

WEL/SEC/2025

September 26, 2025

To,

BSE Limited Corporate Relationship Department, 2 nd Floor, New Trading Wing, Rotunda Building, P.J. Towers, Dalal Street, Mumbai – 400 001. Scrip Code: 532553	National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No. C-1, Block-G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051. NSE Symbol: WELENT
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Dear Madam / Sir,

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations)

Pursuant to Regulation 30 of SEBI Listing Regulations, we would like to inform that Welspun Sattanathapuram Nagapattinam Road Private Limited (a subsidiary of Welspun Enterprises Limited) has received the following Show Cause Notices (SCNs) from the Tamil Nadu State Goods and Service Tax (GST) Authority:-

1. SCNs dated September 18, 2025 for FY 2021-22 and FY 2022-23, proposing imposition of total tax of Rs. 7,89,73,790/- along with applicable interest and total penalty of Rs. 1,97,43,448/- under Section 73/ 74 of the Central Goods and Service Tax Act, 2017 ('CGST Act, 2017')/ Tamil Nadu Goods and Service Tax Act, 2017 ('TNGST Act, 2017'). Since the said matters were below the materiality threshold, there was no requirement to report at the time of receipt of the SCN.
2. Further, SCNs dated September 25, 2025 for the FY 2022-23, FY 2023-24 and FY 2024-25, proposing imposition of total tax of Rs. 21,86,29,346/- along with applicable interest and total penalty of Rs. 21,86,29,346/- under Section 74 of the CGST Act, 2017/ TNGST Act, 2017.

While the demand for the individual financial years (as mentioned above) is less than the materiality threshold, the Company is doing the present reporting (within 24 hours of the receipt of SCNs dated September 25, 2025) as required in terms of Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/25 dated February 25, 2025 issued by SEBI which states that in case of "matters involving high correlation", materiality has to be determined considering the cumulative amount involved in all such matters reasoned below. Further, for matters which are of different nature and below threshold limit are not reported.

The principle issue involved in the said SCNs pertains to alleged difference between the turnover reported by the Company in Form GSTR-3B *vis-à-vis* reporting done by the client in Form GSTR-7 (statement of GST TDS deduction filed by our client).

We believe that we have a strong case on merits as the Company has rightly discharged tax on services provided in the State of Tamil Nadu, which is duly backed by our legal and tax council. The alleged difference is arising due to inaccurate reporting by our client in the relevant Form GSTR-7 returns. The Company will be filing a detailed reply against each of the SCNs before the appropriate authority. The Company does not foresee any material impact on financial or operational or other activities of the Company on account of the above SCNs.

The details as required under SEBI Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, are enclosed in **Annexure-1**.

You are requested to take the same on your records.

Yours faithfully,

For **Welspun Enterprises Limited**

Nidhi Tanna
Company Secretary
ACS – 30465

Welspun Enterprises Limited

Welspun House, Kamala City, Senapati Bapat Marg, Lower Parel (W), Mumbai 400013, India

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Registered Address: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370110. India

T: +91 28 3666 2222 | F: +91 28 3627 9010

Corporate Identity Number: L45201GJ1994PLC023920

Annexure – 1

Sr. No.	Particular	Details
1.	Name of the authority	The Commercial Tax Officer/ Assistant Commissioner, Tamil Nadu (State GST Authority)
2.	Period Covered in the Tax Litigation/Dispute	FY 2021-22, FY 2022-23, FY 2023-24 and FY 2024-25
3.	Nature and details of Tax Litigation/Dispute	SCN issued u/s 73/ 74 of CGST Act, 2017/ TNGST Act, 2017 proposing imposition of tax of Rs. 29,76,03,136/- along with applicable interest and penalty of Rs. 23,83,72,794/- on account of alleged short payment of tax.
4.	Date of receipt of Show Cause Notice/Order	September 18, 2025 and September 25, 2025
5.	Details of the violation /contravention committed or alleged to be committed	The SCNs have been issued primarily on account of difference between turnover reported in Form GSTR-3B by the Company vis-à-vis Form GSTR-7 (Statement of GST TDS deduction) filed by the customer.
6.	Impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible	The Company is taking appropriate steps to file a detailed reply against each of the SCNs. The alleged difference is arising due to inaccurate reporting by our customer in the relevant Form GSTR-7 returns. The Company is of the view that the demands raised in the SCNs are without merits and are expected to be set aside during the adjudication proceedings. The Company does not foresee any material impact on financial or operational or other activities of the Company.

Welspun Enterprises Limited

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