Return on investment (%)	Profit/(Loss) for the year	Total current assets	10.64%	-2.88%	-469%	Return on investment has increased due to profit earned during current financial year.

Notes:

- Total debt = Non-current borrowings and Current borrowings
- Earning for debt service = Profit for the year + Non-cash operating expenses like depreciation and other amortisations + Interest expenses

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

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

3. Debt service = Interest and principal repayments
4. Cost of Goods Sold = Cost of material consumed + Changes in inventories of finished goods and work-in progress
5. Working capital = Current assets (-) Current liabilities
6. Capital employed = Tangible net worth + Total debt
7. Net Credit purchases = Raw materials purchase during the year + Stores and spares purchases during the year + Other expenses (excluding non cash expenses)

49 Other income

In the previous year, the Company had recognised income from insurance claim of Rs. 58 lakhs in respect with the claim filed with the insurance company for loss due to cyclone in the year ended March 31, 2021. The same was disclosed under Other income.

50 Additional regulatory requirements under Schedule III

(i) Details of Benami Property held

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

(ii) Borrowing secured against current assets

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.

(iii) Willful defaulter

The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

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

(v) Compliance with number of layers of companies

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

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

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

(vii) Utilisation of borrowed funds and share premium

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

- 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

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

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

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

(viii) Undisclosed income

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

(ix) Details of crypto currency or virtual currency

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

(x) Valuation of PP&E and intangible asset

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

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

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3(a) on property, plant and equipment and 3(b) on right of use assets to the financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value (Rs. In Lakhs)	Period held
Freehold Land	14	29 Years
Right of use assets	351	29 Years

Title deeds are held in the former name of the Company.

(xii) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.

(xiii) Registration of Charges or satisfaction with Registrar of Companies (ROC)

The Company does not have any charge or satisfaction not registered with the ROC beyond the statutory period.

51 Core Investment Companies (CIC)

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

52. Summary of Other Accounting policies

(a) Employee benefits

(i) Defined contribution plans

- Provident Fund and Employee State Insurance Corporation (ESIC)**

The Contribution towards provident fund and ESIC 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.

- Superannuation Fund**

Contribution towards superannuation fund for certain employees is made to ICICI Prudent 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

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

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

(ii) Defined benefit plans (Gratuity)

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Remeasurements are not reclassified to profit and loss in the subsequent periods.

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

The Defined benefit plans (Gratuity) is unfunded.

(iii) 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.

(iv) Leave encashment employee benefit obligations

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

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

(b) Intangible assets

Computer software

Intangible Assets are recognised only if acquired and it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are being amortised over a period not exceeding 3 to 5 years

(c) Segment Reporting

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

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

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

(d) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

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

(ii) Diluted earnings per share

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

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

(e) Provisions, contingent liabilities and contingent assets

(i) Provisions

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

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

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

(ii) Contingent liabilities

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

(iii) Contingent assets

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

(f) Leases

As a lessee

The Company has leasehold land, this land is for a period of ninety-nine years with an extension option for further ninety-nine years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as a right-of-use assets and a corresponding lease liability at the date at which the leased assets is available for the use by the Company.

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

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

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

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

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

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

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

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

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

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets and short term lease assets comprises of laptops and other office equipments.

53 Previous Year's Figures

Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification / disclosure.

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

Neeraj Sharma
Partner
Membership No.108391

Place: Mumbai
Date: April 26, 2024

For and on behalf of the **Board of Directors**

B.K. Goenka
Chairman
DIN: 00270175

Brijveer Singh
Chief Financial Officer

Place: Mumbai
Date: April 26, 2024

Anuj Burakia
CEO & Whole Time Director
DIN: 02840211

Suhas Pawar
Company Secretary
ACS: 36560

Forward-looking Statements

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



To view this report online and to know more about Welspun Specialty Solutions, visit: www.welspunspecialty.com

Welspun^W SPECIALTY SOLUTIONS

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Welspun Specialty Solutions Limited

(CIN:L27100GJ1980PLC020358)

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Website: www.welspunspecialty.com

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