WELSPUN ENTERPRISES
Infrastructure and Energy

Operational Excellence... ...Sustainable Growth

Annual Report **2018-19**

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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.

Operational Excellence...
...Sustainable Growth

At Welspun Enterprises Ltd. (WEL), excellence is a quality attribute, inherent to our people and the organization. With strong project management expertise and technical know-how and our continuous perseverance and inventiveness, we carry out highly demanding and complex projects that meet the highest standards.

We take pride in having operationalized the prestigious Delhi-Meerut Expressway (Package 1), India's first road project based on Hybrid Annuity Model (HAM). This has been possible due to our sheer determination and conviction, and strong ideas that were implemented with meticulous precision.

With this project, we showcased our operational excellence in providing efficient solutions to the most complex challenges. By leveraging our asset-light model, we maintained a keen focus on quality, safety, excellence and management processes and by optimizing at all levels. For us, what counts is the continuous improvement of all processes.

Even as we are primarily excellence driven, we remain centered on quality growth. We continue to drive growth through a strong order book position and successful execution of our ongoing projects. We aim towards profitable growth by building our capabilities and strengths in added segments.

Our Pride Of Parentage

The USD 2.7 Billion-Welspun Group is one of India's fastest growing conglomerates. It is a fully integrated player with expertise in Pipes, Plates & Coils and Home Textiles, while it also has a presence in Steel, Infrastructure and Energy.

Welspun Group is one of India's fastest growing conglomerates with businesses in large diameter line pipes, home textiles, infrastructure, advanced textiles and flooring solutions. Welspun has made its mark within the line pipe and the home textiles sector to become one of the most recognized global leaders with a strong foothold in over 50 countries with 25,000+ employees.

Welspun Group - Key Highlights (FY 2019)

Rs. 185 Billion
Revenue

Rs. 25 Billion
EBITDA

Rs. 61 Billion
Fixed Asset Base

Rs. 32 Billion
Net Debt

25,000+
Employees

AA Family
Strong Credit Rating

Our Key Achievements

- Track record of delivering quality projects – on or before time
- History of designing and building manufacturing plants and projects valued USD 3 Billion+
- Successfully built Anjar Welspun City, spread across 2,500 acres in Gujarat
- Built renewable energy portfolio of 1,000 MW valuing Rs. 10,000 crore
- Successfully built one-of-a-kind ancillarization model in Textiles
- Unlocked value of over Rs. 130 Billion in the past 5 years

WELSPUN ENTERPRISES
Infrastructure and Energy

INDIA'S FASTEST GROWING INFRASTRUCTURE PLAYER

Completed India's first 14-lane Expressway in a record time of 19 months

WELSPUN CORP
Pipes and Plates

GLOBAL LEADER IN LINE PIPES

Global leader in Line Pipes with manufacturing facilities in India, Saudi Arabia and the US

WELSPUN INDIA
Home Textiles

GLOBAL LEADER IN HOME TEXTILES

Global leader in Home textiles with presence in more than 50 countries & strategic partner to top retailers

Welspun Enterprises Limited – At a Glance

Welspun Enterprises Limited (WEL), a part of the Welspun Group, is an operating Company in the Infrastructure (Road and Water) business. It also offers civil engineering services. The Company has an outstanding order book of Rs. 52 Billion, a large part of which is contributed by the Roads segment. As part of its asset-light business model, the Company is largely focusing on Hybrid Annuity Model (HAM) projects.

The Company, in its current form, was created through the merger of Welspun Enterprises Ltd., Welspun Infratech Ltd., Welspun Plastics Private Ltd. and Welspun Infra Projects Private Ltd., Welspun Projects Ltd through the Scheme of Amalgamation and Arrangement made effective from May 11, 2015.

Through a cautious bid-buy strategy, it has built a robust HAM portfolio of Rs. 85 Billion, setting a strong foundation for future growth. The total HAM portfolio stands at 590 Kms. The revenue visibility is projected to render into better operating margins by earning the benefits of operating leverage.

The Company is well placed to capitalize on new opportunities, thanks to its strong balance sheet and robust credit rating. Through its differentiated asset-light business model, it is confident of continuing its growth path with better risk-adjusted return on capital.

What Differentiates Us

- Robust HAM portfolio of 7 projects with 590+ Kms, valuing Rs. 85 Billion
- EPC Order Book of Rs. 52.4 Billion, translating into significant growth visibility
- High value creation with focus purely on HAM projects
- Book-to-Bill of ~3 times
- Leveraging balance sheet strength and financial closure abilities
- Cherry-picking projects through bid-buy model
- Lower risk due to model structure
- Long-Term Credit Rating at AA
- Short-term rating at highest possible level of A1+

Our Capabilities

- Focused purely on HAM
- Order book with significant revenue growth visibility
- Financial strength
- Demonstrated operational excellence

Our Key Strengths

Our Capabilities

- Among few infra developers with 'AA' Family Credit Rating – Long-term AA and Short-term A1+
- Strong banking relationships ensuring early financial closure at optimal rates
- Backed by strong balance sheet and Net Cash position of Rs. 4.1 Billion

Operational

- Completed India's First 14-lane Expressway in record time
- Experience of operating 500+ Kms Toll projects capabilities
- Superior execution capabilities with all projects running ahead of schedule

Our Business Verticals

- ROADS
- WATER

Chairman's Message

> "With world-class domain expertise and project management skills, we have been able to set new infrastructural benchmarks"

My dear fellow stakeholders,

I am extremely happy and proud to share with you that FY 2019 was another remarkable year in our journey. We delivered on our promises and continued to establish a differentiated, asset-light business model in the infra segment. We have built a solid balance sheet with net cash balance and have also built an exceptional team focused on operational excellence. This helped us stand firm even in a challenging environment and I am quite confident that Welspun Enterprises will deliver significant value in the coming years.

Year in review

After record awarding of projects in FY 2017 and FY 2018, the year FY 2019 was a year in which the Ministry of Road Transport and Highways & NHAI focused more on execution. This can be seen from the fact that FY 2019 was the best year in the last decade as far as highway construction in the country was concerned. As a Company, our focus was also aligned, with our priority being execution of the projects in our portfolio.

In the first quarter of the year, our first HAM project – the Delhi-Meerut Expressway Package-1, was completed in record time, well ahead of schedule. It was a matter of great pride for the Company, when it was inaugurated by the Honorable Prime Minister, Shri Narendra Modi and dedicated to the nation. We have been operating and maintaining this road with great care, which has helped reduce travel time from 45-50 minutes to 8 minutes.

This road has a long-list of FIRSTS to its name including:

- India's FIRST 14-Lane Expressway
- India's FIRST Green Expressway
- India's FIRST completed HAM project
- India's FIRST HAM project to be awarded AAA (SO) Credit Rating
- India's FIRST HAM project to receive annuity
- India's FIRST HAM project to receive early completion bonus

Beautification and sustainable projects initiated along the way include a 2.5-meter-wide cycle track on either side, a vertical garden on Yamuna Bridge, solar lighting system, watering of plants through drip irrigation only, wall art and replica of famous monuments. This adds further charm to the project and makes it truly a landmark project in the country.

Execution of other projects has also been progressing well. Two other HAM projects Gagalheri-Saharanpur-Yamunanagar as well as Chutmalpur-Ganeshpur-Roorkee-Gagalheri – are at an advanced stage of completion. Both these projects are running ahead of schedule and we plan to complete both of them in calendar year 2019. Execution in the other two HAM projects – Aunta-Simaria and Chikhali-Tarsod – is also progressing well and we expect to complete them well in time.

Execution of the Dewas Water project, our BOT project in the water domain, was also in fast track mode during the year and we were able to complete it ahead of schedule. The project received its COD in April 2019.

While we were focused on execution, we did not lose sight of opportunities to grow our business and diversify our risks. We added two more projects to our portfolio during the year. The first one was an NHAI project in Tamil Nadu: Sattanathapuram – Nagapattinam. This is by far, our biggest HAM project by value, till date, and it demonstrates our growing confidence in taking up larger projects.

With NHAI awarding relatively lower number of projects in the year, we decided to explore opportunities in state HAM projects as well. There were primarily three reasons for the decision – this would help us diversify from one client, keep our growth momentum going and also give us better returns given the lower competition in these projects. We were successful in winning one state HAM project – AM-2 package in Amravati, Maharashtra during the year taking our total HAM portfolio to more than Rs. 85 Billion.

The second half of the year, however, was very challenging for the financing market. The IL&FS crisis snowballed into a major financial crisis with many other financial institutions, especially NBFCs, facing challenges in raising debt from the market, thus freezing their lending. Even in this challenging environment, I am happy to share that we were able to achieve financial closure for both our new projects, well in time and at very competitive rates. This was possible only due to our strong balance sheet, robust credit rating and our prudent approach to bidding.

Our operational excellence also translated into strong financial performance. Our revenues were up 74% YoY, while the improvement in Operating EBITDA was even better at 121%. The revenue growth was driven by the robust execution in our under-construction projects while the margin improvement was driven by the fixed costs getting apportioned over a higher base.

Welspun believes in doing business which is not only consistent with the environment, but also helps sustain in the long run. Known for its various social initiatives, Welspun has played its part responsibly in and around the region it operates. This includes initiatives like health check-up camps, potable water supply and educational initiatives for children, in the areas which it operates.

The Year Ahead

I am very optimistic about the future of our Company. We remain primed to anticipate India's future infrastructural needs amidst a challenging business environment. With the new Government coming into power, we expect the activity in infrastructure sector to pick up pace. The opportunity in roads remains significant, with the Bharatmala program being the key driver. Apart from roads, we are also analyzing the water sector for future growth opportunities and for diversification. We believe that the water sector will be the next thrust area for the Government given the precarious position of our water resources. With our experience in water supply projects such as Dewas water, I firmly believe that WEL is at an advantageous position to tap these opportunities and fuel future growth.

Welspun Enterprises starts the year with a robust order book of more than Rs. 52 Billion, which sets a strong foundation for future growth of the Company. The order book provides significant visibility for the next 2 years i.e. FY 2020 and FY 2021.

We will also look at unlocking value from our completed road projects. With three operational projects expected before the end of the year, we will have more options to explore, in terms of our asset monetization. We will also look at unlocking value from our Oil & Gas investments, at the right time. There are some promising blocks in our portfolio, which could yield significant returns, at the right stage of the development cycle.

Vision for the future

At Welspun Group, we always aim to be among the Top-3 in any business we operate. The case is no different in this business as well. In infra, have chosen to be a HAM player and our endeavor is to become a Top-3 player in HAM. Currently, we might be in Top-10, as far as HAM is concerned, but I am pretty confident that we should be in the Top-3 in the next 3 years.

We are not only focused on completing our projects in the earliest possible time and within anticipated costs, but also withstand all complexities, demonstrating our rock-solid foundation. We are proud of our project management capabilities, and compliance with the highest quality standards. We are dedicated to delivering high-performance assets, while achieving the functional objectives. Our infrastructure solutions are aimed at not only meeting the needs of today, but for decades to come. We intend to be enduring and relevant to India's growing infrastructure needs.

Your Company intends to continue its approach of prudent bid/buy strategy to strengthen its HAM project portfolio. The Company will continue to work on an asset-light model with focus on Return on Capital Employed (RoCE), free cash flow and risk management.

My Sincere Thanks

At WEL, growth has been possible with support and encouragement from all our stakeholders, including shareholders, bankers, customers and our committed employees. As we step back and assess what we accomplished during FY 2019, we couldn't be more proud of the employees who made it all happen.

I would also like to express gratitude on behalf of the Board of the Company to all our stakeholders, for their unstinted support in shaping the performance of the Company.

We strongly believe the best is yet to come.

With Best Wishes,

B. K. Goenka
Chairman-Welspun Group

Capitalizing on the Growing Opportunity Landscape

A country's roads are imperative to its economy. They form the backbone of the State. Better roads add to the ease of doing business and also add to the overall quality of life of the citizens. In India, large infrastructure projects are crucial for the future of cities, states and individual livelihoods, and can truly drive the economy into new economic frontiers.

Road construction remains a priority for the Government for several reasons. It is a vital ingredient for the country's GDP growth. Improving India's road network is a vital step in its economic development. Roads provide better access to services, ease of transportation and freedom of movement to people. The Government recognizes the significance of a reliable and swift road network in India and the role it plays in influencing economic development. Hence, the Ministry of Road Transport and Highways (MoRTH) has taken up the responsibility of building quality roads and highways across the country.

Bharatmala Pariyojana

The Government is planning to expand the national highway network in India to over 200,000 Kms by 2022. It has launched Bharatmala Pariyojana, an expansive highway that will cut across India, connecting Rajasthan in North-West and the state of Arunachal Pradesh in North-East. It aims to build 66,100 Kms of economic corridors, border and coastal roads and expressways to boost the highway network. It also understands the significance of connecting the hinterlands with ports to ensure "Make in India" takes off.

Road construction remains a priority for the Government, also leading to employment generation. MoRTH awarded 15,000 Kms of projects and construction of 10,000 Kms of national highways during FY 2019. About 295 major projects, including bridges and roads, are expected to have been completed during this period. The semi-urban roads to be widened and upgraded also present a significant opportunity.

Economic Benefits of Bharatmala

- To provide 4-lane connectivity to 550 districts, increase vehicular speed by 20-25% and reduce supply chain costs by 5-6%
- The first phase Bharatmala to bring in USD 82 Billion investments by 2022 for development of 34,800 Kms of highways

Tapping the Growth Potential in Road Infrastructure

- India has the world's second largest road network sprawling 5.5 Million Kms
- Only ~5% of India's roads are National or State Highways
- Investment in roads has 8 times multiplier impact on GDP
- Road construction leads to local employment generation

Achievements in Road Infrastructure

- Total national highways' length increased to 122,434 Kms in FY 2018 from 92,851 Kms in FY 2014
- Length of national highways awarded, increased to 51,073 Kms between FY 2015-18 from 25,158 Kms in FY 2011-14
- Construction of national highways increased to 28,531 Kms between FY 2015-18 from 16,505 Kms between FY 2011-14
- Construction of national highway per day increased to 26.9 Kms per day in FY 2018 from 11.6 Kms per day in FY 2014

27 Kms
Average Highway constructed per day

9,829 Kms
National Highway Construction

15%
Share of GDP on logistics and transportation

2%
Share of National Highways in total road network

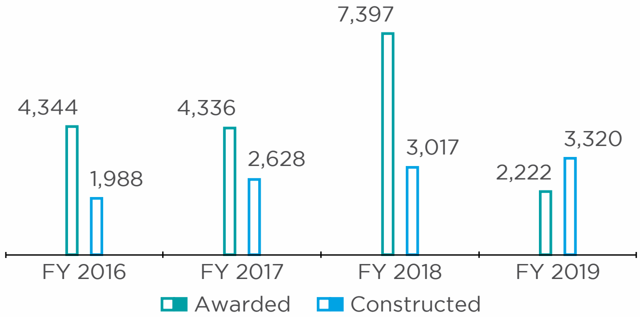
5.9 Million Kms
India's Total Road Network

34,800 Kms
Total Construction projected under Bharatmala by 2022

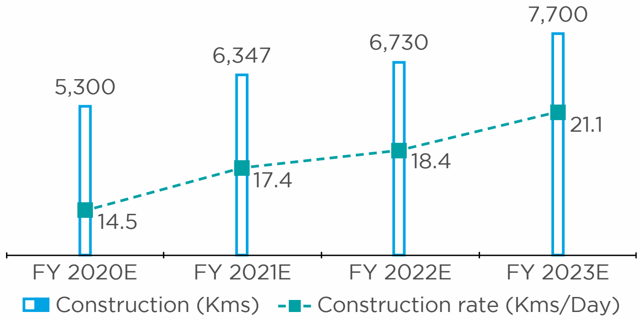
66
India's position in world ranking in Infrastructure

Source: https://www.investindia.gov.in/sector/roads-highways

Stupendous Growth in NHAI Projects



Planned Construction under Bharatmala



Source: NHAI

Continuous focus on Value Unlocking and Asset Monetization

We will continue to pursue an asset-light model with our key focus on free cash flow, higher Return on Capital Employed and prudent risk management. We are selectively bidding for HAM projects, while preserving our threshold return expectations.

At Welspun Enterprises, we are leveraging the Hybrid Annuity Model (HAM), which is a better financial mechanism for road development, with a mix of EPC and BOT models. Under HAM, NHAI contributes 40% of the total project cost linked – a sort of viability gap funding for major milestones. The remaining 60% is arranged by the developer, of which 20-25% is arranged by them and the balance is raised as debt.

HAM is being tested in urban infrastructure developments in India, such as road, metro rail and water projects. It is an asset-light model as it spreads the risk between the developer and the Government. It helps cut the overall debt and improve project returns. The annuity payment structure prevents the developer from taking the "traffic risk". The Government also benefits as it gains an opportunity to flag off road projects by investing only a portion of the project cost. It earns better social returns by way of access and convenience to daily commuters.

Leveraging HAM

We are currently developing/ operating seven HAM model projects valuing Rs. 8,500 crore. This includes the Delhi-Meerut Expressway (Package-1), which was completed in June 2018 for which we have already received the first annuity. We have also achieved financial closure for these projects, all of which are currently in the execution stage.

Our aim is to complete these projects ahead of schedule and monetize them through outright sale, refinancing or alternative routes to enable value unlocking. Being well-conceived projects, we will exit from these at an appropriate time and at the right valuation.

We shall selectively bid for more projects awarded by NHAI under HAM, while preserving our threshold of return expectations. We take pride in being well positioned for early financial closure, given our healthy cash balance and strong credit rating. In order to de-risk and diversify our portfolio, we are also exploring further opportunities under HAM in the water segment.

Harnessing Excellence through Project Management

At WEL, project management is an essential spine supporting various functions. We draw strengths from our operational capabilities and proven project management methodologies. Our vision and strategic planning abilities enable us to ensure swifter and efficient execution of projects and optimize our margins.

Our accumulated experience and evolved skill-sets lead us towards an unfettered path of execution for the most challenging projects. With solid competencies and operational abilities, we are setting new benchmarks of excellence. It is this highly value-added activity within the construction landscape which enables us to ensure safety, quality and timely completion of projects.

Our asset-light model reduces investments in plant and machinery, working capital and manpower, and grants the flexibility of executing projects pan India. As this sustainable model ensues less risk, it helps protect margins.

Efficient Risk Mapping

There are some other virtues also embedded in the model. Efficient risk mapping and implementing an end-to-end risk management strategy makes it possible for us to foresee potential risks. We maintain constant vigilance on monitoring physical and financial risks and take the necessary steps to mitigate them.

We also specialize in external liaison and implement the most modern methods and equipment for civil engineering work. We treat our sub-contractors as business partners, and over the years, we have developed a potential pipeline of reputed contractors, which is leveraged for efficient project execution. They are selected on the basis of their capabilities and specialization in construction of roads and bridges. We not only hand-hold them during the asset construction, but also share the early completion bonus with them.

Tapping the Growing Potential in Water Infrastructure

We are looking to build our order book in the water infrastructure segment. We are building our technical capabilities and adding resources to grow the business gradually. We wish to leverage the huge opportunity in HAM in this segment. As part of our corporate strategy, we are participating in projects involving complex technologies.

The water infrastructure segment in India is likely to present opportunities to the tune of around Rs. 500-700 Billion under HAM in the near term. Of this, around Rs. 120-130 Billion is currently under different stages of bidding. The sector is expected to witness EPC opportunities valuing Rs. 2 Trillion in the near term.

Our first marquee water infrastructure project at Dewas in Madhya Pradesh has been recently commissioned and has already started generating revenues. This, too, was completed ahead of its scheduled time period, further proving our credibility in project execution and showcasing our excellence in operations, quality, safety and management processes.

Meanwhile, we are strengthening the vertical by adding people with right experience and building technical capabilities. As part of our corporate strategy, we plan to limit ourselves to high value orders and participate in projects involving complex technology. We will focus on selective states like Madhya Pradesh, Gujarat, Telangana, Maharashtra and Andhra Pradesh.

Inclusive Growth for All

The Welspun Group ensures a strong commitment towards all-round social progress, as well as sustainable development that balances the needs of the present with those of the future. We believe that a business can never be successful if the society around them fails. Therefore, it becomes our moral mission to identify and address the needs of our society.

We are committed to building a sustainable and progressive community. Our social mission is enshrined within the 3Es i.e. Education, Empowerment and Environment & Health. A number of projects encompassing the 3Es have been taken up under the banner of the Welspun Foundation for Health and Knowledge (WFHK). These projects either run independently powered by Welspun or through nurtured partnerships with the local government or Non-Governmental Organizations (NGOs).

Our corporate values epitomize our vision to achieve inclusive growth for all. We continue to consistently deliver on the expectations and needs of our stakeholder fraternity across our operations. We seek to strengthen our initiatives through a focus on partnership, innovation and impact to create a sustainable value for the community at large.

The Welspun commitment to delivering impactful value goes beyond business, to impact every stakeholder, including the communities around which we work. With sustainable social progress embedded in every facet of the way we do business, we continue to work dedicatedly towards addressing the deep-rooted aspirations of the communities.

EDUCATION

Project Gyankunj

Objective: To enhance the teaching and learning process for teachers and students with the use of technology.

About: In partnership with the Gujarat Government, we have taken up the initiative to digitalize Government primary school classrooms and make them more conducive for learning. Gyankunj is a school digitalization program to enhance classroom interactivity and teaching-learning processes with the help of technology tools such as projectors, interactive boards, computer systems, speakers, and UPS, among others.

Current Reach: 3 Districts, 116 Schools, 961 Teachers Trained and 55,750 Students.

EMPOWERMENT

Welspun Super Sports Women

Objective: To identify and support female athletes in achieving their sporting endeavors through scholarships.

About: Welspun Foundation supports sportswomen from varied sporting disciplines who come from challenging backgrounds to enable them to strive for excellence in their sport by consistently giving remarkable performances. Passionate and talented young girls with high potential of making a difference in their field of sport are selected and supported.

Current Reach: 14 Sports Women.

Project: Menstrual Hygiene through Women Entrepreneurship

Objective: To empower women by creating livelihood opportunities, thereby improving their health.

About: The program is initiated on addressing health issues among adolescent girls and women through livelihood opportunities and entrepreneurship. Self Help Groups are created across villages and Women Entrepreneurs are trained to create awareness and sell sanitary pads.

Current Reach: Welspun has enabled 48 women entrepreneurs from 23 villages reaching out to 8,000 women across Anjar, Vapi, Dewas and Saharanpur.

Project Model Village

Objective: To create a sustainable rural community that generates and maintains the resources to improve its level of well-being and happiness without depleting economic, social and environmental values.

About: Model Village is an integrated intervention in a comprehensive approach in the areas of self-sustainability, Health, with a special focus on mother & child, education - majorly focusing on girl child education, women empowerment, livelihood / income generation activities, creating awareness on clean and safe environment in the village. The flagship model village project is conceived with a view to transform the living conditions of villages and rural settlements surrounding the factories.

Current Reach: 5 Villages and 19,600 People.

Delhi-Meerut Expressway- A Testimony of Excellence

Inaugurated by India's Honorable Prime Minister Shri Narendra Modi on May 27, 2018, the Delhi-Meerut Expressway (Package 1), stretching from Nizamuddin to the Uttar Pradesh border, has been developed along with NHAI under the Hybrid Annuity Model (HAM). The project consists of a six-lane expressway in the center, flanked by two 4-lane highways on either side, making it 14 lanes in total.

The Expressway achieved completion in a record time of 19 months, as against the scheduled 30 months, setting a new benchmark on operational efficiency, superior project management and commitment. The project, which received its first annuity on time, has been built in a highly congested urban terrain. It has led to faster and safer connectivity between Delhi and Meerut and the adjoining regions. It also has helped curb pollution through diversion of traffic to other states.

Bespoke Innovation that Shapes the Future

The Expressway showcases our infrastructural strengths and truly resonates with our philosophy of "Leading Tomorrow Together". It has substantially reduced the travel time on the stretch from 45 minutes to just 8 minutes. It further encourages environmental sustainability by reducing pollution, providing better fuel efficiency and enhancing the quality of life.

Celebrating the Many Firsts of a Landmark Infrastructure Project

- India's first 14-Lane Expressway (Package 1)
- India's first project built under HAM
- India's first truly Sustainable Green Expressway
- India's first HAM project to achieve financial closure
- India's first and only completed HAM project
- India's only HAM project to be awarded AAA (SO) Rating
- India's only HAM project to receive first annuity

More than an Expressway

- India's first cycling track (2.5-meter wide) on both sides
- Vertical Gardens with drip irrigation
- Solar Panels for lighting entire stretch
- Beautification initiatives such as Open Area, Parks, Fountains and Wall Arts on Pillars
- Replicas of prominent monuments like Qutub Minar and Ashoka Stambh
- Designed for a speed of up to 120 Kms/Hour
- Completed in record time of 19 months against scheduled 30 months
- Advanced Traffic Management Systems
- CCTV Cameras and Retro Reflective Signage
- LED and Anti-fog lights for better visibility
- Anti-glare in medians and U-turn in underpasses

8 **Minutes**
Travel time taken on the Expressway

8.716 **Kms**
Total stretch on NH-24

40,000
Saplings planted on Vertical Gardens along the Yamuna Bridge

14 **Lanes**
(including Highways)
- **6-Lane Expressway**
- **Two 4-Lane Highways on either sides**

2.5 **Metre-**
Wide cycling track added on either side

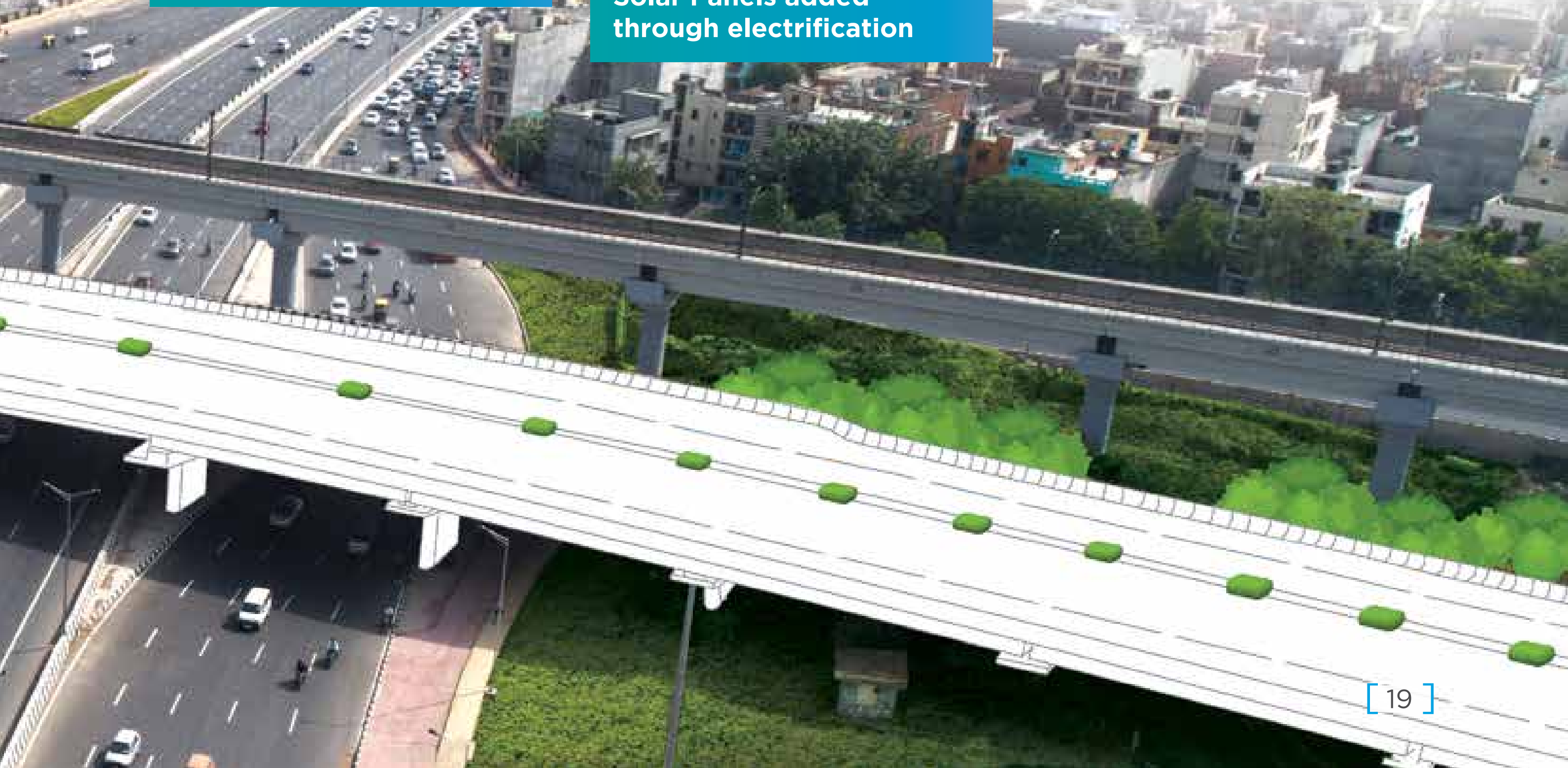
3,230
Solar Panels added through electrification

1 **Major Bridge**

2 **Minor Bridges**

7 **Inter-Changes**

4 **Underpasses**



Awards

Construction World Awards 2018
Fastest Growing Construction Company in the Small Segment

Annual Awards for Excellence in National Highways by MoRTH
Finalist - Delhi-Meerut Expressway (DME) Project

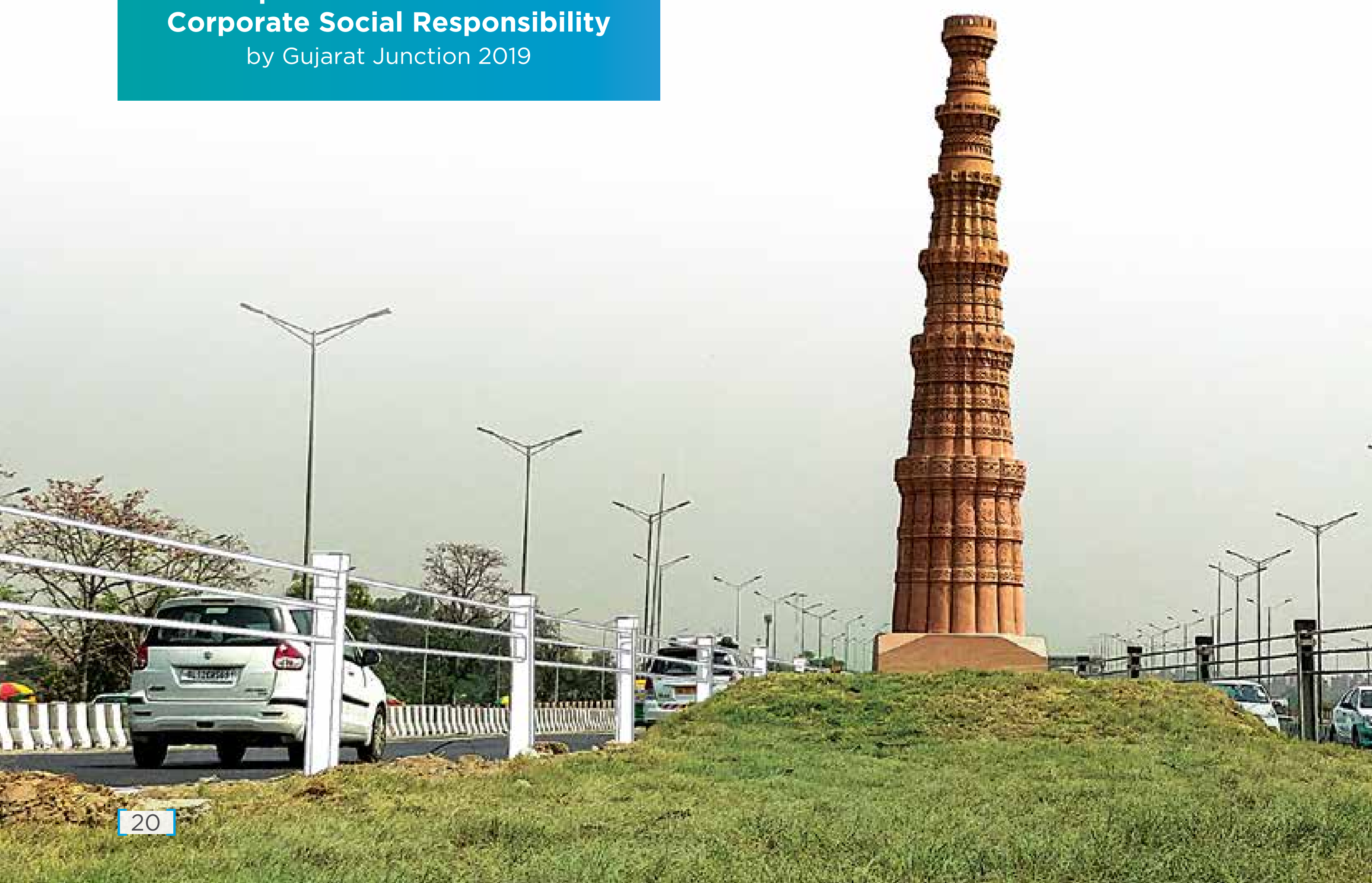
Excellence in Construction Management (PPP) by MoRTH
CHAMPION Project - Delhi-Meerut Expressway

Indian Concrete Institute
Best Transportation Infrastructure Project - Delhi-Meerut Expressway

CSR Excellence Award in Silver Category
by APEX India Foundation. The project proposed for the award was “Sponsorship to Sportswomen” in 2018

Conferred with the rating of “ET Aspire 2 Good”
in the second edition of the annual The Economic Times ‘2 Good 4 Good’ (ET2G4G) CSR Rating Scheme 2018

Exceptional Commitment to Corporate Social Responsibility
by Gujarat Junction 2019



Corporate Information

WELSPUN ENTERPRISES LIMITED

CIN: L45201GJ1994PLC023920
Website: www.welspunenterprises.com; Email id: companysecretary_wel@welspun.com

Board of Directors

Mr. Balkrishan Goenka
Chairman & Whole Time Director

Mr. Rajesh Mandawewala
Director

Mr. Mohan Tandon
Director

Mr. Dhruv Kaji
Director

Dr. Aruna Sharma
Additional Director w.e.f. 29.01.2019

Ms. Mala Todarwal
Director

Mr. Raghav Chandra
Additional Director w.e.f. 15.05.2019

Mr. Sandeep Garg
Managing Director

Key Management Team

Mr. Balkrishan Goenka
Chairman (Executive)

Mr. Sandeep Garg
Managing Director

Mr. Akhil Jindal
Group CFO & Head Strategy

Mr. Deepak Chauhan
Director, Legal, Welspun Group

Mr. Asim Chakraborty
Director, COO-Highways

Mr. Banwari Lal Biyani
Director, Audit & System

Mr. Shriniwas Kargutkar
Chief Financial Officer

Mr. Yogen Lal
Director, COO-Water

Mr. Asim Tewari
COO-Business Development & Strategy

Securities Registrar and Transfer Agent

Link Intime India Private Ltd.
C- 101, 247 Park, L.B.S. Marg,
Vikhroli (West),
Mumbai – 400 083.

Audit Committee

Mr. Dhruv Kaji
Chairman

Mr. Mohan Tandon
Member

Mr. Rajesh Mandawewala
Member

Dr. Aruna Sharma
Member

Nomination and Remuneration Committee

Mr. Mohan Tandon
Chairman

Mr. Rajesh Mandawewala
Member

Mr. Dhruv Kaji
Member

Share Transfer, Investor Grievance and Stakeholders' Relationship Committee

Mr. Mohan Tandon
Chairman

Mr. Sandeep Garg
Member

Mr. Dhruv Kaji
Member

Corporate Social Responsibility Committee

Mr. Mohan Tandon
Chairman

Mr. Rajesh Mandawewala
Member

Mr. Sandeep Garg
Member

Company Secretary

Ms. Priya Pakhare

Auditors

MGB & Co., LLP,
Chartered Accountants

Bankers

Aditya Birla Finance Company Ltd.
Axis Bank Ltd.
Corporation Bank
IDBI Bank Ltd.
IDFC First Bank Ltd.
Indian Bank
IndusInd Bank Ltd.
L&T Finance Ltd.
L&T Infrastructure Finance Company Ltd.
PTC India Financial Services Ltd.
Punjab National Bank
State Bank of India
Tata Capital Financial Services Ltd.
Union Bank of India
Yes Bank Ltd.

Stock Exchanges where the Company's Securities are Listed

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

National Stock Exchange of India Limited,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E),
Mumbai - 400 051

Corporate Office

Welspun House, Kamala Mills Compound, Senapati Bapat Marg,
Lower Parel,
Mumbai – 400 013
Tel: +91-22-6613 6000
Fax: +91-22-2490 8020

Registered Office

Welspun City, Village Versamedi,
Taluka Anjar, District Kutch,
Gujarat - 370 110
Tel: +91-2836 662222
Fax. +91-2836 279010

Management Discussion and Analysis

> We continue our unrelenting focus on operational excellence, which is evident in all our projects, being ahead of schedule. We maintain our prudent capital allocation policy and will invest only in projects which meet our return-threshold. I strongly believe that our differentiated asset-light model will create long-term sustainable value for all stakeholders"

Sandeep Garg
MD & CEO, Welspun Enterprises Ltd.

The Management Discussion and Analysis (MD&A) should be read in conjunction with the Audited Financial Statements of Welspun Enterprises Ltd. ("Welspun" or "WEL" or the "Company"), and the notes thereto for the year ended March 31, 2019. This MD&A covers Welspun's financial position and operations for the year ended March 31, 2019. Amounts are stated in Indian Rupees unless otherwise indicated. The numbers for the year ending March 31, 2019 as well as for the previous year are regrouped and reclassified wherever necessary.

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements, which may be identified by the use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, project development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

BUSINESS OVERVIEW

Welspun Enterprises Limited (WEL), formerly known as Welspun Projects Ltd., is a part of the USD 2.7 Billion Welspun Group. The Company operates in the infrastructure space with investments in oil & gas. The Company, in its current form, was created by the merger of the erstwhile Welspun Enterprises Ltd., Welspun Infratech Limited, Welspun Plastics Private Limited and Welspun Infra Projects Private Limited with Welspun Projects, which was renamed as Welspun Enterprises Ltd. In the infrastructure space, WEL is focused on Hybrid Annuity Model (HAM) projects as a developer.

MACRO-ECONOMIC OVERVIEW

In CY2018, the global economy grew at 3.7%, lower from 3.8% reported in CY2017. The year-on-year marginal dip in growth can be attributed to a moderation in international trade and investment. Global trade tensions have escalated, and the financial conditions continue to tighten but the projection for CY2020 remains positive. Growth in developed economies has moderated, with the notable exception of the United States, where fiscal stimulus had boosted activity for the most part of the year. In contrast, activity in the Euro area has been somewhat weaker, owing to slowdown in net exports. The aggregate growth in Emerging Market and Developing Countries has also edged down in the same period, as a number of countries with elevated current account deficits experienced substantial financial market pressures and appreciable slowdowns in activity.

On the other hand, the Indian economy again, is on a strong footing and gloats of a steady yearly development rate. The Indian economy recorded growth of 7.3% in CY2018. With Gross Domestic Product (GDP) projected to tick up to 7.5% in CY2019, India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years.

Indian government has introduced various structural reforms with regards to the economy. The first half of the year showed positive results post demonetization, implementation of GST, Make in India and many other key reforms brought about to propel the economic development faster. However, the second half of the year saw a credit crunch confronting one of the large infrastructure companies in the country. This development has roiled the country's financial markets lately, which also triggered concerns about risk in the rest of the country's NBFC sector. In addition to that, several banks were also placed under PCA (Prompt Corrective Action) by the RBI restricting their ability to lend. As a result of these developments, the infrastructure industry went through a challenging time with debt funding being available only to a few developers with strong financials.

In order to increase the liquidity flow to the Non-Banking Financial Companies (NBFCs) and Housing Finance Companies (HFCs), Reserve Bank of India (RBI) introduced several new measures for facilitating easy flow of credit and permitted use of an additional 2% of securities under the Statutory Liquidity Ratio (SLR) for the purpose of maintaining the liquidity coverage ratio. This move offers relief to banks which are struggling with high credit-deposit ratios. Moreover, the Government, under PCA has recently allocated capital infusion of about Rs. 50,000 crore in 12 public sector banks, to help them meet regulatory capital requirements and make growth capital available for the stronger lenders, which should help in stabilizing the overall situation.

In the upcoming year, with the implementation of the measures discussed, the Indian economy is expected to be conducive again for financing of the infrastructure sector. Investment in infrastructure is expected to gain momentum with a new government coming into power post the general elections.

INFRASTRUCTURE

Infrastructure is critical for economic and social development the world over. Across the globe, a well-functioning, modern infrastructure is central to economic development and to quality of life. Infrastructure investment is important for the most advanced economies as well as for those at the early stages of development alike. In developing economies, as roads are built, reliable electricity installed and clean water made available to all, it can have a truly transformative impact on the lives of citizens and the prospects of businesses. In more mature economies too, keeping pace with demand, and building new and upgraded infrastructure, is integral in efforts to sustain economic growth.

Yet, there is often a tendency to under-invest in infrastructure by countries. Several factors are at play that explain this. Firstly, infrastructure typically involves making large upfront investments, while returns may take decades to accrue. Secondly, the risk of uncertain returns can make raising finances challenging. Thirdly, the benefit to society of an infrastructure project may often be greater than the private returns generated for the operator. These challenges are often addressed through government regulation and effective Public Private Partnership (PPP) models.

As per Global Infrastructure Outlook, India is the second largest infrastructure market in Asia after China. Over the last few decades, India has seen a rapid growth in its urbanization, population and wealth. India's ambition of sustaining this high growth depends majorly on availability of infrastructure. Despite India's significant infrastructure investments (about 9% of GDP), the country is plagued with a weak infrastructure short of meeting the needs of a growing economy and growing population. With the increase in population in India and increase in GDP per head to USD 4,800 by 2040 from current levels of only USD 1,600, it is expected that there will be significant demand for infrastructure in India over the next 25 years. India will require about USD 4.5 Trillion investment in infrastructure by 2040 in order to cater to the increased population and income.

Road Infrastructure

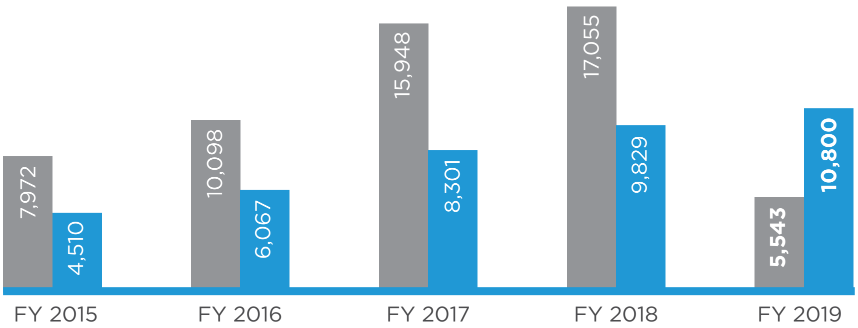
In any economy, transport infrastructure acts like a baseline to ensure continuous smooth movement of public and goods. With the development of infrastructure in India, the country has progressed at a rapid pace and today there is an availability of several modes of transport by land, water and air. Road transport is the primary and preferred mode of transport for most of the population due to its ease of accessibility and flexibility. Aside from encouraging the movement of goods and passengers, road transport plays a crucial role in the economic development of a nation by increasing the productivity and competitiveness.

India's road transport system is among the most heavily utilized system in the world. Transport sector accounts for 6% of India's GDP with road transport having around 70% share. More than 65% of freight and 85% of the passenger traffic in the country is handled by roads. India has a road network of over 5.9 Million Kms, which makes it the second largest road network in the world. This shows the significance of the road transport and justifies the undivided focus of Government on the sector.

Though FY 2017 and FY 2018 witnessed record awarding of projects, new project awards in FY 2019 remained muted due to delays in land acquisition and issues around financial closure of infrastructure projects. During FY 2019, total length of highways awarded in the country was 5,543 kilometers, of which 2,222 kilometers were awarded by NHAI and the Ministry of Road & Highways collectively. However, the order book resulting from ordering in FY 2017 and FY 2018 led to an all-time high highway construction of more than 10,000 Kilometers or approximately 30 Km per day in FY 2019. This was the best year in the last decade as far as highway construction in the country is concerned, as the focus was more on execution than new awards from NHAI and other Government bodies.

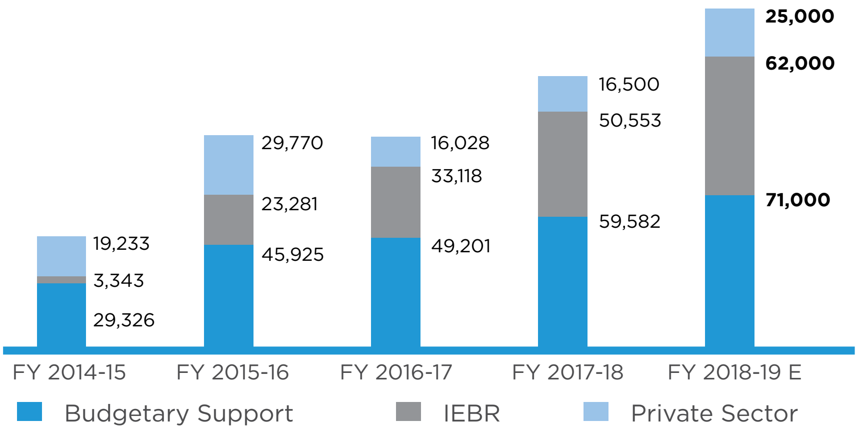
In addition to this, the Government has come up with several mega projects like Bharatmala Pariyojana, a new umbrella program for the highways sector that focuses on optimizing efficiency of freight and passenger movement across the country by bridging critical infrastructure gaps through effective interventions

Fig. 1: Highways Awarded and Constructed



Source: MoRTH

Fig. 2: Increasing Investment in the Sector (in Rs. crore)



Source: MoRTH NHAI, Karvy Research

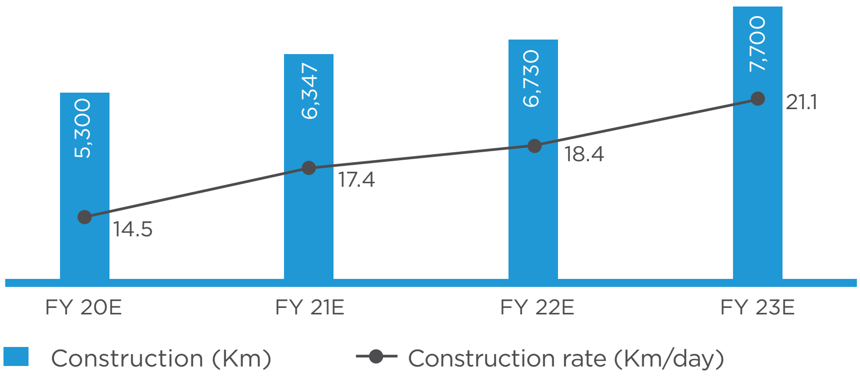
*IEBR: Internal and Extra Budgetary Resources

like development of Economic Corridors, Inter Corridors and Feeder Routes, National Corridor Efficiency Improvement, Border and International connectivity roads, Coastal and Port connectivity roads and Greenfield expressways. A total of around 24,800 Kms are proposed to be constructed in Phase I. In addition, Phase I also includes 10,000 Kms of balance road works under NHDP. Estimated outlay for Phase I is Rs. 5,35,000 crore. The objective of the program is to achieve optimal resource allocation for holistic highway development/ improvement. In order to fund this huge program, NHAI is exploring and using different options for funding like Toll Operate Transfer (ToT) auction, different period bonds through private & public placement and equity partnerships.

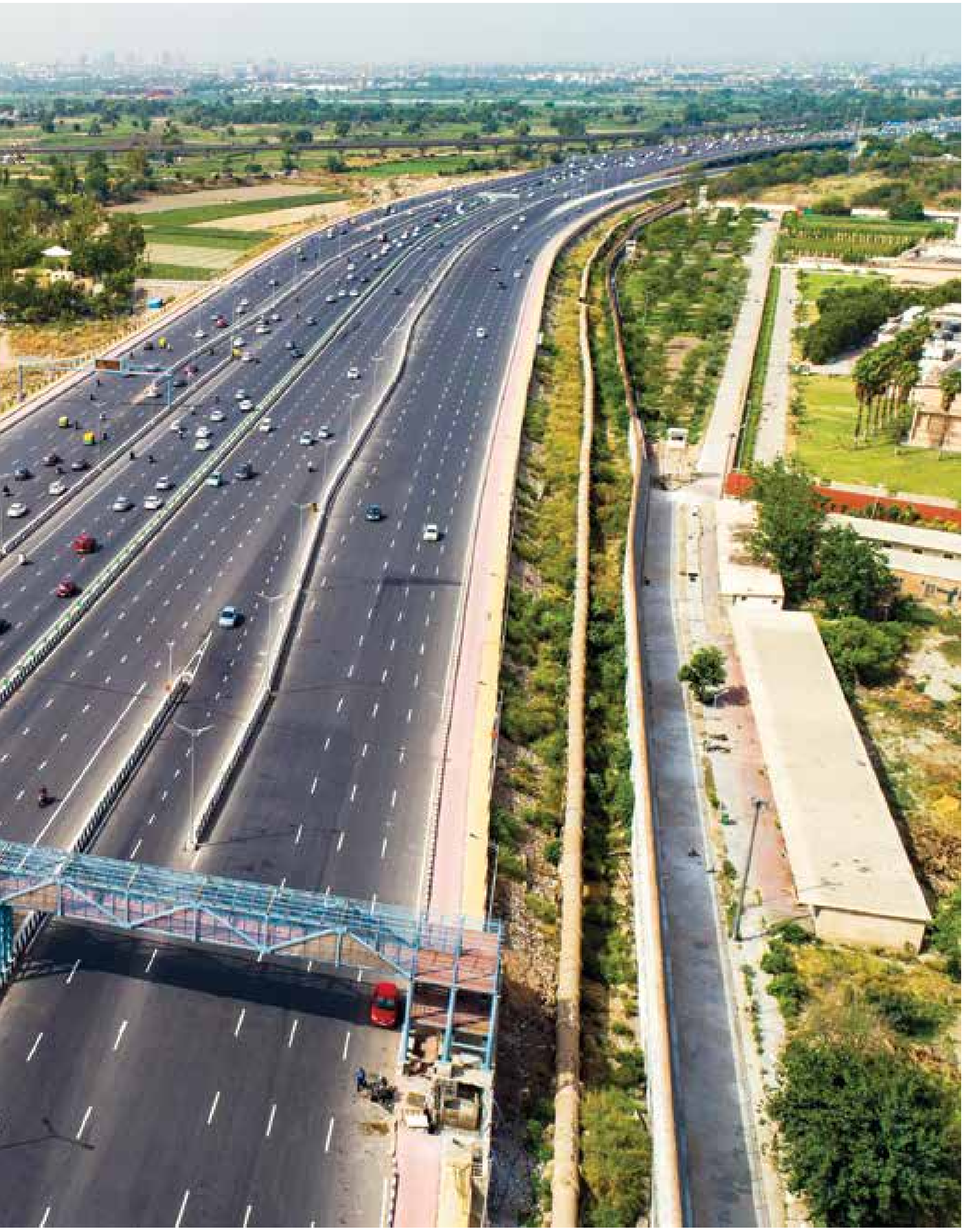
In order to encourage private participation in the road construction segment, Government is coming up with project awards under different formats. Hybrid Annuity Model (HAM), the latest variant, is an innovative model of project development which divides the risk between the developer and the authority. HAM was introduced in January 2016, to kickstart road projects that had stalled under the previous regime due to issues like acquisition of land, construction risk, tolling risk, traffic changes and difficulty in financing the debts for the projects.

Taking into consideration, the significance of the road infrastructure, the Government has increased its focus on the roads & highways sector by increasing the investment outlay in the sector (refer fig.)

Fig. 3: NHAI: Planned construction of the Bharatmala Program



Source: NHAI



HAM model is a win-win model for both the developer and the concessioning authority. From the point of developer, 40% of the project cost in HAM contracts is provided by the authority (such as NHAI) as construction support, thus reducing equity requirement for the developer to a minimal level of 12-15%. Since fund disbursement from the Government is on time and happens during the construction phase itself, projects have less chance of getting stuck because of financing reasons. The authority also ensures necessary clearances and 80% of the land before the appointed date. During the operational period, the developer bears no toll collection risk and its O&M gets covered by separate payments from the authority. For the authority, capital expenditure is deferred under HAM and requires lesser amount of funds during construction years in comparison to projects on EPC mode. By following HAM, the authority would be able to finance 2.5 times of what it could on EPC mode. In addition to this, the authority gets revenue from toll collections and assured maintenance by the concessionaire for the concession period.

A few of the States are coming up with their versions of HAM model to make projects more attractive to developers and to the lenders for financing. Maharashtra, for example, provides 60% of the funds during construction instead of 40%, and the payment tenure for the remaining amount has been cut down from 15 years to 10 years. It also puts 50% of its contribution during construction, upfront in an escrow account for additional comfort to lenders.

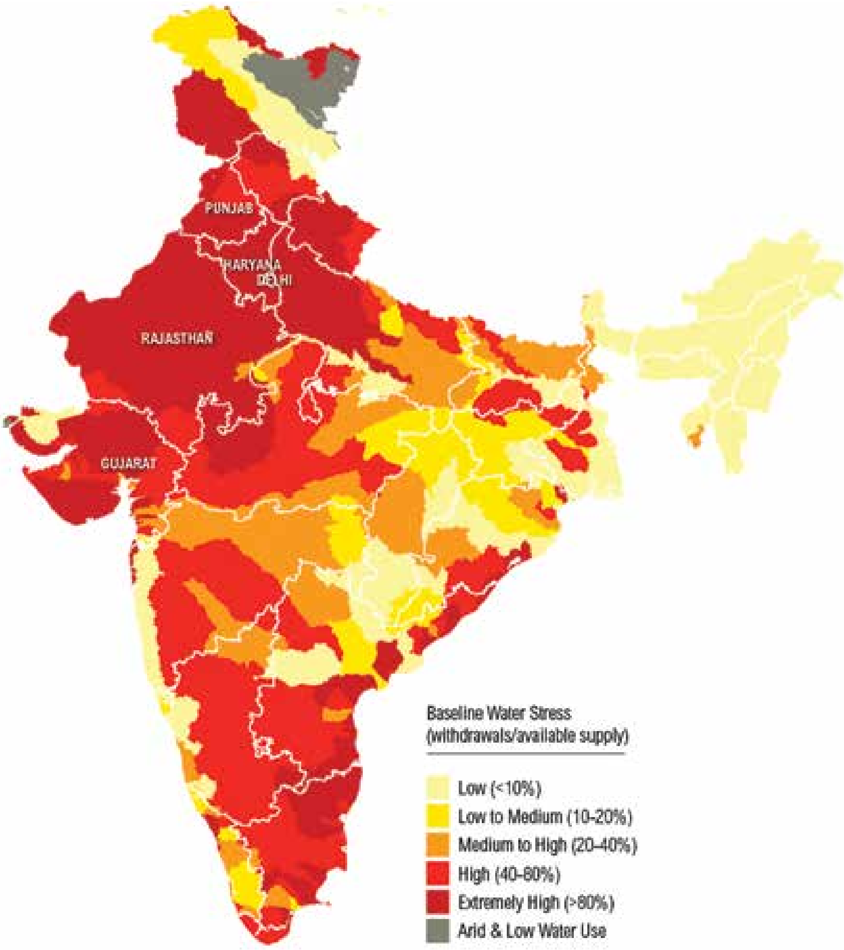
Success of HAM in becoming a preferred mode of awarding projects can be seen from the fact that it constituted almost half of the total projects awarded by NHAI in last two years vs only 8% in FY 2016.

Water Infrastructure

India is home to 16% of the world's population, covering 2.5% of the world's land area, whereas it has only 4% of the world's water resources. With increasing water demand putting pressure on availability and quality, India is currently ranked 120 among 122 countries in the water quality index.

India is suffering from the worst water crisis in its history. As many as one Billion people live in areas of physical water scarcity, of which 600 Million Indians face high to extreme water worries because of insufficient access to safe water. If the current scenario continues, it is estimated that by 2030, 40% of India's population may not have access to drinking water and eventually resulting in about 6% loss to the country's GDP. Currently, critical groundwater resources (about 40% of our water supply) are being depleted at unsustainable rates. There is a likelihood that 21 cities including New Delhi, Bengaluru, Hyderabad & Chennai will run out of ground water by 2020 affecting nearly 100 Million people. The severity of current baseline water stress can be seen all across the country. (refer Fig.4)

Fig. 4:
Baseline water stress in India (Ratio of total withdrawals and total flow)



Source: Niti Aayog

In order to combat this situation, India will have a cumulative investment requirement from 2016 to 2040 of USD 373 Billion in water infrastructure. To overcome the lack of efficient infrastructure, Indian Government is coming up with overall improvement plans for the sector. India is set to embark on an ambitious exercise to link over 70 of its rivers. Central government's ambitious Rs. 5.5 Trillion River Inter-link plan is a large-scale civil engineering project that aims to link rivers. The mission of this program is to ensure greater equity in the distribution of water by enhancing its availability in drought-prone and rainfed areas. The National Water Development Agency (NWDA) has identified 30 links for interlinking projects for transferring water from water surplus basin to water deficit basins.

India's flagship program for rejuvenation of River Ganga, Namami Gange has been launched; a total of 254 projects costing Rs. 247 Billion have been sanctioned for various activities like sewage infrastructure, river front development, river surface cleaning and public participation. This will not only create new infrastructure, but also rehabilitate the old and dilapidated Sewage Treatment Plants (STPs). Moreover, the ministry is implementing other key projects such as Pradhan Mantri Krishi Sinchayee Yojana.

Successful implementation of these plans will require a strong public private partnership. Thus, after reviving private sector participation in the road infrastructure sector, the Government is making efforts in water infrastructure as well. On the similar lines of HAM road infrastructure model, the Government has given an approval on Hybrid Annuity-PPP model for water infrastructure. As per this model, 40% of the capital cost will be paid by the Government to the developer during construction and the remaining capital investment is made by the developer through equity and debt financing.

Oil and Gas

The world economy continues to expand at a faster pace and is expected to increase by two-fold over the next 20 years, driven by increasing prosperity in fast growing developing economies, with India, China and other Asian countries together accounting for two-thirds of the increase. This growth will require energy and therefore, global energy demand is expected to grow by about 30% by 2040. India's demand for energy in the same period is expected to expand by 156%, nearly three times the overall non-OECD growth of 56%, also outpacing each of the BRIC countries: China (+28%), Brazil (+65%), and Russia (+7%). India is already the third-largest consumer of crude oil and petroleum products in the world after USA and China, the country's share in global energy consumption is anticipated to jump significantly from 6% in 2019 to 11% in 2040.

The expansion in India's energy demand will be significantly contributed by progressive growth in India's GDP, advancement of manufacturing sector and growing population size. Moreover, with rising income levels, demand for automobile is also estimated to rise, which in turn will raise the demand for oil and gas. By 2040, oil imports are expected to rise by 101%, while the gas imports are expected to increase by 242%, which signifies India's high reliance on imports for majority of its oil and gas consumption.

In order to meet the growing demand and reduce high dependency on imports, various initiatives have been taken by the Government for strengthening Exploration & Production (E&P) segment of oil and gas in India:

- Approval of the Hydrocarbon Exploration and Licensing Policy (HELP), which enables ease of doing business for E&P segment, by offering a single license for both conventional and unconventional Hydrocarbons
- Under the flagship policy HELP, the Government launched Open Acreage License Program (OALP) as well, which allows the companies to carve out area for petroleum exploration and production
- Setting up of National Data Repository (NDR) to assimilate and preserve the entire exploration and production data of 3.14 Million Sq. Kms of Indian sedimentary basins, which will not only facilitate global E&P investments but also support research in E&P domain

To increase exploration activities, attract domestic and foreign investment in unexplored/ unallocated areas of sedimentary basins, enhance domestic production of oil and gas from existing fields and promote ease of doing business by streamlining and expediting the approval processes, the Government of India recently announced policies to allow contractors to have full marketing and pricing freedom to sell on arm's-length basis, and also to have price discovery on the basis of transparent and competitive bidding.

WEL - BUSINESS STRATEGY AND HIGHLIGHTS

Welspun Enterprises Limited (WEL) is one of the three key companies under the Welspun Group. The Company operates in the infrastructure sector (Road and water infrastructure) with investment in oil and gas space. WEL is unique in the Indian infrastructure space with its focus majorly on HAM, significant cash balance and asset-light model. WEL has 7 HAM projects in its portfolio taking the total HAM portfolio size to Rs. 85+ Billion and 590+ Kms. Unexecuted order book at the end of FY 2019 stands at Rs. 52+ Billion implying a book-to-bill ratio of approximately 3 times. This implies a strong revenue growth visibility for next 2 years.

The Company follows a unique asset-light model, with minimal investment in construction plant and machinery. WEL only focuses on the high value-add activity - Project Management Consultancy (PMC), ensuring quality, safety and timely completion of the projects in its portfolio. The entire construction is outsourced/sub-contracted to the best-suited sub-contractor. This outsourcing gives WEL flexibility to take up projects in any part of the country. The rigorous project monitoring and supervision by WEL, during the construction phase, helps in achieving early completion and reducing operations and maintenance during the O&M period. It also helps improve returns by earning the early completion bonus. With focus only on HAM, working capital requirements are also minimal. Under HAM, the risks are significantly reduced once the construction is over. WEL's strategy is to unlock value from its completed assets either through an outright sale or through refinancing.

The Company has a net cash balance of Rs. 3 Billion, unlike most other companies in the infrastructure space that are burdened with high amount of debt. This cash balance ensures that the Company has ample capital for growth as well as supports the equity required for the HAM projects. In addition to the Rs. 3 Billion cash balance, the Company has around Rs. 1.1 Billion which is given as temporary funding to subsidiaries/JVs in lieu of drawing debt at that level. This takes the total growth capital to Rs. 4.1 Billion.

Thus, WEL is well-positioned to financially close its HAM projects. It has the capability to arrange debt at reasonable rates, given Welspun Group's strong relationship with banks and WEL's robust credit rating.

WEL follows the following strategy:

1 Bid of Differentiated HAM Projects / Buy Distressed HAM Projects
- Lower competition
- Better IRRs

2 Achieve early financial closure
- Strong balance sheet
- Reduced finance cost

3 Award construction to best suited sub-contractor
- Reduce execution risk
- Minimal investment in plant & machinery

4 Project Management Consultancy
- Rigorous monitoring
- Achieve early completion

5 Achieve COD ahead of schedule
- Earn early completion bonus
- Improve returns

6 Refinance to reduce interest cost
- Rating revision
- Reduce financing cost

7 Timely value unlocking
- Divest to long term investor with lower cost
- Sustained cashflow

8 Reinvest proceeds in new projects
- Ensure optimal balance sheet size

INFRASTRUCTURE PROJECT PORTFOLIO

WEL started FY 2019 with five HAM projects and added two more HAM projects to its portfolio. The Company won the Sattanathapuram - Nagapattinam project (in Tamil Nadu) from NHAI as well as Package No. AM2 (in Amravati, Maharashtra) from Maharashtra PWD during the year, taking the total HAM portfolio size to Rs. 85+ Billion and 590+ Kms. During the year, WEL also demonstrated robust execution on its HAM project portfolio. The Company got appointed date and started construction on two of its projects, in addition to further progress on the two under-construction projects. The unexecuted EPC order book at the end of the year was Rs. 52+ Billion (excluding GST).

The year marked the completion of India's first HAM project - Delhi-Meerut Expressway Package - 1 in a record 19 months (11 months prior to the scheduled completion), demonstrating operational excellence.

HAM Road Projects: All projects are with full financial tie-ups as detailed below:

Delhi-Meerut Expressway Package 1

Project Description: 14-Lane expressway: Six-laning of Delhi – Meerut Expressway & 4-laning either side from 0th km to existing km 8.4 of NH-24 in Delhi.

Completion cost: Rs. 8.87 Billion

Project status: WEL started construction on the country's first 14-lane expressway and one of the first projects under the Hybrid Annuity Model (HAM), in November 2016. While the construction schedule was 30 months, the Company completed the project and got COD within 19 months. This demonstrates the operational excellence and superior project management by WEL, with its outstanding performance being appreciated by the NHAI as well.

WEL also received the first annuity in January 2019 within the stipulated time of 15 days from the completion of 6 months from COD. Annuity details are given in the below table:

Sr. No.	Description	Amount (Rs. in Million)
1	1st Annuity installment	112
2	Interest on completion cost	261
3	O & M payments	22.1

Early completion bonus of Rs. 271 Million (excluding GST) has also been received by the Company.

Gagalheri-Saharanpur Yamunanagar (GSY)

Project Description: 4-laning of Gagalheri-Saharanpur Yamunanagar section of NH-73 in UP / Haryana.

Bid Project Cost: Rs. 11.84 Billion

Project Status: WEL acquired a stake in this project from the MBL group and became the project sponsor in January 2018. NHAI declared the Appointed Date for the Project as January 26, 2018. Physical progress of about 60% has been completed by end-FY 2019 and execution is in full swing in this project.

Chutmalpur-Ganeshpur & Roorkee-Chutmalpur-Gagalheri (CGRG)

Project Description: 4-Laning of Chutmalpur-Ganeshpur section of NH-72A & Roorkee-Chutmalpur-Gagalheri section of NH-73 in UP & Uttarakhand.

Bid Project Cost: Rs. 9.42 Billion

Project Status: WEL acquired a stake in this project from the MBL group and become the project sponsor in January 2018. NHAI declared the Appointed Date for the Project as February 28, 2018. Physical progress of about 60% has been completed by end-FY 2019 and execution is in full swing in this project.

Aunta-Simaria (Ganga Bridge with Approach Roads)

Project Description: Six-Laning from Aunta-Simaria (Ganga Bridge with Approach Roads) Section from km 197.9 to Km 206.1 of NH-31 in Bihar.

Bid Project Cost: Rs. 11.61 Billion

Project Status: The Company was awarded the project in August 2017 by NHAI. NHAI declared the Appointed Date for the Project as August 30, 2018. Physical progress of about 10% has been completed by end-FY 2019 and execution is in full swing in this project.

Chikhali-Tarsod (Package-IIA)

Project Description: 4-laning of Chikhali-Tarsod (Package-IIA) section of NH-6 from km. 360.0 to km. 422.7 in Maharashtra.

Bid Project Cost: Rs. 10.48 Billion

Project Status: WEL acquired a stake in this project from the Vishvaraj group and became the project sponsor in January 2018. NHAI declared the Appointed Date for the Project as January 16, 2019. Physical progress of about 17% has been completed by end-FY 2019 and execution is in full swing in this project.

Sattanathapuram–Nagapattinam

Project Description: 4-laning of Sattanathapuram to Nagapattinam (Design Ch Km 123.8 to Km 179.6) section of NH-45A (New NH-332) in Tamil Nadu

Bid Project Cost: Rs. 20.04 Billion

Project Status: Received Letter of Award (LoA) in July 2018; signed concession agreement on December 3, 2018. The Company has submitted financial closure documents to NHAI and is awaiting appointed date.

Package No. AM2 (Maharashtra Amravati)

Project Description: Upgradation of Roads in Maharashtra State or Two Laning Road/Two Laning Road with paved shoulder under MRIP Package on Hybrid Annuity Mode (HAM) Package No. AM 2

Key Features: Concessionaire to receive 60% of the Bid Project Cost (BPC) during the construction period (vs. 40% in NHAI projects); balance 40% of BPC and O&M payments is paid back in semi-annual installments in a period of 10 years (vs. 15 years in NHAI projects)

Bid Project Cost: Rs. 14.6 Billion

Project Status: Received Letter of Award in Nov 2018; concession agreement signed on January 10, 2019. Company has submitted financial closure documents to the authority and has received the appointed date in May 2019.

Apart from the HAM projects, the Company also has a small portfolio of legacy BOT projects. The Company currently operates two BOT projects - one in road & water each. The projects are:

- Himmatnagar bypass in Gujarat: Rs. 15.7 Million toll collection in the year
- Dewas water project in Madhya Pradesh: This project, which involves supply of treated water of up to 23 MLD to industrial customers in Dewas, has been modified under the Madhya Pradesh Swiss Challenge Guidelines. Construction of the modified project, with project cost of Rs. 1.46 Billion (including subsumed debt of old project), started in May 2018 and provisional COD was received w.e.f. from April 30, 2019.

During the year, the Company handed back Raisen–Rahatgarh BOT project to the authority on October 9, 2018. Also, the Company has a policy of regularly divesting completed assets in order to recycle capital. During the year, the 13% residual stake in Dewas Bhopal BOT road project was sold for Rs. 577 Million. With this, the total consideration received by Welspun was Rs. 1,841 Million as against its fund infusion of Rs. 854 Million implying a multiple of 2.15x.

OUTLOOK

With a robust unexecuted EPC order book of Rs. 52+ Billion (Excluding GST) which is at a book-to-bill ratio of approximately 3 times, WEL has a good revenue visibility for next 2 years. The Company will continue to focus on operational excellence and prudent capital allocation by investing in projects which meet the Company's return-threshold.

WEL plans to continue its approach of prudent bid/buy strategy to strengthen its HAM portfolio. Major projects targetted will be the projects where differentiation is possible from the developer side. The Company will also look to tap opportunities in State road HAM projects on a selective basis.

As part of its diversification strategy, WEL is looking to grow its business in the water infrastructure segment. The Company sees huge potential in the water projects space with focus on water transmission, water treatment and desalination projects, and expects to replicate its road sector success in water segment as well.

On the existing project portfolio, the Company is targeting to complete construction before schedule on all the projects. Once completed, WEL will look to divest or securitize / refinance these completed projects in order to unlock capital and create long-term sustainable value for the stakeholders.

OIL & GAS

The Company is invested in the oil and gas sector through a Joint Venture Company - Adani Welspun Exploration Ltd. (AWEL), where it owns 35% stake. Under the existing portfolio, the Company has four relevant blocks:

- Kutch-1 or GK-OSN-2009/1 - AWEL has 25% stake in this block. Declaration of Commerciality (DoC) has been filed by the operator-ONGC. Once it is approved by DGH, Field Development Plan (FDP) will be prepared and submitted
- Mumbai Block or MB-OSN-2005/2- AWEL currently holds 100% ownership interest in Phase I. AWEL has decided to execute Phase-II of the exploration
- Palej or CB-ONN-2005/4 –WEL and Adani Group directly hold 35% and 55% respectively in this block. The consortium had stuck oil in the block but termination notice was served by MoPNG due to default of Naftogaz India holding 10% stake; non-defaulting partners Adani Group and WEL have requested for transfer of this 10% stake to Adani/AWEL. The request is pending for approval by DGH/MoPNG
- B-9 Cluster (DSF) – This block is in close proximity to AWEL's prospective exploratory block (MB/OSN/2005/2) and ONGC's B-12 area, which is under advanced stage of development. The field development plan has been reviewed by DGH and development is expected to start soon. The anticipated capital cost is USD 110 Million at the AWEL level

During the year, AWEL decided not to participate in future exploration/appraisal of another of its blocks – GK-OSN-2009/2 in Kutch.

WEL believes that its existing blocks have considerable hydrocarbon potential, which would be quantifiable post the appraisal stage/during the development stage of each of these blocks. The Company intends to unlock value from these blocks at the right time.

AWARDS

WEL's performance has been widely appreciated and it has won several awards during the year:

Awards & Accolades for WEL

1. Chosen by Construction World magazine as the '**Fastest Growing Construction Company**' in the 'Small' segment.
2. Selected by Construction World magazine as one of the **'Top Challengers'** - companies who have demonstrated their ability to grow over the previous year despite challenging circumstances.

Accolades for DME

1. DME Project was a **Finalist** in the **'Annual Awards for Excellence in National Highways'** instituted by the Ministry of Road Transport and Highways (MoRTH). The project was chosen as a **CHAMPION** in the category of **Excellence in Construction Management (PPP)**.
2. Awarded **'Best Transportation Infrastructure Project'** by Indian Concrete Institute.

CORPORATE SOCIAL RESPONSIBILITY

Welspun is proactive to the immediate global need for sustainable practices and shares a cherished bond with the communities it influences. With a steadfast commitment to areas of Education, Empowerment, Environment and Health, Welspun works closely with the surrounding villages to touch, heal and better the quality of lives around the world. In everything Welspun does, there is a strong commitment to sustainable development, balancing the needs of the present with those of the future.

With an aim to encourage sanitation practices in women and empowering them to earn a better livelihood, Welspun initiated a project on promoting menstrual hygiene management in the villages. Through this initiative, Welspun has enabled 48 women entrepreneurs from 23 villages reaching out to 8,000 women across Anjar, Vapi, Saharanpur, Dewas, Bihar, Uttar Pradesh and Telangana. By 2020, the Company is well poised to scale the project up, creating 200 entrepreneurs and impacting half a Million women across the country.

In areas nearby its construction sites, the Company has taken initiatives for:

Community Healthcare

- Weekly health check-up camps
- Regular fogging

Potable Water Supply

- Distribution of potable water at nearby areas
- Providing clean & hygienic water bottles for storage

Promoting Education

- Providing basic education at a young age
- Distribution of school kits and books for children

Key Risks

Infrastructure
- Land acquisition issues
- Multiple clearances and associated delays
- Difficulties in raising long-term funding
- Too many assets available for sale combined with limited buyers, reducing valuation of assets
- Inadequate regulatory framework
- Interest rate risk

Oil & Gas
- Commercial viability of discoveries
- Volatility of oil & gas prices
- Infrastructure constraints for exploration and evacuation of products
- Regulatory controls

HUMAN RESOURCES POLICY

Human resource is the biggest asset of the Company and it remains one of the core focus areas of the Company. The Management of the Company lays special emphasis on the welfare of its employees and training, welfare and safety measures are undertaken on a regular basis. The Company has a well-qualified and experienced team of professionals with a dedicated human resource department, which is competent to deliver when needed. The Company aims to provide a congenial work environment that respects individuals and encourages professional growth, innovation and superior performance. The headcount in the Company as on March 31, 2019 was 437.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Management of the Company maintains adequate internal control system which is designed to provide reasonable assurance that assets are safeguarded and transactions are rightly executed and recorded in accordance with management authorization and accounting policies.

All the records are adequately maintained for preparation of financial statements and other financial information. Apart from internal controls, the Company also audits the efficiency and security of its operations, its information technologies and data, in accordance with the global standards. The Audit Committee reviews internal audit reports as well as the internal control systems and financial disclosures.

DISCUSSION OF FINANCIAL PERFORMANCE – FY 2019

Note: This section discusses the financial performance on a comparable basis. The numbers might differ from the reported numbers.

The standalone financials are as shown below:

Income Statement Snapshot (Rs. Million)	FY 2018-19	FY 2017-18	YoY Growth
Revenue from Operations	**17,394**	**9,972**	**74%**
Other Income	546	956	-43%
Total Income	**17,940**	**10,928**	**64%**
EBITDA	**2,369**	**1,660**	**43%**
EBITDA margin	13.2%	15.2%	
PBT	**2,122**	**1,385**	**53%**
Exceptional gain	199	142	
Reported PBT	2,320	1,527	52%
PAT	**1,537**	**1,097**	**40%**
PAT margin	8.6%	10.0%	
Cash PAT	**1,809**	**1,298**	**39%**

Note: Cash PAT = Reported PBDT – Current tax + Non-cash ESOP

Balance Sheet Snapshot (Rs. Million)	31st Mar 2019	31st Mar 2018
Net Worth	**15,993**	**14,573**
Gross Debt	1,709	664
- Long-Term Debt (incl. current maturities)	130	521
- Short-Term Debt	1,579	143
Cash & Cash Equivalents	**4,737**	**7,135**
Net Debt /(Cash)	(3,028)	(6,471)
Other Long-Term Liabilities	315	303
Total Net Fixed Assets (incl. CWIP)	645	87
Net Current Assets (Excl. Cash & Cash Equivalents)	1,328	1,053
Other Long-Term Investments and Assets	11,306	7,263

Note: Cash & Cash Equivalents include liquid Investments & ICDs

Revenue from Operations:

Revenue from Operations up 74% to Rs. 17,394 Million from Rs. 9,972 Million, primarily due to increased execution on multiple projects.

EBITDA:

EBITDA up 43% to Rs. 2,369 Million from Rs. 1,660 Million with higher execution.

Profitability:

Profit before tax (before exceptional) up 53% to Rs. 2,122 Million in FY 2019 from Rs. 1,385 Million in FY 2018.

Profit after tax up 40% to Rs. 1,537 Million in FY 2019 from Rs. 1,097 Million in FY 2018.

Net Worth:

Networth was at Rs. 15,993 Million in FY 2019 as compared to Rs. 14,573 Million in FY 2018.

Debt:

The Company's gross debt stands at Rs. 1,709 Million in FY 2019 compared to Rs. 664 Million in FY 2018. Taking into consideration, cash and cash equivalents of Rs. 4,737 Million, the Net Debt/(cash) stood at Rs. (3,028) Million in FY 2019 as compared to Rs. (6,471) Million in FY 2018. The cash & cash equivalents exclude Rs. 1,091 Million which is given as temporary funding to subsidiaries/JVs in lieu of drawing debt at that level. The temporary funding was done in order to minimize the interest cost at the SPVs and the funds are available to WEL, on demand. The reduction in net cash was primarily on account of investments in SPV for under construction HAM projects.

KEY FINANCIAL RATIOS

Ratios	Definitions	31-Mar-19	31-Mar-18	Remarks
(i) Debtors Turnover	Turnover / Average Debtors	7.64	14.98	The Company had done temporary funding of its subsidiaries through outstanding receivables. This was done in order to minimize the interest cost at the subsidiaries
(ii) Inventory Turnover	Turnover / Average Inventory	2,395	1,412	Inventory is negligible due to the Company's back to back subcontracting business model; so this ratio is not relevant to track
(iii) Interest Coverage Ratio	EBIT / Interest	20.36	20.79	Interest costs grew in line with the EBIT
(iv) Current Ratio	Current Asset/ Current Liabilities	1.70	3.18	Decrease in cash due to investment in SPVs has resulted in lower current ratio
(v) Debt Equity Ratio	Gross Debt/Net Worth	0.10	0.04	Short-term debt taken (mostly in the form of CPs) has resulted in higher debt equity ratio
(vi) Operating (EBITDA) Profit Margin (%)	Operating EBITDA/Turnover	12.1%	9.5%	Operating profit margin is higher on account of improved profitability as fixed costs were spread over higher turnover as execution picked up pace
(vii) Net Profit Margin (%)	Net Profit/ Turnover	8.8%	11.0%	Net Profit Margin reduced mainly due to reduction in treasury income
(viii) Return on Net Worth (%)	Net Profit/Net Worth	9.6%	7.5%	Improvement in net profit due to higher operating profit, resulted in better return on net worth

Directors' Report

To,

The Members,

Welspun Enterprises Limited

The directors have pleasure in presenting the 25th Annual Report of the Company along with the Audited Financial Statements for the financial year ended March 31, 2019.

1. FINANCIAL RESULTS:

(Rs. in lakhs)

Particulars	Standalone		Consolidated	
	F.Y. 2018-19	F.Y. 2017-18	F.Y. 2018-19	F.Y. 2017-18
Revenue from operations	173,942	99,720	178,660	106,713
Other Income	5,462	9,556	7,387	11,481
Total Income	**179,404**	**109,276**	**186,047**	**118,195**
Total Expenditure	**158,187**	**95,427**	**165,884**	**104,375**
Share of profit/ (loss) from associate and joint venture	-	-	(1,450)	(285)
Profit Before Tax	**21,217**	**13,849**	**18,713**	**13,534**
Exceptional Items	1,985	1,417	1,985	(1,961)
Tax expenses/ (credit)	7,833	4,292	8,022	4,630
Profit for the year	**15,369**	**10,974**	**12,676**	**6,943**
Other Comprehensive Income	(32)	(88)	(33)	(92)
Total Comprehensive Income	**15,337**	**10,886**	**12,643**	**6,851**
Earnings Per Share				
Basic (Rs.)	10.40	7.44	8.58	4.71
Diluted (Rs.)	10.34	7.37	8.53	4.66

The financial statements have been prepared in accordance with the applicable accounting standards.

2. PERFORMANCE HIGHLIGHTS:

Performance highlights for the financial year ended March 31, 2019 are as under:

(Rs. in lakhs)

Particulars	Standalone		Consolidated	
	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
Revenue from Engineering, Procurement and Construction ('EPC') and other operating income	173,478	96,741	177,597	102,695
Toll Collection	464	2,979	1,063	4,018

Since the last report the following developments took place:

- Delhi-Meerut Expressway Package-1 ("the Project"), India's first and only completed HAM project, was completed 332 days ahead of the scheduled completion date and received the certificate for commercial operation w.e.f. June 28, 2018. Welspun Delhi Meerut Expressway Private Limited (a wholly-owned subsidiary of the Company) received Rs. 27.09 crore (excluding GST) as bonus from National Highways Authority of India for early completion of the Project.

  Accolades for the Project – (1) The Project was a Finalist in the Annual Awards for Excellence in National Highways instituted by the Ministry of Road Transport and Highways (MORTH). (2) The Project was chosen as a CHAMPION in the category of Excellence in Construction Management (PPP). (3) Awarded 'Best Transportation Infrastructure Project' by Indian Concrete Institute.

- For project relating to upgradation of Roads/Two Laning of Roads/ Two Laning of Road with paved shoulder under MRIP Package on Hybrid Annuity Mode (HAM) Package No. AM 2 under Public Works Circle, Amravati in Maharashtra State, the Public

Works Department declared the Appointed Date as May 28, 2019.

- The Dewas Industrial Water Supply Project was completed ahead of the scheduled completion date and subsequently received the provisional completion certificate for commencing commercial operation w.e.f. April 30, 2019.
- For project relating to four laning of Chikhali – Tarsod (Package-IIA) section of NH-6 from km. 360.000 to km.422.700 in the State of Maharashtra, National Highways Authority of India declared the Appointed Date as January 16, 2019.
- For project relating to six laning of Aunta-Simaria (Ganga Bridge with approach roads), National Highways Authority of India declared the Appointed Date as August 30, 2018.
- The Company received award from the Construction World magazine for the "Fastest Growing Construction Company" in the 'Small' segment.
- Selected by the Construction World magazine as one of the "Top Challengers" which showcases promising companies who have demonstrated their ability to grow over the previous year despite challenging circumstances.

3. SCHEME OF AMALGAMATION:

The Scheme of Amalgamation of Anjar Road Private Limited ('ARPL' or the 'Transferor Company') with Welspun Enterprises Limited ('WEL' or the 'Transferee Company') and their respective shareholders and creditors ('the Scheme') was approved by the shareholders on March 19, 2019. The Hon'ble National Company Law Tribunal, Ahmedabad Bench heard the matter on June 12, 2019 and the order approving the Scheme is awaited.

The Scheme provides for transfer of all the assets and liabilities of the Transferor Company as on the Appointed Date to the Transferee Company and in consideration thereof 5,84,15,951 fully paid up equity shares of Rs. 10/- each of the Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of the Transferor Company in proportion of their holding in the Transferor Company.

4. RECLASSIFICATION OF CO-PROMOTER AS PUBLIC SHAREHOLDER:

The Company's foreign co-promoter viz. Intech Metals S.A. has applied for re-classification as public shareholder. The reclassification application is pending for approval of the stock exchanges.

5. DIVIDEND & TRANSFER TO RESERVES:

The Board is pleased to recommend a dividend @ 20% for the year ended March 31, 2019, i.e., Rs. 2/- per equity share of Rs. 10/- each fully paid up out of the net profits. In respect of profit declared during the previous year, Rs. 12.64 lakhs remained unclaimed as on March 31, 2019.

The Company has appointed Ms. Priya Pakhare, Company Secretary as the Nodal Officer for the purpose of co-ordination with Investor Education and Protection Fund Authority. Details of the Nodal Officer are available on the website of the Company at www.welspunenterprises.com.

As per the Dividend Distribution Policy of the Company, the Board endeavors to achieve distribution of an amount of profit subject to maximum of 25% of Profit after Tax for a financial year, on consolidated basis or standalone basis, whichever is higher. The amount of dividend together with the Dividend Distribution Tax for the year ended March 31, 2019 works out to 23.23% of Profit After Tax on standalone basis. The Policy is available on the Company's website at:

http://www.welspunenterprises.com/userfiles/file/WEL%20Dividend%20Distribution%20Policy%20%20(1).pdf

6. INTERNAL CONTROLS:

The Company has adequate internal control system, which is commensurate with the size, scale and complexity of its operations. The Company has a process in place to continuously monitor existing controls and identify gaps and implement new and / or improved controls wherever the effect of such gaps would have a material impact on the Company's operation.

7. SUBSIDIARIES/JOINT VENTURES/ ASSOCIATE COMPANIES:

During the year, the following subsidiaries/ joint venture companies were incorporated: (1) Welsteel Enterprises Private Limited, (2) DME Infra Private Limited, (3) Grenoble Infrastructure Private Limited, (4) Welspun Sattanathapuram Nagapattinam Road Private Limited, (5) Welspun Road Infra Private Limited and (6) Welspun Amravati Highways Private Limited.

The Company completed the transaction for sale of balance 13% stake in Dewas Bhopal Corridor Private Limited with India Infrastructure Fund-II during the year.

A report on the performance and financial position of each of the subsidiaries/ joint venture/ associate companies included in the consolidated financial statements, is presented in Form AOC-1, annexed to this Report as Annexure - 1.

The Company's policy on Material Subsidiary as approved by the Board is uploaded on the Company's website www.welspunenterprises.com and a web link thereto is:

http://www.welspunenterprises.com/userfiles/file/Policy%20for%20governance%20of%20Material%20and%20other%20Subsidiaries.pdf

8. AUDITORS AND AUDITORS' REPORT:

a) Statutory Auditors

The Company's Auditors, M/s. MGB & Co. LLP, Chartered Accountants, who have been appointed as the Auditors of the Company for the period up to the conclusion of the 26th Annual General Meeting, subject to ratification by the members of the Company at every Annual General Meeting, have given their consent to continue to act as the Auditors of the Company. They are holding a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. Members are requested to ratify their appointment as the Auditors of the Company and to fix their remuneration as recommended by the Board, by passing an ordinary resolution under Section 139 of the Companies Act, 2013.

Total fees for all services paid by the Company and its subsidiary/ joint venture/ associate companies, on a consolidated basis, to the Auditors and all entities in the network firm/network entity of which the auditor is a part during the financial year under Report is Rs. 50.44 lakh.

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

b) Cost Auditors

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board of Directors of the Company, on the recommendation of the Audit Committee, has appointed M/s. Kiran J. Mehta and Co., Cost Accountants (Firm Registration Number 000025) as the Cost Auditors of the Company for the financial year 2019-20. Members are requested to ratify their remuneration by passing an ordinary resolution.

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

The Company had appointed M/s. Kiran J. Mehta & Co., Cost Accountants, as the Cost Auditors of the Company for the financial year 2018-19. The Cost Audit Report for the year 2017-18 was e-filed on August 8, 2018. The Cost Audit for the financial year 2018-19 is in progress and the report will be e-filed to Ministry of Corporate Affairs, Government of India, in due course.

c) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Mihen Halani & Associates, Company Secretaries, as the Secretarial Auditors of the Company for the financial year 2018-19.

The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed with the report as Annexure – 2. There is no qualification, reservation or adverse remark or disclaimer made by the Company Secretary in Practice in the Secretarial Audit Report.

The Board of Directors has appointed M/s. Mihen Halani & Associates, Company Secretaries as the Secretarial Auditors of the Company for the financial year 2019-20.

d) Details in respect of frauds reported by Auditors other than those which are reportable to the Central Government

The Statutory Auditors of the Company have not reported any fraud to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013 read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

9. SHARE CAPITAL & LISTING

a) Issue of equity shares with differential rights

The Company does not have any equity shares with differential rights.

b) Issue of sweat equity shares

During the year under report, the Company has not issued any sweat equity share.

c) **Issue of employee stock options**

During the financial year 2018-19, 5,50,000 equity shares were allotted to the ESOP grantees who had exercised the option attached to the Welspun Enterprises Limited – Employees Stock Option Plan-2017" ("WEL ESOP Scheme 2017").

The shareholders of the Company at the 24th Annual General Meeting held on August 14, 2018 approved modification of the WEL ESOP Scheme – 2017. The applicable disclosures as stipulated under Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 read with SEBI circular no. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 with regard to WEL ESOP Scheme 2017 are available on the website of the Company at www.welspunenterprises.com and weblink thereto is:

http://www.welspunenterprises.com/userfiles/file/ESOP%20disclosure%20-%20Reg%2014%20-%202018-19.pdf

The particulars required to be disclosed pursuant to the SEBI (Share Based Employee Benefits) Regulations, 2014 and Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 are given below:

Sr. No.	Particulars		WEL ESOP Scheme -2017
a	Options granted during FY 2018-19		Nil
b	Options vested during FY 2018-19		600,000
c	Options exercised during FY 2018-19		550,000
d	Total number of shares arising as a result of exercise of Options		550,000
e	Options lapsed		Nil
f	Exercise Price		Nil
g	Variation of terms of options		Date of vesting of the last tranche was changed from 10.10.2022 to 14.07.2022
h	Money realized by exercise of options		Nil
i	Total number of options in force		24,50,000
j	Employee wise details of options granted to	Key Managerial Personnel	No fresh option was granted during the year.
		Other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.	
		Employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	
k	Diluted Earnings Per Share (Rs.)		10.34
l	Weighted-average exercise price (Rs.)		0
m	Weighted-average fair values of options (Rs.) - As per Black Scholes Valuation model)		139.30

d) **Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees**

The Company has not made any provision of money for the purchase of, or subscription for, shares in the 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 the Companies (Share Capital and Debentures) Rules, 2014 is not required.

e) **Listing with the stock exchanges**

The Company's equity shares are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

Annual listing fees for the year 2019-20 have been paid to BSE and NSE.

f) **Disclosure with respect to shares held in unclaimed suspense account**

The details of unclaimed shares account as required to be disclosed pursuant to Point F to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

Aggregate number of shareholders and the outstanding shares in the unclaimed shares account lying at the beginning of the year		Number of shareholders who approached issuer for transfer of shares from unclaimed shares account during the year		Number of shareholders to whom shares were transferred from unclaimed shares account during the year		Aggregate number of shareholders and the outstanding shares in the unclaimed shares 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
31,224	209	0	0	0	0	31,224	209

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

10. FINANCE:

a) **Credit Rating**

The details of credit rating assigned to the Company are as follows:

Facilities	Rating	Rating Agency
Long term bank facilities	CARE AA-; Stable (Double A Minus; Outlook : Stable)	Credit Analysis & Research Limited
Long term / Short term bank facilities	CARE AA-; Stable/ Care A1+ (Double A Minus; Outlook : Stable/A One Plus)	Credit Analysis & Research Limited
Non - convertible Debentures	BWR AA (SO)	Brickwork Ratings India Private Limited.

b) **Deposits**

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

11. EXTRACT OF THE ANNUAL RETURN:

An extract of the annual return in Form MGT-9 of the Companies (Management and Administration) Rules, 2014 is attached to this Report as Annexure – 3 and is also placed on the website of the Company and can be accessed at www.welspunenterprises.com.

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

Energy conservation -

In the area of alternate energy, the Company has taken initiatives beyond its normal scope of works. At our Delhi Meerut Expressway Package-I project, an entire solar power plant of capacity 1050 kw, at an investment of Rs 7.5 crore has been installed. This power plant, installed on the Yamuna bridge, has generated 5.03 lakh units of green energy to meet the requirements of the complete 8.716 km stretch, thereby reducing the intake from the power grid.

Another initiative to reduce our carbon footprint is the installation of LED light bulbs at our Delhi Meerut Expressway Package-I project, reducing our power consumption.

Technology absorption -

a) At our Delhi Meerut Expressway Package-I project, India's first and only completed HAM project, vertical green walls have been installed along both sides of the Yamuna bridge with drip irrigation technology. This helps in reducing pollution along with better aesthetics.

b) The Company has utilized new building techniques in its projects – it is one of the few companies in India to have used pile foundations in constructing a river bridge which is a faster method of construction and helps in quality control.

c) SAP PS-Module is used to monitor the physical and financial progress on all our projects.

d) SAP – GRC, which is a modern access controls module is implemented for monitoring the user access risk's and to reduce the process complexity and cut costs – while protecting organizations reputation and financial well-being.

e) Microsoft SharePoint Document Management System (DMS) is implemented and is being used efficiently for managing the sensitive and vulnerable information within the organization.

f) Geofence which is a GPS technology is being implemented for recording the attendance and movement of employees all across the project sites. This technology provides better connect and engagement with employees.

Details of Foreign exchange earnings and outgo - Nil

13. CORPORATE SOCIAL RESPONSIBILITY (CSR):

In view of the absence of average net profits as computed pursuant to Section 198 of the Companies Act, 2013 during the three immediately preceding financial years, the Company was not required to contribute any amount for CSR activities as required under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014.

However, the Company has voluntarily contributed Rs. 2 crore to Welspun Foundation for Health and Knowledge, during the financial year 2018-19. Welspun Foundation for Health and Knowledge is a public charitable trust of Welspun Group which is committed mainly to areas of Education, Empowerment, Environment and Health under its CSR initiative.

The CSR Policy is hosted on the Company's website www.welspunenterprises.com and a web link thereto is:

http://www.welspunenterprises.com/userfiles/file/CSR%20Policy%20-.pdf

Disclosures as required under Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are annexed to this Report as Annexure – 4.

14. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Company's Board comprises of a mix of executive and non-executive directors with considerable experience and expertise across a range of fields such as finance, accounts, general management and business strategy. The details of the directors and their meetings held during the year have been given in the Corporate Governance Report, which forms part of the Annual Report.

a) Changes in Directors and Key Managerial Personnel

Since the last report, the following changes took place in the composition of the Board of Directors:

Mr. Yogesh Agarwal	Resigned w.e.f. June 20, 2018 due to personal reasons
Mr. Balkrishan Goenka	Appointed as Director not liable to retire by rotation w.e.f. August 14, 2018.
Mr. Ram Gopal Sharma	Resigned w.e.f. October 30, 2018 on account of ill-health
Dr. Aruna Sharma	Appointed as an additional independent director w.e.f. January 29, 2019
Mr. Mohan Tandon	Re-appointed as independent director for second term of 5 consecutive years w.e.f. April 1, 2019

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Sandeep Garg (DIN : 00036419) is retiring by rotation at the forthcoming Annual General Meeting and being eligible, has been recommended for re-appointment as a director liable to retire by rotation by the Board. Approval for his appointment as the Managing Director is for the period upto July 15, 2022.

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

b) Declaration by Independent Director(s)

The independent directors on the Board of the Company have given declaration that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 at the time of their respective appointment and there is no change in the circumstances as on the date of this report which may affect their status as an independent director.

Your Board confirms that in its opinion the independent directors fulfill the conditions prescribed under the SEBI (LODR), 2015 and they are independent of the management.

c) Formal Annual Evaluation

The Company followed the evaluation process with specific focus on the performance vis-à-vis the plans, meeting of challenging situations, performing of leadership role within, and effective functioning of the Board, etc. which was in line with the SEBI Guidance Note on Board Evaluation dated January 5, 2017. The evaluation process invited through IT enabled platform sought graded responses to a structured questionnaire for each aspect of the evaluation viz. 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. For the financial year 2018-19, the annual performance evaluation was carried out by the Independent Directors, 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.

d) Familiarization program for Independent Directors

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

The policy on Company's familiarization program for independent directors is hosted on the Company's website www.welspunenterprises.com and a web link thereto is:

http://welspunenterprises.com/userfiles/file/Familiarisation%20program%20WEL(LODR)-03_05_2019.pdf

e) Policy on directors' appointment, remuneration and other details

The salient features of the Company's "Nomination and Remuneration Policy" on directors' appointment, remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 has been disclosed in Point No. "V. NOMINATION AND REMUNERATION COMMITTEE" of the Corporate Governance Report, which forms part of the Annual Report.

f) Number of meetings of the Board

The Board met 6 times during the financial year 2018-19, the details of which are given in the Corporate Governance Report forming part of the Annual Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

g) Committee of the Board of Directors

Information on the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders' Relationship, Share Transfer and Investor Grievance Committee, Corporate Social Responsibility Committee and meetings of those Committees held during the year is given in the Corporate Governance Report.

15. VIGIL MECHANISM:

The Company has adopted Whistle Blower Policy and Vigil Mechanism for its directors and employees in terms of provisions of the

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and no personnel have been denied access to the Audit Committee. Protected Disclosures and other communication can be made in writing by an email addressed to the Chairman of the Audit Committee.

The policy on Whistle Blower Policy and Vigil Mechanism is disclosed on the Company's website and a web link thereto is as under:

http://www.welspunenterprises.com/userfiles/file/Whistle%20Blower%20Policy%20and%20Vigil%20Mechanism.pdf

16. LOANS, GUARANTEES AND INVESTMENTS:

Pursuant to Section 186(11)(a) of the Companies Act, 2013, the Company being engaged in the business of providing infrastructural facilities is exempt from the requirement of providing the particulars of loans made, guarantees given or securities provided or any investment made.

17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions that were entered into by the Company during the year under report were on an arm's length basis and were in the ordinary course of business, to serve the mutual needs and the mutual interest.

The approval of the shareholders was obtained on 18th March, 2019 by way of an ordinary resolution proposed vide postal ballot for entering into Engineering Procurement and Construction ("EPC) Contract between SPVs and the Company upto Rs. 5,000 crore for each project and upto Rs. 15,000 crore for all projects during any financial year for next 5 years. The EPC Contract would be in the ordinary course of business and on arm's length basis with related party/ies within the meaning of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In view of the changes in the business scenario, the Company could have opportunity to get EPC Contract exceeding the aforesaid threshold and hence, it was now proposed to enhance the value of EPC Contract between SPVs and the Company for each project from Rs. 5,000 crore to Rs. 10,000 crore and upto Rs. 30,000 crore for all projects upto 5th Anniversary of the date of passing of the shareholders resolution approving this proposal or Annual General Meeting to be held in calendar year 2024, whichever is later. The Board of Directors at its meeting held on April 16, 2019 recommended this proposal for approval of the shareholders at the forthcoming Annual General Meeting.

For the details of the related party transactions, please refer Note No. 46 of Notes to Accounts to the standalone financial statements.

The Audit Committee has given its omnibus approval for the transactions which could be envisaged and the same is valid for one financial year.

The Company's policy on dealing with Related Party Transactions as required under Regulation 23 of LODR is disclosed on the Company's website www.welspunenterprises.com and a web link thereto is as under:

http://www.welspunenterprises.com/userfiles/file/Related%20Party%20Transaction%20Policy.pdf

Disclosures as required under the Companies Act, 2013 are given in Form AOC-2 annexed as Annexure - 5 to this Report.

18. MANAGERIAL REMUNERATION:

a) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under:

   i. The ratio of remuneration of Mr. Balkrishan Goenka, Chairman (Executive) and Mr. Sandeep Garg, Managing Director, to the median remuneration of the employees of the Company was 1:146 and 1:163 (including the value of ESOPs and remuneration from associate company) respectively.

   ii. The percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year : Managing Director - 6% (excluding ESOP) Chief Financial Officer - 7% and Company Secretary - 21%.

   iii. The percentage increase in the median remuneration of employees in the financial year 2018-19 was 200%.

   iv. 437 permanent employees were on the rolls of the Company as on March 31, 2019.

   v. Market Capitalization of the Company as on March 31, 2019 was Rs. 157,634 lakhs and as on March 31, 2018, it was Rs. 208,538 lakhs.

vi. The share price increased to Rs. 106.45/- (NSE closing Price) as on March 31, 2019 in comparison to Rs. 30 (the rate at which the Company came out with the public issue in the year 2004).

vii. Average percentile increase in the salaries of employees (other than the managerial personnel), and of the managerial personnel, in the FY 2018-19 was ~9.5% and 30% respectively. Higher percentile rise in managerial remuneration viz-a-viz percentile rise in remuneration to the other employees, was to appropriately compensate the managerial personnel for handling key managerial responsibilities in increasingly competitive and challenging business environment.

viii. The Profit before Tax (before exceptional items) of the Company for FY 2018-19 was Rs. 21,217/- lakhs whereas Managing Director's, the Chief Financial Officer's, and the Company Secretary's, remuneration were Rs. 360 lakhs (includes Rs. 120 lakhs paid from associate company but excluding ESOP); Rs. 82.03 lakhs and Rs. 14.92 lakhs respectively.

ix. We affirm that the remuneration is as per the remuneration policy of the Company.

b) Details of the top ten employees in terms of remuneration drawn and name of every employee of the Company as required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under:

Name	Designation	Age (yrs)	DOJ	Current CTC (Rs. in lakhs)	Qualification and experience	Previous Company	Nature of Employment (whether contractual or permanent)	% Of Equity Shares held in the Company	Relative of any Director/ Manager of the company	DOL/ Transfer
Balkrishan Goenka	Executive Chairman	52	29.05.2015	750#	B.Com, 34 years	Not applicable	Contractual	Negligible	No	-
Sandeep Garg	MD	58	16.07.2012	833.16%	BE, 37 years	IL&FS	Contractual	1.08	No	-
Akhil Jindal	Director*	49	01.07.2015	306.03	BE & MBA, 25 years	S Kumar Group	Permanent	0.10	No	-
Deepak Chauhan	Director*	47	01.09.2017	216.53	B Com/ LLB/ LLM, 23 years	GVK Power & Infrastructure Ltd	Permanent	-	No	-
Jitendra Jain	President	48	01.10.2018	185.00	PGD - Finance, 23 years	GMR	Permanent	-	No	-
Banwari Lal Biyani	Director*	59	01.08.2014	176.10	AICWA, 40 years	Ispat Industrial Ltd.	Permanent	Negligible	No	-
Asim Chakraborty	Director*	58	01.07.2016	160.87	BE, 37 years	Gherzi Eastern Ltd	Permanent	0.01	No	-
Yogen Lal	Director*	51	12.06.2018	135.00	BE, 26 years	D.Thakkar Const. Pvt. Ltd.	Permanent	-	No	-
Asim Tewari	President	50	07.01.2019	120.00	BE/MPM, 26 Years	Bharat Roads Network Limited	Permanent	-	No	-
Girirajan Rajesh Kumar	Senior Vice President	53	26.12.2018	118.00	BE, 28 years	Tarkett Flooring India Pvt. Ltd.	Permanent	-	No	-

* Not on the Board of the Company

In addition the Company has provided for commission @ 2% of consolidated profits in the financial statement of the Company

% Includes Rs. 120 lakhs paid from associate company

Particulars of the remuneration payable to the executive directors of the Company for the year under report is as under:

(Rs. in lakhs)

<table>
<tr><th>Particulars</th><th>Mr. Balkrishan Goenka- Chairman (Executive)</th><th>Mr. Sandeep Garg – Managing Director</th></tr>
<tr><td>Salary & Allowance</td><td>750.00</td><td>360.00#</td></tr>
<tr><td>Perquisites</td><td>Nil</td><td>473.16</td></tr>
<tr><td>Commission</td><td>2%*</td><td>Nil</td></tr>
<tr><td>Details of fixed component</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Service Contract/Term of appointment</td><td>5 years from May 29, 2015 to May 28, 2020</td><td>5 years from July 16, 2017 to July 15, 2022</td></tr>
<tr><td>Notice Period (as per Company policy)</td><td>3 months</td><td>3 months</td></tr>
<tr><td>Severance Fees</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Stock Options</td><td>Nil</td><td>WEL ESOP – 2017:
<table>
<tr><th>No. of ESOPs</th><th>Date of Grant</th><th>Date of Vesting</th><th>Date of Exercise</th></tr>
<tr><td>30,00,000</td><td>10.10.2017</td><td>At the rate of 20% of the total ESOPs granted at each anniversary from 1st to 4th anniversary of the date of grant in quantum of 20% of the total ESOPs granted, and the vesting of remaining 20% of the total ESOPs granted shall happen on July 14, 2022.</td><td>Upto 3rd anniversary from the date of Vesting of ESOPs</td></tr>
</table></td></tr>
</table>

* The Company has provided for commission in the financial statement of the Company.

Includes Rs. 120 lakhs paid from associate company

c) No remuneration or perquisite was paid to, and no service contract was entered into with, the non-executive directors (including independent directors) of the Company except for the payment of the following sitting fees for attending meetings of Board / Committees of the Board/general meetings for the F.Y. 2018-19.

Sr. No.	Name of the Director	Sitting Fees (Rs.)
1.	Mr. Mohan Tandon	550,000
2.	Mr. Ram Gopal Sharma*	111,000
3.	Ms. Mala Todarwal	265,000
4.	Mr. Yogesh Agarwal#	45,000
5.	Mr. Dhruv Kaji	445,000
6.	Dr. Aruna Sharma@	85,000

* Resigned w.e.f. October 30, 2018
# Resigned w.e.f. June 20, 2018
@ Appointed w.e.f. January 29, 2019

The above mentioned sitting fees paid to the non-executive directors was in line with the Nomination and Remuneration Policy of the Company. The sitting fees paid to the directors was within the limits prescribed under the Companies Act, 2013 for payment of sitting fees and therefore, prior approval of the members as stipulated under Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was not required.

d) Mr. Sandeep Garg, Managing Director of the Company was neither in receipt of any commission from the Company nor remuneration or commission from the subsidiary companies.

e) Mr. Balkrishan Goenka, Chairman (Executive) of the Company, who was in receipt of remuneration of Rs. 750 lakhs from the Company and was eligible for commission of 2% of the annual profit (excluding profit/loss from capital receipts and assets disposition) of the Company on consolidated basis, was not in receipt of any remuneration or commission from the subsidiary companies.

f) Apart from Sitting Fees for meetings, there is no pecuniary transaction entered into by the non-executive directors with the Company.

19. SHAREHOLDING OF THE DIRECTORS OF THE COMPANY AS ON MARCH 31, 2019:

Refer Corporate Governance Report for detail of shareholding of directors.

Except as mentioned in the Corporate Governance Report, none of the other Directors hold any shares in the Company.

20. CORPORATE GOVERNANCE CERTIFICATE:

The Compliance certificate obtained from M/s. Mihen Halani & Associates, Company Secretaries, regarding compliance of conditions of corporate governance as stipulated under Part E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed with this Report.

21. RISK MANAGEMENT POLICY:

With its fast and continuous expansion in the volume of businesses in the highly competitive & challenging scenario, the Company is exposed to plethora of risks which may adversely impact growth and profitability. The Company recognizes that risk management is of concern to all levels of the businesses and requires a structured risk management policy and process involving all personnel. With this objective, the Company had formulated structured Risk Management Policy thereby to effectively address such risks namely strategic, business, regulatory and operational risks especially BOT projects.

The Policy envisages identification of risks together with the impact that these may have on the business objectives. It also provides a mechanism for categorization of risks into Low, Medium and High according to the severity of risks. The risks identified are reviewed by a committee of senior executives and the Managing Director of the Company and appropriate actions for mitigation of risks are advised; the risk profile is updated on the basis of change in the business environment.

For the key business risks identified by the Company please refer to the Management Discussion and Analysis annexed to this Report.

22. MISCELLANEOUS:

- During the year under Report, there was no change in the general nature of business of the Company.
- No material change or commitment has occurred which would have affected the financial position of the Company between the end of the financial year to which the financial statements relate and the date of the report.
- During the year under Report, no funds were raised through preferential allotment or qualified institutional placement.
- 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.
- Further, during the year under review, no case of sexual harassment was reported to the Internal Complaints Committee formed under the provisions of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

  ➢ number of complaints filed during the financial year - Nil

  ➢ number of complaints disposed of during the financial year – Not applicable

  ➢ number of complaints pending as on end of the financial year - Nil

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

23. DIRECTORS' RESPONSIBILITY STATEMENT:

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

a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b. the directors selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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

e. being a listed Company, the directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively; and

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

24. ACKNOWLEDGEMENTS:

The directors thank the government authorities, financial institutions, Banks, Customers, Suppliers, Shareholders, Employees and other business associates of the Company, who through their continued support and co-operation, have helped as partner in the Company's progress and achievement of its objectives.

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN: 00270175

Place: Mumbai
Date: July 11, 2019

Annexure – 1

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Rs. in lakhs)

	Sr. No.	1	2	3	4	5	6
Sr. No.	Name of the subsidiary	MSK Projects (Himmatnagar Bypass) Private Limited	MSK Projects (Kim Mandvi Corridor) Private Limited	Welspun Build-Tech Private Limited	Welspun Natural Resources Private Limited	Welspun Delhi Meerut Expressway Private Limited	ARSS Bus Terminal Private Limited
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR	INR
3.	Share capital	24	673	1	3,188	500	1,863
4.	Instruments entirely equity in nature	0	2,152	1,712	15,997	10,055	0
5.	Reserves and Surplus /Other Equity	933	(2,204)	(5)	(8,680)	(957)	(964)
6.	Total assets	1,006	1,333	1,710	34,337	54,170	914
7.	Total Liabilities	1,006	1,333	1,710	34,337	54,170	914
8.	Investments	690	850	0	20,348	0	0
9.	Turnover	556	501	0	0	2,799	0
10.	Profit before taxation	327	(101)	(1)	(1,788)	(710)	(2)
11.	Provision for taxation	(58)	0	0	0	(131)	0
12.	Profit after taxation	269	(101)	(1)	(1,788)	(841)	(2)
13.	Proposed Dividend	0	0	0	0	0	0
14.	% of shareholding	100	100	100	100	100	100

"0" denotes amount less than Rs. 50,000/-

Notes:

1. Names of subsidiaries which are yet to commence operations: NA
2. Names of subsidiaries which have been liquidated or sold during the year: NA

Sr. No.		7	8	9	10	11	12
	Name of the subsidiary	**Dewas Waterprojects Works Private Limited**	**DME Infra Private Limited ***	**Welspun Sattanathapuram Nagapattinam Road Private Limited****	**Welspun Road Infra Private Limited $**	**Welspun Amravati Highways Private Limited !**	**Welspun Aunta-Simaria Project Private Limited ^**
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A	N.A.	NA	N.A.	N.A.	N.A.
2.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR	INR
3.	Share capital	1	1	1	100	1	1
4.	Instruments entirely equity in nature	2,291	0	2,000	210	0	4,857
5.	Reserves and Surplus /Other Equity	(472)	(0)	23	0	(0)	(117)
6.	Total assets	12,747	1	11,466	10,386	1	20,025
7.	Total Liabilities	12,747	1	11,466	10,386	1	20,025
8.	Investments	0	0	0	0	0	-
9.	Turnover	5,468	0	9,379	10,080	0	16,452
10.	Profit before taxation	(441)	(0)	23	0	(0)	(74)
11.	Provision for taxation	0	0	0	0	0	(31)
12.	Profit after taxation	(441)	(0)	23	0	(0)	(105)
13.	Proposed Dividend	0	0	0	0	0	0
14.	% of shareholding	76	100	70	100	100	74+

"0" denotes amount less than Rs 50,000/-

* Subsidiary w.e.f. August 2, 2018

** Subsidiary w.e.f. September 19, 2018

$ Subsidiary w.e.f. September 28, 2018

! Subsidiary w.e.f. December 5, 2018

^ Subsidiary w.e.f. October 13, 2017, as per Ind-AS it is treated as Joint Arrangement

+ In addition to aforesaid stake, 12.74% are held through Welsteel Enterprises Private Limited

Notes:

1. Names of subsidiaries which are yet to commence operations: NA
2. Names of subsidiaries which have been liquidated or sold during the year: NA

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Rs. in lakhs)

Name of Associate/joint venture	Corbello Trading Private Limited	Chikhali - Tarsod Highways Private Limited	RGY Roads Private Limited	MBL (GSY) Road Limited	MBL (CGRG) Road Limited	Adani Welspun Exploration Limited	Welsteel Enterprises Private Limited @	Grenoble Infrastructure Private Limited %
1. Latest audited Balance Sheet Date	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019
	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Associate	Joint Venture	Joint Venture
2. Shares of Associate/ Joint Venture held by the company on the year end								
No. of Shares	4,900	4,90,000	4,900	24,500	24,500	46,54,997	49,000	4,900
Amount of Investment in Associates/Joint Venture	785	49	2300	2	2	20,348 #	5	0
Extend of Holding %	**49**	**49** *	**49**	**49** ##	**49** $	**35**	**49**	**49**
3. Description of how there is significant influence	NA	NA	NA	NA	NA	The Company through its wholly owned subsidiary Welspun Natural Resources Private Limited holds more than 20% voting power of Adani Welspun Exploration Limited.	NA	NA
4. Reason why the associate/joint venture is not consolidated	NA	NA	NA	NA	NA	NA	NA	NA
5. Net worth attributable to Shareholding as per latest audited Balance Sheet ^	(0)	(36)	1	(752)	(461)	34,516	5	0

Name of Associate/joint venture	Corbello Trading Private Limited	Chikhali - Tarsod Highways Private Limited	RGY Roads Private Limited	MBL (GSY) Road Limited	MBL (CGRG) Road Limited	Adani Welspun Exploration Limited	Welsteel Enterprises Private Limited @	Grenoble Infrastructure Private Limited %
6. Profit / Loss for the year								0
i. Considered in Consolidation	(0)	2	(0)	(730)	(452)	(191)	(0)	0
i. Not Considered in Consolidation	0	0	0	0	0	0	0	0

"0" denotes amount less than Rs 50,000/-

Held through Welspun Natural Resources Private Limited

* In addition to aforesaid stake, 24.99% are held through Corbello Trading Private Limited

on

@ Joint venture w.e.f. June 25, 2018

^ Excluding Compulsorily Convertible Debentures and Optionally Convertible Debentures

$ In addition to aforesaid stake, 24.94% are held through RGY Roads Private Limited

% Joint venture w.e.f. July 16, 2018 whereas as per Ind-AS treated as subsidiary based

the definition of control prescribed by Ind-AS

Notes:

1. Names of associates or joint ventures which are yet to commence operations: NA
2. Names of associates or joint ventures which have been liquidated or sold during the year: NA

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN: 00270175

Sandeep Garg
Managing Director
DIN: 00036419

Date: May 15, 2019
Place: Mumbai

Shriniwas Kargutkar
Chief Financial Officer

Priya Pakhare
Company Secretary
FCS - 7805

Annexure – 2

FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED March 31, 2019

[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 ENTERPRISES LIMITED
CIN: L45201GJ1994PLC023920

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **WELSPUN ENTERPRISES LIMITED** (hereinafter called "the company") Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

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

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

iii. The Depositories Act, 2018/1996 and the Regulations and Bye-laws framed there under;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent applicable ;

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

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

   c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018/2009;

   e) The Securities and Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014;

   f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not Applicable during the period under review;

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

   h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not Applicable during the period under review and

   i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018/1998 - Not Applicable during the period under review.

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

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

(i) the Secretarial Standards issued by The Institute of Company Secretaries of India ("ICSI");

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

To the best of our knowledge and belief, during the period under review, the company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

a) During the year under review, the Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

   The committee of the Board is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

b) Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and adequate system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that;

- *Pursuant to Regulation 13(3) of the SEBI (LODR) Regulations, 2015, there was one day delay in filing of Statement of Investors Complaints for the period ended September 30, 2018. The fine levied by the BSE Limited and the National Stock Exchange of India Limited were paid by the Company.*

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the following material event has taken place in the company;

- The Company has entered into Scheme of Amalgamation of Anjar Road Private Limited ("Transferor Company") with the Company ("Transferee Company") and their respective shareholders and creditors vide order of Hon'ble National Company Law Tribunal, Ahmedabad Bench dated January 31, 2019.
- The Company has divested balance 13% of stake in Dewas Bhopal Corridor Private Limited to India Infrastructure Fund-II.
- The Company has passed special resolution for shifting of registered office of the Company from the state of Gujarat to Maharashtra.
- The Company has reclassified the holding of Intech Metals S.A., a foreign co-promoter not holding any equity shares, from "Promoter" category to "Public" category.

We further report that during the audit period, the company has co-operated with us and have produced before us all the required forms information, clarifications, returns and other documents as required for the purpose of our audit.

For MIHEN HALANI & ASSOCIATES
Practicing Company Secretary

Mihen Halani
(Proprietor)
CP No: 12015
FCS No:9926

Date: May 15, 2019
Place: Mumbai

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

"Annexure A"

To,
The Members,
WELSPUN ENTERPRISES LIMITED
CIN: L45201GJ1994PLC023920

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

1. Maintenance of Secretarial record 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 process 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 laws, rules and regulations and happening of events etc.

5. The Compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure 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 MIHEN HALANI & ASSOCIATES
Practicing Company Secretary

Mihen Halani
(Proprietor)
CP No: 12015
FCS No:9926

Date: May 15, 2019
Place: Mumbai

Annexure – 3

Form No. MGT – 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

(i)	CIN:	L45201GJ1994PLC023920
(ii)	Registration Date:	December 20, 1994
(iii)	Name of the Company:	Welspun Enterprises Limited
(iv)	Category / Sub Category of the Company:	Public Company/ Company having Share Capital and Limited by Shares
(v)	Address of the Registered office and contact details:	Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat-370110. Contact: The Company Secretary, Tel: 02836-662222; Email: companysecretary_wel@welspun.com
(vi)	Whether listed company:	Yes, equity shares listed on: • National Stock Exchange of India Limited (NSE) • BSE Limited (BSE)
(vii)	Name, address and contact details of Registrar and Transfer Agent:	Link Intime India Private Limited Unit : Welspun Enterprises Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083. Email - rnt.helpdesk@linkintime.co.in Tel. No.: +91-22-49186270 Fax No.: +91-22–49186060

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Business activities contributing 10% or more of the total turnover of the Company are stated as under:-

Sr. No.	Name and description of main products / services	NIC code of the product / service	% to total turnover of the Company
1	Construction and maintenance of roads / utilities etc.	42101	99.45

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Welspun Natural Resources Private Limited Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat – 370110.	U11201GJ2006PTC064142	Subsidiary	100.00	2(87)(ii)
2	MSK Projects (Himmatnagar Bypass) Private Limited Survey No.675, Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat – 370110.	U45200GJ2005PTC045753	Subsidiary	100.00	2(87)(ii)

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
3	MSK Projects (Kim Mandvi Corridor) Private Limited Survey No.675, Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370110.	U45203GJ2005PTC047076	Subsidiary	100.00	2(87)(ii)
4	ARSS Bus Terminal Private Limited C-79, BDA Duplex, Near Airport, Palaspalli, Bhubaneswar, Cuttack, Orissa - 751002.	U63031OR2010PTC012372	Subsidiary	100.00	2(87)(ii)
5	Welspun Delhi Meerut Expressway Private Limited T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi - 110070.	U45203DL2016PTC291178	Subsidiary	100.00	2(87)(ii)
6	Dewas Waterprojects Works Private Limited T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi - 110070.	U74110DL2010PTC336664	Subsidiary	76.00	2(87)(ii)
7	Welspun Build-Tech Private Limited 7th Floor, Welspun House, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400013.	U45200MH2008PTC178766	Subsidiary	100.00	2(87)(ii)
8	Welspun Aunta - Simaria Project Private Limited T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi - 110070.	U45309DL2017PTC324923	Subsidiary	74.00	2(87)(ii)
9	MBL (CGRG) Road Limited T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi - 110070.	U45201DL2016PLC299200	Joint Venture	49.00	2(6)
10	MBL (GSY) Road Limited T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi - 110070.	U45202DL2016PLC299464	Joint Venture	49.00	2(6)
11	RGY Roads Private Limited T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi - 110070.	U45309DL2017PTC318149	Joint Venture	49.00	2(6)
12	Corbello Trading Private Limited T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi - 110070.	U51909DL2017PTC337834	Joint Venture	49.00	2(6)
13	Chikhali - Tarsod Highways Private Limited T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi - 110070.	U45201DL2016PTC337833	Joint Venture	49.00	2(6)
14	Welsteel Enterprises Private Limited T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi - 110070.	U45201DL2018PTC335713	Joint Venture	49.00	2(6)
15	DME Infra Private Limited T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi - 110070.	U45202DL2018PTC337124	Subsidiary	100.00	2(87)(ii)
16	Grenoble Infrastructure Private Limited T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi - 110070.	U45309DL2018PTC336572	Joint Venture	49.00	2(6)
17	Welspun Sattanathapuram Nagapattinam Road Private Limited T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi - 110070.	U45500DL2018PTC338889	Subsidiary	70.00	2(87)(ii)

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
18	Welspun Road Infra Private Limited T-11, 3rd Floor, Vasant Square Mall, Sector-B, Pocket - V, Vasant Kunj, New Delhi – 110070.	U45209DL2018PTC339650	Subsidiary	100.00	2(87)(ii)
19	Welspun Amravati Highways Private Limited T-11, 3rd Floor, Vasant Square Mall, Sector - B, Pocket - V, Vasant Kunj.	U45500DL2018PTC342566	Subsidiary	100.00	2(87)(ii)
20	Adani Welspun Exploration Limited Adani House, Nr Mithakhalisix Roads, Narangpura, Ahmedabad – 380009.	U40100GJ2005PLC046554	Associate	35.00	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital break-up as percentage of Total Equity)

i. Category-wise shareholding:

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year - 2018				Shareholding at the end of the year - 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	**Shareholding of Promoter and Promoter Group**									
[1]	**Indian**									
(a)	Individuals / Hindu Undivided Family	15,50,264	-	15,50,264	1.05	64,98,316	-	64,98,316	4.39	3.34
(b)	Central Government / State Government(s)	-	-	-	0.00	-	-	-	0.00	0.00
(c)	Financial Institutions / Banks	-	-	-	0.00	-	-	-	0.00	0.00
(d)	Any Other (Specify)									
	Bodies Corporate	6,13,15,751	-	6,13,15,751	41.56	6,37,26,687	-	6,37,26,687	43.03	1.47
	Sub Total (A)(1)	**6,28,66,015**	**-**	**6,28,66,015**	**42.61**	**7,02,25,003**	**-**	**7,02,25,003**	**47.42**	**4.81**
[2]	**Foreign**									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	0.00	-	-	-	0.00	0.00
(b)	Government	-	-	-	0.00	-	-	-	0.00	0.00
(c)	Institutions	-	-	-	0.00	-	-	-	0.00	0.00
(d)	Foreign Portfolio Investor	-	-	-	0.00	-	-	-	0.00	0.00
(e)	Any Other (Specify)									
	Bodies Corporate	29,25,066	-	29,25,066	1.98	-	-	-	0.00	(1.98)
	Sub Total (A)(2)	**29,25,066**	**-**	**29,25,066**	**1.98**	**-**	**-**	**-**	**0.00**	**(1.98)**
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	**6,57,91,081**	**-**	**6,57,91,081**	**44.59**	**7,02,25,003**	**-**	**7,02,25,003**	**47.42**	**2.83**

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year - 2018				Shareholding at the end of the year - 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(B)	**Public Shareholding**									
[1]	**Institutions**									
(a)	Mutual Funds / UTI	6,86,000	-	6,86,000	0.46	6,65,000	-	6,65,000	0.45	(0.01)
(b)	Venture Capital Funds	-	-	-	0.00	-	-	-	0.00	0.00
(c)	Alternate Investment Funds	10,67,880	-	10,67,880	0.72	10,87,880	-	10,87,880	0.73	0.01
(d)	Foreign Venture Capital Investors	-	-	-	0.00	-	-	-	0.00	0.00
(e)	Foreign Portfolio Investor	40,82,771	-	40,82,771	2.77	37,36,982	-	37,36,982	2.52	(0.25)
(f)	Financial Institutions / Banks	62,51,467	-	62,51,467	4.24	51,88,323	-	51,88,323	3.50	(0.74)
(g)	Insurance Companies	1,62,000	-	1,62,000	0.11	1,62,000	-	1,62,000	0.11	0.00
(h)	Provident Funds/ Pension Funds	-	-	-	0.00	-	-	-	0.00	0.00
(i)	Any Other (Specify)									
	Sub Total (B)(1)	**1,22,50,118**	**-**	**1,22,50,118**	**8.30**	**1,08,40,185**	**-**	**1,08,40,185**	**7.32**	**(0.98)**
[2]	**Central Government/ State Government(s)/ President of India**									
	Central Government / State Government(s)	31,176	-	31,176	0.02	-	-	-	0.00	(0.02)
	Sub Total (B)(2)	**31,176**	**-**	**31,176**	**0.02**	**-**	**-**	**-**	**0.00**	**(0.02)**
[3]	**Non-Institutions**									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	1,56,89,989	2,15,859	1,59,05,848	10.78	1,55,65,107	2,10,179	1,57,75,286	10.65	(0.13)
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	2,98,10,782	-	2,98,10,782	20.21	2,76,96,628	-	2,76,96,628	18.70	(1.51)
(b)	NBFCs registered with RBI	-	-	-	0.00	3,99,781	-	3,99,781	0.27	0.27
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	0.00	-	-	-	0.00	0.00
(e)	Any Other (Specify)									
	IEPF	-	-	-	0.00	31,176	-	31,176	0.02	0.02
	Trusts	1,000	-	1,000	0.00	-	-	-	0.00	0.00
	Hindu Undivided Family	26,44,179	-	26,44,179	1.79	29,73,510	-	29,73,510	2.01	0.22
	Non Resident Indians (Non Repat)	4,19,626	-	4,19,626	0.28	3,82,317	-	3,82,317	0.26	(0.02)
	Non Resident Indians (Repat)	8,67,345	32,352	8,99,697	0.61	9,35,480	32,352	9,67,832	0.65	0.04
	Unclaimed Shares	31,224	-	31,224	0.02	-	-	-	0.00	(0.02)

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year - 2018				Shareholding at the end of the year - 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	Clearing Member	17,86,870	-	17,86,870	1.21	20,52,014	-	20,52,014	1.39	0.18
	Bodies Corporate	1,79,55,875	5,580	1,79,61,455	12.17	1,67,35,844	3,480	1,67,39,324	11.3	(0.87)
	Sub Total (B)(3)	**6,92,06,890**	**2,53,791**	**6,94,60,681**	**47.08**	**6,67,71,857**	**2,46,011**	**6,70,17,868**	**45.26**	**(1.82)**
	Total Public Shareholding(B)= (B)(1) + (B)(2) + (B)(3)	**8,14,88,184**	**2,53,791**	**8,17,41,975**	**55.41**	**7,76,12,042**	**2,46,011**	**7,78,58,053**	**52.58**	**(2.83)**
	Total (A)+(B)	**14,72,79,265**	**2,53,791**	**14,75,33,056**	**100**	**14,78,37,045**	**2,46,011**	**14,80,83,056**	**100**	**0.00**
(C)	**Non Promoter - Non Public**									
[1]	Custodian/DR Holder	-	-	-	-	-	-	-	-	-
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-
	Total (A)+(B)+(C)	**14,72,79,265**	**2,53,791**	**14,75,33,056**	**100**	**14,78,37,045**	**2,46,011**	**14,80,83,056**	**100**	

ii. Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year - 2018			Shareholding at the end of the year - 2019			% change in shareholding during the year
		No. of Shares held	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of Shares held	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1	Anjar Road Private Limited	5,81,75,951	39.43	Nil	5,84,15,951	39.45	Nil	0.02
2	Balkrishan Gopiram Goenka	84	0.00	Nil	84	0.00	Nil	0.00
3	Balkrishan Gopiram Goenka as Trustee of Welspun Group Master Trust	15,50,060	1.05	Nil	64,98,112	4.39	Nil	3.34
4	MGN Agro Properties Private Limited	-	0.00	Nil	20,70,936	1.40	Nil	1.40
5	Rajesh R Mandawewala	120	0.00	Nil	120	0.00	Nil	0.00
6	Welspun Investments And Commercials Limited	31,39,800	2.13	Nil	32,39,800	2.19	Nil	0.06
	Total of Co-Promoters (A)	**6,28,66,015**	**42.61**	**Nil**	**7,02,25,003**	**47.43**	**0.00**	**4.82**
7	Intech Metals S. A.	29,25,066	1.98	Nil	-	-	Nil	(1.98)
	Total of Co-Promoters (B)	**29,25,066**	**1.98**	Nil	**-**	**-**	Nil	**(1.98)**
	Total of Promoters (A) + (B)	**6,57,91,081**	**44.59**	**Nil**	**7,02,25,003**	**47.43**	**0.00**	**2.84**

Note: The Company's paid up share capital increased by 5,50,000 equity shares on account of issue of Equity shares to ESOP grantees pursuant to the WEL ESOP Scheme 2017. With the change in paid up capital, the % ages referred to above are not exactly comparable for the purposes of arriving at the differences.

iii. Change in Promoter Groups' Shareholding:

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No of shares held	% of total shares of the Company
1	ANJAR ROAD PRIVATE LIMITED	5,81,75,951	39.29			5,81,75,951	39.29
	Transfer			25 May 2018	2,40,000	5,84,15,951	39.45
	AT THE END OF THE YEAR					5,84,15,951	39.45
2	BALKRISHAN GOPIRAM GOENKA*	15,50,060	1.05			15,50,060	1.05
	Transfer			06 Apr 2018	1,00,000	16,50,060	1.11
	Transfer			25 May 2018	21,13,052	37,63,112	2.54
	Transfer			31 Aug 2018	25,00,000	62,63,112	4.23
	Transfer			05 Oct 2018	2,35,000	64,98,112	4.39
	AT THE END OF THE YEAR					64,98,112	4.39
3	WELSPUN INVESTMENTS AND COMMERCIALS LIMITED	31,39,800	2.12			31,39,800	2.12
	Transfer			31 Aug 2018	1,00,000	32,39,800	2.19
	AT THE END OF THE YEAR					32,39,800	2.19
4	MGN AGRO PROPERTIES PRIVATE LIMITED	0	0.00			0	0.00
	Transfer			05 Oct 2018	1,65,000	1,65,000	0.11
	Transfer			14 Dec 2018	45,936	2,10,936	0.14
	Transfer			15 Feb 2019	5,51,121	7,62,057	0.51
	Transfer			22 Feb 2019	8,21,694	15,83,751	1.07
	Transfer			01 Mar 2019	4,87,185	20,70,936	1.40
	AT THE END OF THE YEAR					20,70,936	1.40
5	RAJESH R MANDAWEWALA	120	0.00			120	0.00
	AT THE END OF THE YEAR					120	0.00
6	BALKRISHAN GOPIRAM GOENKA	84	0.00			84	0.00
	AT THE END OF THE YEAR					84	0.00
7	INTECH METALS S. A.	29,25,066	1.98			29,25,066	1.98
	Transfer			27 Jul 2018	(5,00,000)	24,25,066	1.64
	Transfer			27 Jul 2018	(24,25,066)	0	0.00
	AT THE END OF THE YEAR					0	0.00

* Trustee of Welspun Group Master Trust.

iv. Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		No.of shares held	% of total shares of the Company	Date of transaction	No. of shares	No of shares held	% of total shares of the Company
1	DILIPKUMAR LAKHI	68,60,243	4.63			68,60,243	4.63
	AT THE END OF THE YEAR					68,60,243	4.63
2	LIFE INSURANCE CORPORATION OF INDIA	58,83,918	3.97			58,83,918	3.97
	Sale			18 Jan 2019	(2,10,841)	56,73,077	3.83
	Sale			25 Jan 2019	(3,57,492)	53,15,585	3.59
	Sale			15 Mar 2019	(68,297)	52,47,288	3.54
	Sale			22 Mar 2019	(1,33,691)	51,13,597	3.45
	Sale			29 Mar 2019	(1,55,878)	49,57,719	3.35
	AT THE END OF THE YEAR					49,57,719	3.35
3	MENTOR CAPITAL LIMITED	41,83,268	2.82			41,83,268	2.82
	Purchase			16 Nov 2018	9	41,83,277	2.83
	Purchase			08 Feb 2019	54,146	42,37,423	2.86
	Purchase			15 Mar 2019	30,199	42,67,622	2.88
	AT THE END OF THE YEAR					42,67,622	2.88
4	CHIRAG DILIPKUMAR LAKHI	28,47,034	1.92			28,47,034	1.92
	AT THE END OF THE YEAR					28,47,034	1.92
5	SANDEEP GARG	12,00,000	0.81			12,00,000	0.81
	ESOP Allotment			30 Nov 2018	4,00,000	16,00,000	1.08
	AT THE END OF THE YEAR					16,00,000	1.08
6	PANNA LAL C KOTHARI HUF	13,00,000	0.88			13,00,000	0.88
	AT THE END OF THE YEAR					13,00,000	0.88
7	MAURYAN FIRST	10,67,880	0.72			10,67,880	0.72
	Purchase			22 Feb 2019	20,000	10,87,880	0.73
	AT THE END OF THE YEAR					10,87,880	0.73
8	POLUS GLOBAL FUND	10,00,000	0.68			10,00,000	0.68
	AT THE END OF THE YEAR					10,00,000	0.68
9	AADI FINANCIAL ADVISORS LLP	0	0.00			0	0.00
	Purchase			05 Oct 2018	6,14,038	6,14,038	0.41
	Purchase			12 Oct 2018	1,36,962	7,51,000	0.51
	Purchase			19 Oct 2018	1,00,000	8,51,000	0.57
	AT THE END OF THE YEAR					8,51,000	0.57

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		No.of shares held	% of total shares of the Company	Date of transaction	No. of shares	No of shares held	% of total shares of the Company
10	SATYA NARAYAN DHOOT	2,93,500	0.20			2,93,500	0.20
	Sale			06 Apr 2018	(42,500)	2,51,000	0.17
	Sale			27 Apr 2018	(2,51,000)	0	0.00
	Purchase			04 May 2018	2,000	2000	0.00
	Purchase			11 May 2018	8,362	10,362	0.01
	Sale			18 May 2018	(10,000)	362	0.00
	Sale			15 Jun 2018	(362)	0	0.00
	Purchase			03 Aug 2018	6,63,223	6,63,223	0.45
	Purchase			10 Aug 2018	1,21,908	7,85,131	0.53
	Sale			31 Aug 2018	(7,85,131)	0	0.00
	Purchase			21 Sep 2018	16,986	16,986	0.01
	Purchase			29 Sep 2018	2,82,444	2,99,430	0.20
	Purchase			05 Oct 2018	29,000	3,28,430	0.22
	Purchase			19 Oct 2018	3,79,977	7,08,407	0.48
	Purchase			26 Oct 2018	48,998	7,57,405	0.51
	Purchase			16 Nov 2018	79,826	8,37,231	0.57
	Purchase			23 Nov 2018	49,939	8,87,170	0.60
	Purchase			30 Nov 2018	36,241	9,23,411	0.62
	Purchase			25 Jan 2019	4,27,749	13,51,160	0.91
	Purchase			01 Feb 2019	50,000	14,01,160	0.95
	Purchase			08 Feb 2019	12,500	14,13,660	0.95
	Sale			22 Feb 2019	(5,84,082)	8,29,578	0.56
	Sale			01 Mar 2019	(32,102)	7,97,476	0.54
	AT THE END OF THE YEAR					7,97,476	0.54

* The information is an on the date of weekly BENPOS received from the Registrar and Share Transfer Agent. Exact dates of transaction is not available.

v. Shareholding of Directors and Key Managerial Personnel (KMP):

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Transactions during the year			Cumulative Shareholding during the year		At the end of the year (or on the date of separation, if separated during the year)	
		No. of shares	% of total shares of the Company	Date	Increase/ (Decrease) in shareholding	Reason for Increase/ (Decrease)	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
DIRECTORS										
1	Mr. Rajesh R. Mandawewala	120	0.00	-	-	-	120	0.00	120	0.00
2	Mr. Dhruv Kaji	-	0.00	-	-	-	-	-	-	-
3	Mr. Mohan Tandon	-	0.00	-	-	-	-	-	-	-
4	Ms. Mala Todarwal	800	0.00	-	-	-	800	0.00	800	0.00
5	Dr. Aruna Sharma%	N.A.	N.A.	-	-	-	-	-	-	-
6	Mr. Yogesh Agarwal#	-	0.00	-	-	-	-	-	-	-
7	Mr. Ram Gopal Sharma*	1	0.00	-	-	-	1	0.00	1	0.00
KEY MANAGERIAL PERSONNEL										
8	Mr. Balkrishan Goenka - Chairman (Executive)	84	0.00	-	-	-	84	0.00		
9	Mr. Sandeep Garg - Managing Director	12,00,000	0.81	30.11.2018$	4,00,000	ESOP allotment	16,00,000	1.08	16,00,000	1.08
10	Mr. Shriniwas Kargutkar - Chief Financial Officer	-	0.00	-	-	-	300	0.00	300	0.00
11	Ms. Priya Pakhare - Company Secretary	1	0.00	05.10.2018	100	Purchase	101	0.00	101	0.00

Resigned w.e.f. June 20, 2018 % Appointed w.e.f. January 29, 2019

* Resigned w.e.f. October 30, 2018

$ The equity shares were allotted pursuant to resolution passed by the Nomination and Remuneration Committee of the Board of Directors on October 10, 2018.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(Rs. in lakhs)

Particulars	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5,180	-	-	5,180
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	28	-	-	28
Total [(i)+(ii)+(iii)]	**5,208**	**-**	**-**	**5,208**
Change in indebtedness during the financial year		**-**	**-**	
• Addition	1,300	-	-	1,300
• Reduction	5,208	-	-	5,208
Net Change	**1,300**	**-**	**-**	**1,300**
Indebtedness at the end of the financial year		**-**	**-**	
i) Principal Amount	1,300	-	-	1,300
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total [(i)+(ii)+(iii)]	**1,300**	**-**	**-**	**1,300**

The above numbers of indebtedness do not include short term borrowings disclosed under current liabilities-borrowings in the financial statement.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director (MD), Whole-Time Directors (WTD) and/or Manager:

(Rs. in lakhs)

Sr. No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Balkrishan Goenka-Chairman (Executive)	Mr. Sandeep Garg- Managing Director	
1.	Gross Salary			
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act 1961.	750	360%	1,110
	b) Value of perquisites u/s 17(2) Income Tax Act, 1961	Nil	473.16	473.16
	c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	Nil	Nil	Nil
2.	Stock Options *	Nil	Nil	Nil
3.	Sweat equity	N.A.	N.A.	N.A.
4.	Commission - As % of profit - Others, specify....	2 #	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
	Total (A)	750	833.16	1,583.16
	Ceiling as per the Act	Within the limits prescribed under the Companies Act, 2013		

* Included in the value of perquisites u/s 17(2) Income Tax Act, 1961

Commission has been provided for in the financial statement of the Company.

% Include Rs. 120 lakhs paid from Associate Company

B. Remuneration to other directors:

(Rs. in lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors						Total amount
		Mr. Mohan Tandon	Mr. Ram Gopal Sharma *	Ms. Mala Todarwal	Mr. Yogesh Agarwal #	Mr. Dhruv Kaji	Dr. Aruna Sharma @	
1.		Independent Directors						
	• Fee for attending board/ committee meetings	5.50	1.11	2.65	0.45	4.45	0.85	**15.01**
	• Commission	-	-	-	-	-	-	**-**
	• Others, please specify	-	-	-		-	-	**-**
	Total (1)	**5.50**	**1.11**	**2.65**	**0.45**	**4.45**	**0.85**	**15.01**
2.		Other Non-Executive Directors						
	• Fee for attending board/ committee meetings	-	-	-	-	-	-	**-**
	• Commission	-	-	-	-	-	-	**-**
	• Others, please specify	-	-	-	-	-	-	**-**
	Total (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total (B) = (1 + 2)	**5.50**	**1.11**	**2.65**	**0.45**	**4.45**	**0.85**	**15.01**
	Total Managerial Remuneration							
	Overall Ceiling as per the Act	1% of the Net profits of the Company (exclusive of any fees payable to directors for attending meetings of the Board or Committee thereof provided that the amount of such fees does not exceed Rs. one lakh per meeting of the Board or committee thereof.)						

* Resigned w.e.f. October 30, 2018

@ Appointed w.e.f. January 29, 2019

Resigned w.e.f. June 20, 2018

C. **Remuneration to Key Managerial Personnel other than Managing Director/Manager/Whole Time Director:**

(Rs. in lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Shriniwas Kargutkar, Chief Financial Officer	Ms. Priya Pakhare, Company Secretary	Total
1	Gross Salary			
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	82.03	14.92	96.95
	b) Value of perquisites u/s. 17(2) Income Tax Act, 1961	-	-	-
	c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - As % of profit - Others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	**82.03**	**14.92**	**96.95**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of penalty / punishment / compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Annexure – 4

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

   The Company is not only committed to complying with regulations relating to Corporate Social Responsibility but also aims at creating Corporate Social value. The CSR vision is enshrined in the 3E's i.e.: (i) Education; (ii) Empowerment of women; and (iii) Environment and Health.

   These 3E's are implemented through:

   - The programs organized by a trust, Welspun Foundation for Health and Knowledge created by the group;
   - Tie-ups with Non-Governmental Organizations / Developmental Agencies / Institutions; and
   - Facilitating Government initiatives.

   The Company's CSR Policy is disclosed on the website of the Company www.welspunenterprises.com , a web-link of which is as under: http://www.welspunenterprises.com/userfiles/file/CSR%20Policy%20-.pdf

2. **The Composition of the CSR Committee**

   The Committee comprises of the following three directors as on date of this Report:

   1) Mr. Mohan Tandon – an Independent Director as the Chairman (appointed w.e.f. July 25, 2018); 2) Mr. Rajesh Mandawewala -Member; and 3) Mr. Sandeep Garg -Member, Ms. Priya Pakhare -Company Secretary acted as the Secretary to the Committee.

3. **Average net profit/loss of the Company for last three financial years:** Rs. 903 lakh

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):** Nil

5. **Details of CSR spent during the financial year:**

   a. Total amount to be spent for the financial year: Nil

   b. Amount unspent, if any: Nil

   c. Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (Location)	Amount Outlay (Budget) project or programs wise (Rs.)	Amount spent on the projects or programs (Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads)	Cumulative expenditure. up to the date of reporting period	Amount spent : Direct or through implementing agency
Nil							

6. Owing to average net loss of Rs. 903 lakh during the preceding three financial years, the Company could not spend any amount on CSR pursuant to section 135.

7. It is hereby confirmed by and on behalf of the Corporate Social Responsibility Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

For and on Behalf of the Board

Sandeep Garg
Managing Director
DIN: 00036419

Mohan Tandon
Chairman - CSR Committee
DIN : 00026460

Place: Mumbai
Date: May 15, 2019

Annexure – 5

Form No. AOC-2

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

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

1. **Details of contracts or arrangements or transactions not at arm's length basis – Not applicable**

2. **Details of material contracts or arrangement or transactions at arm's length basis which are more than 10% of the total transactions of the same type:**

Name(s) of the related party and nature of relationship	Nature of Contract	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any:	Amount (Rs. in lakh)
Welspun Sattanathapuram Nagapattinam Road Private Limited (WSNRPL) – Subsidiary	Engineering Procurement & Construction (EPC) Contract	730 days from appointed date	EPC Contract between the Company and WSNRPL for Rs. 1,850 crore Completion: 730 days from Appointed Date	30.10.2018	Nil	1,85,000 incl GST
Welspun Road Infra Private Limited (WRIPL) - Subsidiary	Engineering Procurement & Construction (EPC) Contract	730 days from appointed date	EPC Contract between the Company and WRIPL for Rs. 1,321 crore Completion: 730 days from Appointed Date	13.12.2018*	Nil	1,32,100 Excl GST

* Approved by the Finance and Administration Committee pursuant to the authority delegated by the Board.

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN : 00270175

Place: Mumbai
Date: May 15, 2019

Corporate Governance Report

I. PHILOSOPHY ON CORPORATE GOVERNANCE

The Board of Directors of the Company acts as trustee and assumes fiduciary responsibility of protecting the interests of the Company, its members and other stakeholders. The Board supports the broad principles of Corporate Governance. In order to attain the highest level of good Corporate Governance practice, Board lays strong emphasis on transparency, accountability and integrity.

II. BOARD OF DIRECTORS

The Company's Board comprises of a mix of executive and non-executive directors with considerable experience and expertise across a range of fields such as finance, accounts, general management and business strategy. Except Mr. Balkrishan Goenka and the independent directors, all other directors are liable to retire by rotation as per the provisions of the Companies Act, 2013.

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

Sr. No.	Name of the Director	Category	Board Meetings attended during FY 2018-19	Attendance at the 24th AGM	Directorship on the Board of other Companies			Membership/ Chairpersonship in No. of Board /Committees including other Companies (as last declared to the Company)@	No. of equity shares held in the Company
					Public	Private	Other Body Corporate		
1)	Mr. Balkrishan Goenka-Chairman	C, P, E	6/6	No	9	-	9	1C, 1M	84
2)	Dr. Aruna Sharma*	I	1/1	N.A.	-	-	-	1M	-
3)	Mr. Dhruv Subodh Kaji	I	5/6	No	7	1	9	3C, 4M	-
4)	Ms. Mala Todarwal	I	5/6	No	8	-	3	4C, 5M	800
5)	Mr. Mohan Tandon	I	6/6	No	1	-	-	1C, 2M	-
6)	Mr. Rajesh R. Mandawewala	P, NE	5/6	Yes	8	3	2	5M	120
7)	Mr. Sandeep Garg - Managing Director	E	6/6	No	7	-	-	1M	16,00,000
8)	Mr. Yogesh Agarwal $	I	1/1	N.A.	-	-	-	-	-
9)	Mr. Ram Gopal Sharma #	I	1/4	Yes	-	-	-	-	-

@ Chairmanship/membership of the Audit Committee and the Share Transfer, Investors' Grievance and Stakeholders' Relationship Committee alone considered

* Appointed w.e.f. January 29, 2019 $ Resigned w.e.f. June 20, 2018, # Resigned w.e.f. October 30, 2018

Abbreviations:

P = Promoter/Promoter Group; E = Executive Director; NE = Non-Executive Director; I = Independent Non-Executive; C = Chairman; and M= Member.

6 meetings of the Board of Directors were held during the financial year 2018-19 on the following dates: May 10, 2018, July 14, 2018, July 25, 2018, September 21, 2018, October 30, 2018 and January 29, 2019.

In addition to the above, a meeting of the Independent Directors was held on March 14, 2019 in compliance with 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.

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 and are independent of the management. Further, there is no relationship between the directors inter-se.

The names of the listed entities where the person is a director and the category of directorship and matrix of the skills/expertise/competence identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board and directors who have such skills / expertise / competence. Details of current members of the Board is given below:

Sr. No.	Name of the Director(s)	Skills/expertise/competence	Names of the other listed entities where the person is a director	Category of Directorship	Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure (as applicable)
1	Mr. Balkrishan Goenka	Leading figure in textile and steel industry, Strategy and Business Management	Welspun India Limited, Welspun Corp Limited and RMG Alloy Steel Limited	Non-Independent	N.A.
2	Dr. Aruna Sharma	Retd. IAS Officer with areas of specialisation - Information Technology and its use in Banking, Big Data & Cyber Security, Steel and Core Sector, Business Models, Convergence of Resources for Outcome and Rural Development.	-	Independent	N.A.
3	Mr. Dhruv Kaji	Evaluating and guiding business projects in India and abroad, Strategic planning, Finance	Network18 Media & Investments Limited, TV18 Broadcast Limited, Welspun Corp Limited, Ceinsys Tech Limited, HDFC Asset Management Company Limited	Independent	N.A.
4	Ms. Mala Todarwal	Chartered Accountant by profession and has experience in - Audit Assurance, Due Dilligence, Corporate Restructuring and Transaction Advisory.	Welspun Investments and Commercials Limited, AYM Syntex Limited, Talwandi Saboo Power Limited	Independent	N.A.
5	Mr. Mohan Tandon	Professional with experience in Organization Restructuring and designing Productivity-oriented Incentive Schemes.	AYM Syntex Limited	Independent	N.A.
6	Mr. Rajesh R. Mandawewala	Leading figure in textiles and Steel, believes in driving innovation through continuous research and product developments.	Welspun India Limited, AYM Syntex Limited and Welspun Corp Limited	Non-Independent	N.A.
7	Mr. Sandeep Garg	Prominent figure in the industry with long and varied experience of over three decades in engineering and construction of infrastructure in road, elevated roads, power, irrigation, railways, buildings and oil & gas.	-	Non-Independent	N.A.
8	Mr. Ramgopal Sharma*	-	-	Independent	Resigned due to indifferent health
9	Mr. Yogesh Agarwal #	-	-	Independent	Resigned due to personal reasons

* Resigned w.e.f. October 30, 2018

Resigned w.e.f. June 20, 2018

The directors who ceased to be member of the Board have confirmed that there are no other material reasons other than those provided in the resignation letter submitted to the Company.

The policy on Company's familiarization program (for independent directors) is disclosed on the Company's website www.welspunenterprises.com and a web link thereto is:
http://welspunenterprises.com/userfiles/file/Familiarisation%20program%20WEL(LODR).PDF

III. AUDIT COMMITTEE

The Committee comprises of 4 non-executive directors having accounts and finance background. All the members of the Committee are independent directors.

The composition of the Committee as on the date of this report and attendance of members for meetings held during the financial year 2018-19 is given hereunder:

Name of the Member	Member / Chairman	Number of Meetings Attended
Mr. Dhruv Kaji $	Chairman	5/6
Dr. Aruna Sharma @	Member	-
Mr. Mohan Tandon	Member	6/6
Mr. Rajesh Mandawewala #	Member	0/2
Mr. Ram Gopal Sharma*	Member	1/4

$ Appointed as Chairman w.e.f. October 30, 2018

Appointed as member w.e.f. October 30, 2018

@ Appointed as member w.e.f. January 29, 2019

* Resigned w.e.f. October 30, 2018

The Company Secretary of the Company, Ms. Priya Pakhare acts as the Secretary to the Committee.

6 meetings of the Audit Committee were held during the financial year 2018-19 on the following dates: May 10, 2018, July 17, 2018, July 25, 2018, September 21, 2018, October 30, 2018 and January 29, 2019.

None of the recommendations made by the Audit Committee were rejected by the Board.

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 Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

IV. DETAILS OF ESTABLISHMENT OF VIGIL MECHANSIM FOR DIRECTORS AND EMPLOYEES

The Company has a Whistle Blower Policy and Vigil Mechanism for its directors and employees and no personnel has been denied access to the Audit Committee Chairman.

V. NOMINATION AND REMUNERATION COMMITTEE

The Company has constituted the Nomination and Remuneration Committee consisting of executive and non-executive directors, majority of which are independent directors. During the year under review, 4 meetings of the Committee were held on May 10, 2018, July 17, 2018, October 1, 2018 and January 29, 2019.

Terms of reference: To recommend appointment of, and remuneration to, Managerial Personnel and review thereof from time to time.

Composition of Committee:

The composition of the Committee as on the date of this report and attendance of the members for meetings held during the financial year 2018-19 is given hereunder:

Name of the Member	Member / Chairman	Number of Meetings Attended
Mr. Mohan Tandon	Chairman	4/4
Mr. Dhruv Kaji	Member	3/4
Mr. Rajesh Mandawewala#	Member	-
Mr. Ram Gopal Sharma*	Member	1/3
Mr. Balkrishan Goenka$	Member	2/4

Appointed as Member w.e.f. January 29, 2019

* Ceased to be member of the Committee w.e.f. October 30, 2018

$ Ceased to be member of the Committee w.e.f. January 29, 2019

Remuneration Policy:

The Company follows the Nomination and Remuneration Policy for appointment of, payment of remuneration to, and performance evaluation of directors, key managerial personnel and senior management personnel which, inter alia, sets out the criteria for performance evaluation of independent directors. The salient features of the policy are as under:

- The Nomination and Remuneration (NRC) Committee shall be constituted from amongst the directors serving on the Board of Directors of the Company to recommend appointment of, payment of remuneration to and performance evaluation of directors, Key Managerial Personnel and Senior Management officials, to the Board of Directors.
- While appointing any person as director, important aspects like business of the Company; strength, weakness, opportunity and threats to Company's business; existing composition of the board of directors; diversity in background of existing directors; background; skills; expertise and qualification possessed by persons being considered and specific requirements under the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other laws as to composition of the Board shall be taken into consideration.
- While identifying persons who may be appointed as independent directors, their qualifications and suitability shall be reviewed to ensure that such candidates will be able to function as directors 'Independently' and avoid any conflict of interest, obligations, pressure from other Board members, KMPs, senior management and other persons associated with the Company.
- While recommending appointment of any candidate as Key Managerial Personnel or as a part of senior management, factors such as expectations of the role of the position being considered, qualification, skill, expertise, background, human qualities such as abilities to perform as a part of a team, emotional quotient, etc. shall be taken into consideration.
- The NRC Committee shall recommend remuneration payable to directors, Key Managerial Personnel and senior management personnel taking into consideration top 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 NRC Committee shall further co-ordinate the process of evaluation of performance of directors (including Independent Directors), various committees of the Board and the Board as required under section 178 of the Companies Act, 2013.

The Company's Nomination and Remuneration Policy as required under Section 178(3) of the Companies Act, 2013 is disclosed on the Company's website www.welspunenterprises.com and a web link thereto is as under: http://welspunenterprises.com/userfiles/file/Nomination%20and%20Remuneration%20Policy.pdf

VI. REMUNERATION OF DIRECTORS

Refer point no. 18 of the Directors' Report.

VII. SHARE TRANSFER, INVESTORS' GRIEVANCE AND STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Share Transfer, Investor's Grievance and Stakeholder's Relationship Committee is in accordance with the Section 178 of the Companies Act, 2013 and the Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to look into transfer of securities and redress investor's complaints and to review the functioning of the investors grievance redressal system.

The Chairman of the Committee is a non – executive and independent director. The composition of the Committee as on the date of this report is given hereunder:

Name of the Member	Member / Chairman
Mr. Mohan Tandon	Chairman
Mr. Sandeep Garg	Member
Mr. Dhruv Kaji	Member

Ms. Priya Pakhare, Company Secretary acts as the Compliance Officer.

During the year under review, 4 complaints were received from various shareholders. Break-up and number of complaints received under different category is given hereunder:

Sr. No.	Nature of Complaint	No. of requests received and processed
1.	Non-receipt of share certificate(s) – Transfer	2
2.	Non-receipt of rejected DRF	1
3.	SEBI	1
	Total	**4**

All the complaints received during the year under report were resolved within the stipulated time to the satisfaction of the investors/shareholders and no complaint was pending as on March 31, 2019.

VIII. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The composition and the terms of reference of the Corporate Social Responsibility Committee is as required under Section 135 of the Companies Act, 2013 and the rules made thereunder.

The composition of the Committee as on the date of this report is given hereunder:

Name of the Member	Member / Chairman
Mr. Mohan Tandon *	Chairman
Mr. Rajesh Mandawewala	Member
Mr. Sandeep Garg	Member
Mr. Ram Gopal Sharma #	Member

* Appointed w.e.f. July 25, 2018 # Ceased to be a member w.e.f. July 25, 2018

IX. GENERAL BODY MEETINGS

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

Meeting	Day & Date of the Meeting	Time	Place	Special Resolutions passed
24th Annual General Meeting	Tuesday, 14th August, 2018	12:30 p.m.	Registered Office: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat-370110.	• Revision in remuneration of Mr. Balkrishan Goenka (DIN: 00270175) • Borrowing by offer of issue of securities on a private placement basis • Shifting of the Registered Office from the State of Gujarat to the State of Maharashtra • Modification of WEL-ESOP Scheme 2017
23rd Annual General Meeting	Thursday, 28th September, 2017	11:30 a.m.	Registered Office: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat-370110.	• Appointment of Mr. Dhruv Kaji as Independent Director. • Re-appointment of Mr. Sandeep Garg as Managing Director of the Company. • Increase in remuneration of Mr. Balkrishan Goenka. • Approval of Employee Stock Option Plan 2017. • Alteration of Articles of Association by way of deletion of Article 241 relating to Investor's rights.
22nd Annual General Meeting	Thursday, 29th September, 2016	11:30 a.m.	Registered Office: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat-370110.	• Re-appointment of Ms. Mala Todarwal as an Independent Director.

- During the year under Report, resolutions which were passed through postal ballot are as follows:

Procedure for postal ballot:

Procedure as given in Rule 22 of the Companies (Management and Administration) Rules, 2014 was followed. The postal ballot and all other papers relating to postal ballot including voting by electronic means, remained under the safe custody of the scrutinizer till the Chairman considered, approved and signed the minutes and thereafter, the scrutinizer returned the ballot papers and other related papers and register to the Company for preservation. The results of the postal ballot were declared by hosting it, along with the scrutinizer's report, on the website of the Company.

Details of voting pattern on the resolutions, proposed through Postal Ballot Notice dated January 29, 2019 were as under:

Sr. No.	Resolution	Type of Resolution	No. of votes polled	No. of votes in favour	No. of votes against	% of votes in favour	% of votes against	Who conducted the postal ballot exercise
1.	Approval of material related party transactions for EPC Contracts entered into/to be entered between the Company and Project SPVs upto Rs. 5,000 crore for each project and upto Rs. 15,000 crore for all projects during any financial year for next 5 years.	Ordinary	14,566,909	14,563,317	3,592	99.98	0.02	Mr. Mihen Halani of M/s. Mihen Halani & Associates, Company Secretaries
2.	Re-appointment of Mr. Mohan Tandon (holding DIN – 00026460) as an Independent Director for the second term of five consecutive years with effect from 1st April, 2019.	Special	82,931,912	82,927,628	4,284	99.99	0.01	
3.	Re-classification of Intech Metals S.A., a foreign co-promoter from "Promoter" category to the "Public" category.	Special	82,931,912	82,929,112	2,800	100	0.00	

X. MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results of the Company are sent out to the Stock Exchanges immediately after they are approved by the Board. The Company published its un-audited/audited financial results in Kutch Mitra and Kutch Uday (Gujarati edition) and Financial Express (English Edition).

These results are simultaneously posted on the website of the Company at www.welspunenterprises.com. The official press release and the presentations made to institutional investors or to the analyst are also available on the website of the Company.

XI. GENERAL SHAREHOLDER INFORMATION

a) **Annual General Meeting:** shall be held on Monday, August 12, 2019 at 12:30 p.m. at the Registered Office of the Company at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110.

b) Financial Year: of the Company is 1st April to 31st March.

c) Date of Book Closure: Saturday, July 27, 2019 to Monday, July 29, 2019 (both days inclusive).

d) Dividend payment date: From Monday, August 12, 2019 onwards.

e) Listing on Stock Exchanges: At present, the equity shares of the Company are listed on:

Sr. No.	Name of Stock Exchange	Address of Stock Exchange	Stock code/ symbol for equity shares	Whether Annual Listing Fee paid for FY 2019-20	Whether share suspended from trading during FY 2019-20
1.	National Stock Exchange of India Ltd. (NSE)	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400051	WELENT; Series: EQ	Yes	No
2.	BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001	532553	Yes	No

Note: ISIN No. (For dematerialized shares) : INE625G01013

f) Stock Market price data, high and low price of equity shares during each month in FY 2018-19 on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) are as under:

Month	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2018	157.00	143.75	157.55	143.75
May, 2018	202.85	140.00	203.00	140.00
June, 2018	200.00	150.00	201.00	151.65
July, 2018	171.55	143.00	171.80	142.50
August, 2018	179.00	149.20	177.00	148.90
September, 2018	177.00	106.00	177.40	114.25
October, 2018	137.00	108.40	137.00	108.00
November, 2018	129.85	110.45	130.00	110.25
December, 2018	122.00	101.00	122.80	100.55
January, 2019	119.50	91.25	119.50	91.00
February, 2019	104.60	88.20	104.25	88.05
March, 2019	124.95	98.85	125.25	98.00

g) Performance in comparison to broad-based indices i.e. BSE - Sensex and NSE - S&P Nifty is as under:

Month	BSE Index (Sensex)	BSE Closing price of Share (Rs.)	NSE (S&P Nifty)	NSE Closing price of Share (Rs.)
April, 2018	35,160.36	150.50	10,739.35	150.85
May, 2018	35,322.38	190.30	10,736.15	190.85
June, 2018	35,423.48	168.45	10,714.30	167.95
July, 2018	37,606.58	156.30	11,356.50	155.85
August, 2018	38,645.07	176.35	11,680.50	175.95
September, 2018	36,227.14	125.05	10,930.45	125.20
October, 2018	34,442.05	123.55	10,386.60	123.00
November, 2018	36,194.30	112.35	10,876.75	112.35
December, 2018	36,068.33	113.40	10,862.55	113.75
January, 2019	36,256.69	98.40	10,830.95	98.25
February, 2019	35,867.44	97.35	10,792.50	97.00
March, 2019	38,672.91	106.20	11,623.90	106.45

h) **Registrar and Transfer Agent: The Company has appointed Registrar and Transfer Agent to handle the share transfer / transmission work and to resolve the complaints of shareholders. Name, address and telephone number of Registrar and Transfer Agent is given hereunder :**

Link Intime India Private Limited

Unit : Welspun Enterprises Limited

C-101, 247 Park, L.B. S. Marg,

Vikhroli (West), Mumbai – 400 083.

Email - rnt.helpdesk@linkintime.co.in

Tele. No.: +91-22- 4918 6270

Fax No. : +91-22– 4918 6060

i) **Share Transfer System:** Our Registrar and Transfer Agent registers securities sent for transfer in physical form within 15 days from the receipt of the documents, if the same are found in order. Shares under objection are returned within two weeks.

j) **Distribution of Shareholding:**

Shareholding Pattern as on March 31, 2019:

Number of Shares	No. of shareholders	Percentage of Shareholders	No. of Shares	Percentage of Shares held
Upto – 500	47,770	86.34	5,254,296	3.54
501-1,000	3,336	6.03	2,583,994	1.75
1,001-2,000	1,848	3.34	2,762,456	1.87
2,001-3,000	664	1.20	1,691,702	1.14
3,001-4,000	316	0.57	1,130,715	0.76
4,001-5,000	308	0.56	1,458,785	0.99
5,001-10,000	524	0.95	3,918,322	2.65
10,001 and above	560	1.01	129,282,786	87.30
Total	**55,326**	**100.00**	**148,083,056**	**100.00**

k) **De-materialization of shares and liquidity:** As on March 31, 2019, 99.83% equity shares have been dematerialized and have reasonable liquidity on the BSE Limited and the National Stock Exchange of India Limited.

l) **Outstanding Employee Stock Options, Conversion date and likely impact on equity share capital is as under:**

Outstanding as on 31.03.2019	Conversion Date	Likely impact on equity share capital
24,50,000 Stock Options carrying right to subscribe for equal number of equity shares in the Company	The vesting of ESOPs shall happen at the rate of 20% of the total ESOPs granted at each anniversary from 1st to 4th anniversary of the date of grant in quantum of 20% of the total ESOPs granted, and the vesting of remaining 20% of the total ESOPs granted shall happen on July 14, 2022.	Increase in equity capital by 24,50,000 equity shares of Rs. 10/- each.

m) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments / fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad.

Facilities	Rating Agency	Credit Rating at the beginning of the year	Change in the Credit Rating as the end of the year
Long term bank facilities	Credit Analysis & Research Limited	CARE A +; Stable (Single A Plus; Outlook : Stable)	CARE AA-; Stable (Double A Minus; Outlook : Stable)
Long term / Short term bank facilities	Credit Analysis & Research Limited	CARE A+; Stable / CARE A1+ (Single A Plus; Outlook : Stable / A One Plus)	CARE AA-; Stable/ Care A1+ (Double A Minus; Outlook : Stable/A One Plus)
Non-Convertible Debentures	Brickwork Ratings India Private Limited	-	BWR AA (SO)

n) Project locations of the Company and its Subsidiaries:

- **Company**

Sr. No.	Company	Location	State	Nature of Business	Remark
1	Welspun Enterprises Limited	Raisen - Gairatganj -Rahatgarh	Madhya Pradesh	Project- BOT	Handed over to MPRDC on 09.10.18 as per contractual terms
2	Welspun Enterprises Limited	Mohali	Punjab	Project- EPC	Commissioning work pending
3	Welspun Enterprises Limited	Delhi	Delhi	Project- EPC	COD achieved on 28 June 18
4	Welspun Enterprises Limited	Aunta-Simaria	Bihar	Project- EPC	-
5	Welspun Enterprises Limited	Chutmalpur-Ganeshpur and Rorkee-Chutmalpur-Gagalheri	Uttar Pradesh & Uttarakhand	Project- EPC	-
6	Welspun Enterprises Limited	Gagalheri-Sahranpur-Yamunanagar	Uttar Pradesh	Project- EPC	-
7	Welspun Enterprises Limited	Chikhali – Tarsod	Maharashtra	Project- EPC	-
8	Welspun Enterprises Limited	Sattanathapuram Nagapattinam	Tamil Nadu	Project- EPC	-
9	Welspun Enterprises Limited	Amaravati Akola-	Maharashtra	Project- EPC	-

- **Subsidiaries**

Sr. No.	Company	Location	State	Nature of Business	Remark
1	Dewas Waterprojects Works Private Limited	Dewas	Madhya Pradesh	Project- BOT	Provisional COD received from MPSIDC on 30.04.19 and O&M has started
2	MSK Projects (Himmatnagar Bypass) Private Limited	Himmatnagar	Gujarat	Project- BOT	Currently project is operational
3	MSK Projects (Kim Mandvi Corridor) Private Limited	Kim Mandvi	Gujarat	Project- BOT	Project handed over to GSRDC on 07.04.18

Sr. No.	Company	Location	State	Nature of Business	Remark
4	Welspun Delhi Meerut Expressway Private Limited	Delhi	Delhi	Project-Hybrid Annuity	-
5	Welspun Aunta-Simaria Project Private Ltd	Aunta - Simaria	Bihar	Project-Hybrid Annuity	-
6	Welspun Sattanathapuram Nagapattinam Road Private Limited	Sattanathapuram Nagapattinam	Tamil Nadu	Project-Hybrid Annuity	-
7	Welspun Road Infra Private Limited	Amaravati Akola-	Maharashtra	Project-Hybrid Annuity	-

o) Disclosure of shares held in suspense account under Clause F of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Refer to point No. 9(f) to the Directors' Report.

p) Address for correspondence

The Company Secretary,
Welspun Enterprises Limited
Welspun House, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.
Tel: +91-22-66136000; +91-22-24908000, Fax: +91-22-24908020 /21
e-mail: companysecretary_wel@welspun.com

XII. OTHER DISCLOSURES

a) Related Party Transactions

For materially significant related party transactions, refer Note No. 46 of Notes to Accounts annexed to the Standalone Financial Statement and Annexure 5 to the Directors' Report.

The Company's policy on dealing with Related Party Transactions as required under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is disclosed on the Company's website and a web link thereto is as under:
http://welspunenterprises.com/userfiles/file/Related%20Party%20Transaction%20Policy.pdf

b) Disclosure pursuant to Regulation 34 (3) of the SEBI (LODR), 2015.

For disclosures pursuant to Regulation 34(3), refer Note No. 51 of Notes to Accounts annexed to the Standalone Financial Statement.

c) Non-Compliance

There was no non-compliance by the Company and hence no penalty or stricture was imposed / passed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital market, during the last 3 years.

d) Policy for determining 'material' subsidiaries

The Company's policy on determining material subsidiaries as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is disclosed on the Company's website www.welspunenterprises.com and a web link thereto is as under:

http://welspunenterprises.com/userfiles/file/Policy%20for%20governance%20of%20Material%20and%20other%20Subsidiaries.pdf

e) Details of compliance with Corporate Governance Requirements specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has complied with the requirements of Part C (Corporate Governance Report) of sub-paras (2) to (10) of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance Report.

The Company is in compliance with mandatory requirements mentioned under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable and in addition the Company adopted non-mandatory requirement mentioned at (C) – "Modified Opinion(s) in Audit Report", (D) – "Separate posts of chairperson and chief executive officer"; and (E) – "Reporting of Internal Auditor" of Part E of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

f) Disclosure of commodity price risks and commodity hedging activities

The Company enters into contracts with clients with provision for contract price escalation based on CPI and WPI movements. We enter into subcontracts on the same terms on price escalation with our subcontractor(s). Any actual escalation beyond the agreed terms is undertaken by the subcontractor(s). Thus, the Company is insulated from the risk of the commodity price fluctuation.

Please refer para on "Key Risks" the Management Discussion and Analysis for other risks.

g) Code of Conduct for Board and Senior Management

The Company has a Code of Conduct for Board members and senior management personnel. The Code has been put on the Company's website for information of all the members of the Board and management personnel.

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

A declaration signed by the Managing Director of the Company is given below:

"I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Conduct for the financial year 2018-19."

Sandeep Garg
Managing Director
DIN: 00036419

CERIFICATE OF PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE

To

The Members,

Welspun Enterprises Limited

I have examined the compliance of conditions of Corporate Governance by Welspun Enterprises Limited for the year ended on March 31, 2019, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanation given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations.

I state that in respect of investor grievances received during the year ended March 31, 2019, the Registrars of the Company have certified that as at March 31, 2019, there was no investor grievance remaining unattended/ pending to the satisfaction of the investor.

For Mihen Halani & Associates
Practicing Company Secretary

Mihen Halani
C.P. No. 12015
FCS No. 9926

Mumbai
May 15, 2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and clause (10)(i) of Para C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,

Welspun Enterprises Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Welspun Enterprises Limited bearing CIN-L45201GJ1994PLC023920 and having registered office at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal of the Ministry of Corporate Affairs at "www.mca.gov.in") as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Balkrishan Goenka	00270175	27.04.2010
2	Dr. Aruna Sharma	06515361	29.01.2019
3	Mr. Dhruv Subodh Kaji	00192559	30.05.2017
4	Ms. Mala Todarwal	06933515	05.08.2014
5	Mr. Mohan Tandon	00026460	31.01.2012
6	Mr. Rajesh R. Mandawewala	00007179	06.07.2012
7	Mr. Sandeep Garg	00036419	16.07.2012

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 Mihen Halani & Associates
Practicing Company Secretary

Mihen Halani
C.P. No. 12015
FCS No. 9926

Mumbai
May 15, 2019

Independent Auditors' Report

To
The Members of
Welspun Enterprises Limited

Report on the Audit of the Standalone Financial Statements

1. Opinion

We have audited the accompanying standalone financial statements of Welspun Enterprises Limited ("the Company"), which comprise the balance sheet as at 31 March 2019, 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 standalone financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at 31 March 2019, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) prescribed under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended 31 March 2019. 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.

Key audit matter	Auditor's response
Accuracy in respect of Construction contract revenue involves critical estimates. ▪ Estimated cost is a critical estimate to determine revenues. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, costs incurred till date, costs required to complete the remaining contract performance obligations.	Principal audit procedures Our audit approach was a combination of test of internal controls and substantive procedures which included the following: ▪ Evaluated the design of internal controls relating to recording of costs incurred and estimation of efforts required to complete the performance obligations. ▪ Tested the access and application controls pertaining to allocation and budgeting systems which prevents unauthorized changes to recording of costs incurred. ▪ Selected a sample of contracts and tested the operating effectiveness of the internal controls relating to costs incurred and estimated through inspection of evidence of performance of these controls. ▪ Selected a sample of contracts and performed a retrospective review of costs incurred with estimated efforts to identify significant variations and verify whether those variations have been considered in estimating the remaining costs to complete the contract. ▪ Reviewed a sample of contracts with unbilled revenues to identify possible delays in achieving milestones, which require change in estimated costs to complete the remaining performance obligations. ▪ Performed analytical procedures and test of details for reasonableness of incurred and estimated costs.

4. Other information

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, Board's Report including Annexures to Board Report and Chairman's Statement but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

5. Management's responsibility for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

6. Auditor's responsibilities for the audit of the standalone financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls 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 system 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

7. Report on Other Legal and Regulatory requirements

A. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order.

B. 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.

   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 standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e) On the basis of the written representations received from the directors of the Company as on 31 March 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;

ii. The Company has made provision as required under the applicable law or accounting standards, for material foreseeable losses, if any, in respect of long term contracts including derivative contracts; and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215
Mumbai, 15 May 2019

Annexure - A to the Independent Auditors' Report

Annexure referred to in paragraph 7 (A) under "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of the Company on the standalone financial statements for the year ended 31 March 2019

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management during the year as per the phased program designed to cover all the fixed assets over a period, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. As informed to us, no discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except in case of a freehold land of Rs. 36 lakhs whose title is not yet transferred in the name of the Company.

ii. The physical verification of inventory has been conducted by the management at reasonable intervals during the year. As informed to us, no discrepancies were noticed on such verification.

iii. According to information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder.

vi. We have broadly reviewed the cost records maintained by the Company prescribed by the Central Government under Section 148(1) of the Act and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of such records with a view to determine whether they are accurate or complete.

vii. According to the records of the Company, examined by us and information and explanations given to us:

a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and others as applicable have generally been regularly deposited with the appropriate authorities except delay in few cases. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2019 for a period of more than six months from the date they became payable except Works Contract Tax amounting to Rs. 69,462.

b) There are no dues of duty of customs, sales tax and duty of excise which have not been deposited on account of any dispute. The disputed dues of income tax, service tax and value added tax which have not been deposited are as under:

Name of the Statute	Nature of the Dues	Amount in (Rs. in Lakhs)	Period to which the amount relate	Forum where dispute is pending
The Income Tax Act, 1961	Penalty	1	F.Y. 2007-2008	Assistant Commissioner of Income Tax
		9	F.Y. 2007-08 and F.Y. 2009-2010	Commissioner of Income Tax (Appeals)
	Income Tax	67	F.Y. 2015-2016	Assistant Commissioner of Income Tax
The Central Excise Act, 1944	Service tax	70	F.Y. 2008-2009 to F.Y. 2010-2011	Additional Commissioner-Central Excise and Service Tax
		96	F.Y. 2007-2008 to F.Y. 2009-2010	Central Excise Service Tax Appellate Tribunal
		2,173	F.Y. 2012-13 to F.Y. 2015-16	Directorate General of Goods and Service Tax Intelligence
Haryana Value Added Tax Act, 2003	Value Added Tax	171	F.Y. 2009-2010	Deputy Excise and Taxation Commissioner
Gujarat value Added Tax Act, 2003	Value Added Tax	4	F.Y. 2011-12	Deputy Commissioner of Commercial Tax

viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution and banks. The Company has not taken any loans from Government and has not issued any debentures.

ix. In our opinion and according to the information and explanations give to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Amount raised by way of term loan during the year has been applied for the purpose it was raised.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the management.

xi. According to the records of the Company examined by us, and information and explanations given to us, 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.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

xiv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215
Mumbai, 15 May 2019

Annexure - B to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 7(B)(f) under "Report on Other Legal and Regulatory requirements" of our Report of even date to the members of the Company on the standalone financial statements for the year ended 31 March 2019

We have audited the internal financial controls over financial reporting of Welspun Enterprises Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (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

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on "Audit of Internal Financial Controls over Financial Reporting" (the " Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting 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 over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215
Mumbai, 15 May 2019

Balance Sheet

as at 31st March, 2019

(Rs. in Lakhs)

	Notes	As at 31st March, 2019	As at 31st March, 2018
Assets			
1. Non-current assets			
(a) Property, plant and equipment	4	6,288	504
(b) Capital work-in-progress	4	131	-
(c) Intangible assets	5	-	329
(d) Financial assets			
(i) Investments	6	84,935	65,054
(ii) Loans	7	2,190	2,346
(ii) Other financial assets	8	86	-
(e) Deferred tax assets (net)	36	539	668
(f) Non-current tax assets	9	804	1,283
(g) Other non-current assets	10	903	52
Total non-current assets		**95,876**	**70,236**
2. Current assets			
(a) Inventories	11	73	71
(b) Financial assets			
(i) Investments	12	36,122	69,923
(ii) Trade receivables	13	34,162	11,398
(iii) Cash and cash equivalents	14	9,076	501
(iv) Bank balances other than (iii) above	15	2,074	3,876
(v) Loans	16	18,019	11,781
(vi) Other financial assets	17	52,913	21,827
(c) Other current assets	18	11,429	1,789
Total current assets		**1,63,868**	**1,21,166**
Assets held-for-sale	19	36	36
		1,63,904	**1,21,202**
Total assets		**2,59,780**	**1,91,438**
Equity and liabilities			
Equity			
(a) Equity share capital	20 (a)	14,808	14,753
(b) Other equity	20 (b)	1,45,120	1,30,981
Total equity		**1,59,928**	**1,45,734**
Liabilities			
1. Non-current liabilities			
(a) Financial liabilities			
Borrowings	21	560	4,605
(b) Provisions	22	3,148	3,031
Total non-current liabilities		**3,708**	**7,636**
2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	15,790	1,429
(ii) Trade payables	24		
- Due of micro enterprises and small enterprises		29	-
- Due of creditors other than micro enterprises and small enterprises		56,332	20,591
(iii) Other financial liabilities	25	11,206	8,811
(b) Provisions	26	139	73
(c) Other current liabilities	27	12,057	6,519
(d) Current tax liabilities	28	591	645
Total current liabilities		**96,144**	**38,068**
Total equity and liabilities		**2,59,780**	**1,91,438**

Notes forming part of the standalone financial statements **1 to 55**

As per our report of even date
For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Place: Mumbai
Date : 15th May, 2019

For and on behalf of the Board

Balkrishan Goenka
Chairman
DIN 00270175

Sandeep Garg
Managing Director
DIN 00036419

Shriniwas Kargutkar
Chief Financial Officer

Priya Pakhare
Company Secretary

Place: Mumbai
Date : 15th May, 2019

Statement of Profit and Loss

for the year ended 31st March, 2019

(Rs. in Lakhs)

	Notes	Year ended 31st March, 2019	Year ended 31st March, 2018
Income			
Revenue from operations	29	173,942	99,720
Other income	30	5,462	9,556
Total income		**179,404**	**109,276**
Expenses			
Cost of materials consumed	31	1,732	1,415
Subcontracting, civil and repair work		139,533	79,732
Employee benefits expense	32	7,726	4,951
Finance costs	33	1,421	784
Depreciation and amortisation expense	34	1,051	1,962
Other expenses	35	6,724	6,583
Total expenses		**158,187**	**95,427**
Profit before exceptional items and tax		**21,217**	**13,849**
Exceptional items (net)	44	1,985	1,417
Profit before tax		**23,202**	**15,266**
Tax expense	36		
- Current tax		7,688	5,193
- Deferred tax charge/ (credit)		145	(901)
Total tax expense		**7,833**	**4,292**
Profit for the year		**15,369**	**10,974**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement gains/(losses) on defined benefit plan	45	(48)	(135)
Income tax effect on above		16	47
Other comprehensive income for the year (net of tax)		**(32)**	**(88)**
Total comprehensive income for the year		**15,337**	**10,886**
Earnings per equity share of Rs. **10 each fully paid up**	40		
Basic (Rs.)		10.40	7.44
Diluted (Rs.)		10.34	7.37

Notes forming part of the standalone financial statements **1 to 55**

As per our report of even date
For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Place : Mumbai
Date : 15th May, 2019

For and on behalf of the Board

Balkrishan Goenka
Chairman
DIN 00270175

Sandeep Garg
Managing Director
DIN 00036419

Shriniwas Kargutkar
Chief Financial Officer

Priya Pakhare
Company Secretary

Place : Mumbai
Date : 15th May, 2019

Statement of cash flow

for the year ended 31st March, 2019

(Rs. in Lakhs)

		Year ended 31st March, 2019	Year ended 31st March, 2018
A	**Cash flow from operating activities**		
	Profit before tax	23,202	15,266
	Adjustments for		
	Depreciation and amortisation expense	1,051	1,962
	Gain on sale/discard of property, plant and equipment (net)	(32)	(1,344)
	Bad debts	1	-
	Interest income	(3,869)	(5,451)
	Interest expense	1,049	662
	Gain on sale of non-current investments	(1,985)	(1,380)
	Provision for employee benefits	134	106
	Sundry balances written off	-	9
	Impairment of investment in subsidiary	-	1,368
	Net gain on financial assets mandatorily measured at FVTPL	(981)	(3,511)
	Realisation of contingent asset on account of income tax refund from WMSL	-	(43)
	Reversal of provision no longer required	(48)	(355)
	Unwinding of discount on security deposits	(4)	0
	Expected credit loss	1,304	1,528
	Share based payments to employees	1,524	941
	Dividend income	(16)	(25)
	Operating profit before working capital changes	**21,331**	**9,733**
	Adjustments for		
	(Increase) / decrease in trade and other receivables	(64,083)	(22,164)
	Increase / (decrease) in trade and other payables	43,573	16,077
	(Increase) / decrease in inventories	(2)	225
	Cash generated/ (used) in operating activities	**819**	**3,870**
	Direct taxes paid	(7,262)	(3,952)
	Net cash generated/ (used) in operating activities (A)	**(6,443)**	**(82)**
B	**Cash flow from investing activities**		
	Purchase of property, plant and equipment (including capital advances)	(7,387)	(305)
	Sale of property, plant and equipment	38	34
	Gain on sale of current investments (net)	62	870
	Investment in subsidiaries	(1,604)	(135)
	Investment in joint venture companies	(6,444)	(28,443)
	Investment in other entities	(25)	(13)
	Advance towards purchase of investment	-	(500)
	Loans given to subsidiaries	(22,301)	(2,393)
	Loans given to joint venture companies	(11,589)	(8,899)
	Loans given to associate	(30)	(44)
	Loans given to others	(14)	(2,267)
	Loans given to subsidiaries repaid	3,394	1,329
	Loans given to joint ventures repaid	12,705	-
	Loans given to associate repaid	30	45
	Loans given to others repaid	5	-

Statement of cash flow

for the year ended 31st March, 2019

(Rs. in Lakhs)

		Year ended 31st March, 2019	Year ended 31st March, 2018
	Application money for optionally convertible debentures refunded	-	92
	Redemption of investment in optionally convertible debentures	182	358
	Proceeds from sale of investment in wholly owned subsidiary	-	135
	Proceeds from sale of investment in other entities	5,911	1,394
	Realisation of contingent asset on account of income tax refund from WMSL	-	43
	Decrease in other bank balances	1,716	673
	Inter-corporate deposits given	-	(5,000)
	Inter-corporate deposits given repaid	50	10,020
	Dividend received	16	25
	Interest received	3,199	7,134
	Net cash generated from / (used in) investing activities (B)	**(22,086)**	**(25,847)**
C	**Cash flow from financing activities**		
	Proceeds from long-term borrowings	1,300	-
	Repayment of long-term borrowings	(5,181)	(403)
	Increase/ (decrease) in short-term borrowings (net)	14,557	(546)
	Interest paid	(1,035)	(640)
	Dividend paid including dividend distribution tax	(2,668)	(1,332)
	Net cash used in financing activities (C)	**6,973**	**(2,921)**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(21,556)**	**(28,850)**
	Cash and cash equivalents at the beginning of the year	66,920	95,770
	Cash and cash equivalents at the end of the year	**45,364**	**66,920**

Notes

1.	**Break up of cash and cash equivalents as follows**	**Year ended 31st March, 2019**	**Year ended 31st March, 2018**
	Current investments	36,288	66,419
	Cash and cash equivalents	9,076	501
		45,364	**66,920**

2. As required by Ind AS 7 “Statement of Cash Flows”, a reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given in note 54

3. The impact of non-cash transactions have not been given in the above cash flow statement details of which are given in note 54

4. Previous year figures are regrouped/ reclassified wherever considered necessary.

As per our report of even date
For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Place : Mumbai
Date : 15th May, 2019

For and on behalf of the Board

Balkrishan Goenka
Chairman
DIN 00270175

Sandeep Garg
Managing Director
DIN 00036419

Shriniwas Kargutkar
Chief Financial Officer

Priya Pakhare
Company Secretary

Place : Mumbai
Date : 15th May, 2019

Statement of changes in equity

for the year ended 31st March, 2019

A. Equity share capital

(Rs. in Lakhs)

	Note	Amount
Balances as at 1st April, 2017	**20 (a)**	**14,729**
Changes in equity share capital		24
Balances as at 31st March, 2018	**20 (a)**	**14,753**
Changes in equity share capital		55
Balances as at 31st March, 2019	**20 (a)**	**14,808**

B. Other equity

(Rs. in Lakhs)

	Notes	Reserves and surplus						Total other equity
		Capital reserve	Securities premium	Share options outstanding account	Amalgamation reserve	General reserve	Retained earnings	
Balance as at 1st April, 2017 (A)		**22,355**	**92,036**	**91**	**521**	**322**	**5,185**	**120,510**
Profit for the year		-	-	-	-	-	10,974	**10,974**
Other comprehensive income for the year		-	-	-	-	-	(88)	**(88)**
Total comprehensive income for the year (B)		**-**	**-**	**-**	**-**	**-**	**10,886**	**10,886**
Compensation options granted	42 & 20 b	-	-	941	-	-	-	**941**
Exercise of share options	42 & 20 b	-	104	(128)	-	-	-	**(24)**
Dividend paid		-	-	-	-	-	(1,107)	**(1,107)**
Dividend distribution tax paid		-		-	-	-	(225)	**(225)**
Total (C)		**-**	**104**	**813**	**-**	**-**	**(1,332)**	**(415)**
Balance as at 31st March, 2018 (D=A+B+C))		**22,355**	**92,140**	**904**	**521**	**322**	**14,739**	**130,981**
Profit for the year		-	-	-	-	-	15,369	**15,369**
Other comprehensive income		-	-	-	-	-	(32)	**(32)**
Total comprehensive income for the year (E)		**-**	**-**	**-**	**-**	**-**	**15,337**	**15,337**
Compensation options granted	42 & 20 b	-	-	1,524	-	-	-	**1,524**
Exercise of share options	42 & 20 b	-	711	(766)	-	-	-	**(55)**
Dividend paid	53	-	-	-	-	-	(2,213)	**(2,213)**
Dividend distribution tax paid	53	-	-	-	-	-	(455)	**(455)**
Total (F)		**-**	**711**	**758**	**-**	**-**	**(2,668)**	**(1,199)**
Balance as at 31st March, 2019 (G = D+E+F))		**22,355**	**92,851**	**1,662**	**521**	**322**	**27,409**	**145,120**

Nature and purpose of reserves

a) Capital reserve
Capital reserve represents capital surplus and not normally available for distribution as dividend.

b) Securities premium
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

c) Share options outstanding account
The share options outstanding account represents the value of equity settled share based payment provided to employees as part of their remuneration. Refer note 42 for further details of this plan.

d) Amalgamation reserve
It represents reserve arising out of amalgamation of two subsidiaries with the Company.

e) General reserve
The reserve is a distributable reserve maintained by the Company out of transfers made from profits.

f) Other comprehensive income
Other comprehensive income comprises of re-measurement gains/ (losses) of defined benefit obligations

Notes forming part of the standalone financial statements **1 to 55**

As per our report of even date
For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

For and on behalf of the Board

Balkrishan Goenka
Chairman
DIN 00270175

Sandeep Garg
Managing Director
DIN 00036419

Sanjay Kothari
Partner
Membership Number 048215

Shriniwas Kargutkar
Chief Financial Officer

Priya Pakhare
Company Secretary

Place : Mumbai
Date : 15th May, 2019

Place : Mumbai
Date : 15th May, 2019

Notes Forming Part of the Financial Statements

1 Corporate information

Welspun Enterprises Limited ('WEL' or 'the Company') is a public limited company incorporated in India. Its shares are publicly traded on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The Company is engaged in infrastructure development (Engineering, Procurement and Construction ('EPC') and Build, Operate and Transfer (BOT) basis). It is also engaged in carrying out Operation and Maintenance ("O&M") activities for the transportation sector projects.

The separate financial statements (hereinafter referred to as "Financial Statements") of the Company for the financial year 2018-19 were authorised for issue in accordance with a resolution of board of directors on 15th May, 2019.

2 Basis of preparation of financial statements

The financial statements have been prepared to comply in all material respects with the Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules (as amended) from time to time and other relevant provisions of the Act and rules framed thereunder and guidelines issued by Securities and Exchange Board of India (SEBI).

The financial statements have been prepared under the historical cost convention and on accrual basis, except for the following that are measured at fair value :

a) Certain financial assets and liabilities (Refer accounting policy regarding financial instruments).

b) Non current assets held-for-sale -measured at fair value less cost to sell

c) Defined benefit plan assets and liabilities

d) Share based payments

The financial statements are presented in Indian rupees (INR) with values rounded off to the nearest lakhs, except otherwise stated. Zero '0' denotes amount less than Rs. 50,000/-

3(A) Significant accounting policies

i) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

ii) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Refer Note 3(B) for Changes in accounting policies and disclosures

The disclosures of significant accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3(C).

a) Construction contract revenue

The Company derives revenue from the long-term construction of major infrastructure projects across India. The transaction price is normally fixed at the start of the project. It is normal practice for contracts to include escalation clause based on timely construction or other performance criteria known

Notes Forming Part of the Financial Statements

as variable consideration, discussed below. Revenue is recognized over time in the construction stream, when the customer simultaneously receives and consumes the benefits provided through the entity's performance or when the Company creates or enhances an asset that the customer controls.

The Company recognises revenue from construction contracts, using an input method on the basis of accumulated project expenses in relation to estimated accumulated project expenses upon completion. This method reflects close approximation of actual work performed. A provision is made for the difference between the expected cost of fulfilling a contract and the expected unearned portion of the transaction price where the forecast costs are greater than the forecast revenue.

b) Toll collection

Toll revenue from operations is recognised on an accrual basis which coincides with the collection of toll.

c) Services revenue

The Company performs maintenance and other services (advisory and consultancy). Revenue is recognised in the accounting period in which the services are rendered.

d) Variable consideration

It is common for contracts to include performance bonuses or penalties assessed against the timeliness or cost effectiveness of work completed or other performance related KPIs. Where consideration in respect of a contract is variable, the expected value of revenue is only recognised when the uncertainty associated with the variable consideration is subsequently resolved, known as "constraint" requirements. The Company assesses the constraint requirements on a periodic basis when estimating the variable consideration to be included in the transaction price. The estimate is based on all available information including historic performance. Where modifications in design or contract requirements are entered into, the transaction price is updated to reflect these. Where the price of the modification has not been confirmed, an estimate is made of the amount of revenue to recognise whilst also considering the constraint requirement.

e) Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects goods and service tax on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

f) Contract Balances

Contract assets and contract liabilities

A contract asset is the right to consideration in exchange for goods or services transferred to the customer.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer.

Unlike the method used to recognise contract revenue related to construction contract, the amounts billed to the customer are based on achievement of the various milestones established in the contract. The amounts recognised as revenue for a given year do not necessarily coincide with the amounts billed to or certified by the customer. In the case of contracts in which the goods or services transferred to the customer exceed the related amount billed, the difference is recognised (as a contract asset) and presented in the statement of financial position under "Contract assets", whereas in contracts in which the goods or services transferred are lower than the amount billed to the customer, the difference is recognised (as a contract liability) and presented in the statement of financial position under "Contract liabilities".

Trade receivables

A trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is

Notes Forming Part of the Financial Statements

due). Revenue earned from construction activities, but yet to be billed to customers, is initially recognised as contract assets and reclassified to trade receivables when the right to consideration becomes unconditional. We refer to the accounting policies on financial assets in this note for more information.

g) Cost to obtain a contract

The Company incurs costs to obtain the contracts such as bidding costs, feasibility study. The Company has charged these costs to statement of profit and loss as the Company does not expect to recover these costs.

h) Financing components

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer represents a financing component. As a consequence, the Company does not adjust any of the transaction prices for the time value of money. However incase financing element is present then the Company would split the transaction price between the consideration for services rendered and time value of money ('financing component')

i) Interest income

Interest income for all debt instruments, measured at amortised cost or fair value through other comprehensive income, is recognised using the effective interest rate ('EIR') method and shown under interest income in the statement of profit and loss. Interest income on interest bearing financial assets classified as fair value through profit and loss is shown as interest income under other income. Interest income on debt instruments which are credit impaired is recogised using EIR on net carrying value (net of ECL) of debt instruments.

j) Dividend income

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

iii) Exceptional items

On certain occasions, the size, type, or incidences of the item of income or expenses pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expenses is classified as an exceptional item and accordingly, disclosed in the financial statements.

iv) Service concession arrangement

The Company constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. These arrangements may include Infrastructure used in a public-to-private service concession arrangement for its entire useful life.

Under Appendix C to Ind AS 115 - Revenue from Contracts with Customers, these arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the Company receives a right (i.e. a franchisee) to charge users of the public service. The financial asset model is used to the extent the Company has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component. If the Company performs more than one service (i.e., construction or upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.

The Company manages concession arrangements which include toll road project and water supply project. The Company maintains and services the infrastructure during the concession period. These concession arrangements set out rights and obligations related to the infrastructure and the service to be provided.

Income from the concession arrangements earned under the intangible asset model

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consists of the (i) fair value of contract revenue, which is deemed to be fair value of consideration transferred to acquire the asset; and (ii) payments actually received from the users. The intangible asset is amortised over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the Company, starting from the date when the right to operate starts to be used. Based on these principles, the intangible asset is amortised in line with the actual usage of the specific public utility facility, with a maximum of the duration of the concession.

In the financial assets model, the amount due from the grantor meet the identifiation of the receivable which is measured at fair value. Based on business model assessment, the Company measures such financial assets at fair value and subsequently also classifies the same as fair value through profit and loss ("FVTPL").

Any asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

Amortisation

Intangible assets i.e. BOT cost (Toll collection right) existing on transition date, viz., 1st April, 2015 are amortized over the period of concession, using revenue based amortization. Under this methodology, the carrying value is amortized in the proportion of actual toll revenue for the year to projected revenue for the balance toll period, to reflect the pattern in which the assets' economic benefits will be consumed. At each balance sheet date, the projected revenue for the balance toll period is reviewed by the management. If there is any change in the projected revenue from previous estimates, the amortization of toll collection rights is changed prospectively to reflect any change in the estimates.

v) Property, plant and equipment

Freehold land is carried at cost. Other property, plant and equipment acquired are measured on initial recognition at cost. Subsequent to initial recognition, property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. The carrying amount of the replaced part accounted for as a separate asset previously is derecognised. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss when incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Depreciation on property, plant and equipment is provided on written down value basis as per the rate derived on the basis of useful life and method prescribed under Schedule – II of the Companies Act 2013. If the management estimate of the useful life of assets at the time of acquisition of assets or remaining useful life on a subsequent review is shorter/longer than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate/ lower rate based on the management estimate of the useful life/remaining useful life.

Pursuant to this policy, property, plant and equipment are depreciated over the useful life as provided below :-

Assets description	Useful life
Plant and machinery	2 years to 12 years
Furniture and fixtures	10 years
Vehicles	8 years to 10 years
Office and other equipments	3 years to 5 years
Computers	3 years to 6 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected

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from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

On transition to Ind AS, the Company had elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

vi) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

On transition to Ind AS, the Company had elected to continue with the carrying value of all of its intangible assets recognised as at 1st April, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

vii) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognized in prior accounting periods is reversed by crediting the statement of profit and loss if there has been a change in the estimate of recoverable amount.

viii) Valuation of Inventories

Raw materials and components are valued at lower of cost and net realizable value. Cost is determined on FIFO basis.

Traded goods are valued at lower of cost or net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.

ix) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the

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periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual installments.

x) Non-current assets held-for-sale

The Company classifies non-current assets as held-for-sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held-for-sale only if the management expects to complete the sale within one year from the date of classification. Non-current assets classified as held-for-sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets held-for-sale are not depreciated or amortized.

xi) Employee benefits

a) Short-term benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related services are rendered.

b) Defined benefit plans

Post-employment and other long-term employee benefits are recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques.

Re-measurement of the net defined benefit liability, which comprises of actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) are recognised in other comprehensive income in the period in which they occur.

c) Defined contribution plans

Payments to defined contribution retirement benefit schemes are charged to the statement of profit and loss of the year when the contribution to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

xii) Share based payments

Employees (including senior executives) of the Company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity settled transactions).

Employee stock options

The fair value of the options granted under the “Welspun Enterprises Limited - Employees Stock Option Plan 2017” and “Welspun Managing Director Stock Option Plan 2014” is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions
- excluding the impact of any service and non-market performance vesting conditions, and
- including the impact of any non-vesting conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit and loss, with a corresponding adjustment to equity.

xiii) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consists of interest and other costs incurred in connection with the borrowing of funds.

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xiv) Taxes on income

a) Current tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current taxes are recognized in profit or loss except to the extent that the tax relates to items recognized in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred tax

Deferred income tax is recognized on all temporary differences which are the differences between the carrying amount of an asset or liability in the statement of financial position and its tax base except when the deferred income tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax liabilities are recognized for all taxable temporary differences; and deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date and based on the tax consequence which will follow from the manner in which the Company expects, at financial year end, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax relating to item recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liability and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

xv) Foreign Currency transactions

The Company's financial statements are presented in INR rupees in lakhs, which is also the Company's functional currency. Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or

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expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.

xvi) Leases

a) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lesser are classified as operating lease. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

b) Finance lease

Assets acquired under leases where Company has substantially all the risks and rewards of ownership are classified as finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

xvii) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and other short term highly liquid investments with an original maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

xviii) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except when the results would be anti-dilutive.

xix) Provisions, contingent liabilities and contingent assets

a) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made to the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. when discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no

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longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

b) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurence or non occurence of one or more uncertain future events beyond the control of the Company or a present obligation which is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Information on contingent liabilities is disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is a possible asset that arises from past events and whose existence 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. Contingent asset is not recognized, but its existence is disclosed in the financial statements.

xx) Investment in subsidiaries, associates and joint venture companies

The Company has accounted for its investment in subsidiaries, associates and joint venture companies at cost.

xxi) Financial instruments

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

A. Financial assets

a) Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets at initial recognition. All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset except for financial assets classified as fair value through profit or loss.

b) Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified in four categories:

i) Debt instruments measured at amortised cost

ii) Debt instruments measured at fair value through other comprehensive income (FVTOCI)

iii) Debt instruments measured at fair value through profit or loss (FVTPL)

iv) Equity instruments measured at FVTOCI or FVTPL

Debt instruments

The subsequent measurement of debt instruments depends on their classification. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

i) Debt instruments measured at amortised cost

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is disclosed as interest income in the statement of profit and loss using the effective interest rate method.

ii) Debt instruments measured at FVTOCI

Debt instruments that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payment of principal and interest, are measured at FVTOCI. Movements in the

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carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest income which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in the OCI is reclassified from equity to statement of profit and loss. Interest income from these financial assets is disclosed as interest income in the statement of profit and loss using the effective interest rate method.

iii) Debt instruments measured at FVTPL

Debt instruments that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. Debt instruments which are held for trading are classified as FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised and presented net in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

iv) Equity instruments (other than investment in associates, joint venture companies and subsidiaries - Refer note "xx" above)

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as FVTPL. The Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

B. Derecognition of financial assets

A financial asset is derecognised only when

i) The Company has transferred the rights to receive cash flows from the financial asset or

ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

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

C. Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

i) Financial assets measured at amortised cost

ii) Financial assets measured at fair value through other comprehensive income (FVTOCI)

Expected credit losses are measured through a loss allowance at an amount equal to

i) the twelve months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within twelve after the reporting date) or

ii) full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

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For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on twelve months ECL.

D. Financial liabilities

a) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial liability at initial recognition. All financial liabilities are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial liability except for financial liabilities classified as fair value through profit or loss.

b) Subsequent measurement

For the purposes of subsequent measurement, financial liabilities are classified in two categories:

i) Financial liabilities measured at amortised cost

ii) Financial liabilities measured at FVTPL (fair value through profit or loss)

i) Financial liabilities measured at amortised cost

After initial recognition, financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of profit and loss.

ii) Financial liabilities measured at fair value through profit or loss (FVTPL)

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities at FVTPL are carried in the statement of profit and loss at fair value with changes in fair value recognized in the statement of profit and loss.

c) Derecognition

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

xxii) Business combinations

In accordance with Ind AS 101, provisions related to first time adoption, the Company has elected to apply Ind AS accounting for business combination prospectively from 1st April, 2015. Business combinations are accounted for using the acquisition method as per Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Company. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Business combinations between entities under common control is accounted for at carrying value. Transaction costs that the Company incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and

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other professional and consulting fees are expensed as incurred.

xxiii) Fair value measurement

The Company measures financial instruments, such as, investment in debt and equity instruments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers, if any, have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3(B) Changes in accounting policies and disclosures

New and amended standards

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on 28th March, 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The company has elected to apply the cumulative catch-up method on the date of transition and the revised standard is applied to contracts that were in progress as of 1st April, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect of adoption of Ind AS 115 is not material to the financial statements.

3(C) Significant estimates, judgements and assumptions

The preparation of financial statements requires management to exercise judgment in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the

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accompanying disclosures including disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.

a) Contract estimates

The Company prepares budgets in repect of each EPC projects to compute project profitability and construction revenue under percentage of completion method. The major component of contract estimate is budgeted cost to complete the contract. Due to complexities involved in the budgeting process, contract estimates are sensitive to changes in these assumptions. Budgeted costs are reviewed at each reporting date.

b) Provision for employee benefits

The cost of post-employment and other long term benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of discount rates, expected rate of return on assets, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The assumptions used are disclosed in note 45.

c) Contingencies and commitments

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that have a low probability of crystallising or are very difficult to quantify reliably, are treated as contingent liabilities. Such liabilities are disclosed in the notes, if any, but are not provided for in the financial statements. There can be no assurance regarding the final outcome of these legal proceedings.

d) Impairment testing

i) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the future years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate.

ii) Impairment of financial assets

The impairment provisions for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

e) Taxes

The Company periodically assesses its liabilities and contingencies related to income taxes for all years open to scrutiny based on latest information available. The Company records its best estimates of the tax liability in the current tax provision. The management believes that they have adequately provided for the probable outcome of these matters.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses 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.

f) Fair value measurement

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. In applying the valuation techniques, management makes

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maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date. For details of the key assumptions used and the impact of changes to these assumptions (Refer note 37).

g) Share based payments

Estimating fair value for share-based payment requires determination of the most appropriate valuation model. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 42.

3(D) Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard.

i. Ind AS 116 Leases

Ind AS 116 Leases was notified on 30th March, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1st April, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases. The Company intends to adopt these standards, if applicable, when they become effective. As the Company does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its Financial Statements.

ii. Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments

On 30th March, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively

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with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after 1st April, 2019. The Company will adopt the standard on 1st April, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. 1st April, 2019 without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the financial statements.

iii. Amendment to Ind AS 12 – Income taxes

On 30th March, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after 1st April, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

iv. Amendment to Ind AS 19 – plan amendment, curtailment or settlement

On 30th March, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after 1st April, 2019. The Company does not have any impact on account of this amendment.

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4 Property, plant and equipment

(Rs. in Lakhs)

	Freehold Land	Buildings	Plant and Machinery	Construction Equipments	Furniture and Fixtures	Vehicles	Office and other Equipments	Computers	Total
Gross carrying amount									
Balance as at 1st April, 2017	**88***	**6**	**278**	**64**	**7**	**136**	**38**	**8**	**626**
Additions	-	-	2	-	36	207	46	14	**305**
Disposals	-	-	79	-	-	5	-	-	**84**
Balance as at 31st March, 2018	**88**	**6**	**201**	**64**	**44**	**338**	**84**	**22**	**847**
Additions	-	-	4,597	-	49	1,807	52	6	**6,512**
Disposals	-	-	9	-	-	11	-	-	**20**
Balance as at 31st March, 2019	**88**	**6**	**4,788**	**64**	**93**	**2,134**	**136**	**28**	**7,339**

	Freehold Land	Buildings	Plant and Machinery	Construction Equipments	Furniture and Fixtures	Vehicles	Office and other Equipments	Computers	Total
Accumulated depreciation									
Upto 1st April, 2017	**-**	**2**	**137**	**64**	**4**	**61**	**18**	**3**	**288**
Additions	-	0	28	-	5	54	21	6	**114**
Disposals	-	-	56	-	-	3	-	-	**59**
Upto 31st March, 2018	**-**	**2**	**109**	**64**	**9**	**111**	**39**	**9**	**343**
Additions	-	0	392	-	13	282	25	9	**721**
Disposals	-	-	7	-	-	7	-	-	**14**
Upto 31st March, 2019	**-**	**2**	**494**	**64**	**22**	**386**	**64**	**18**	**1,050**
Net carrying amount									
Balance as at 31st March, 2019	**88**	**4**	**4,294**	**-**	**71**	**1,748**	**72**	**10**	**6,288**
Balance as at 31st March, 2018	**88**	**4**	**92**	**-**	**34**	**227**	**45**	**13**	**504**

	As at 31st March, 2019	As at 31st March, 2018
Net carrying amount		
Property, plant and equipment	6,288	504
Capital work-in-progress	131	-

Note

* Includes value of land Rs. Nil (Original value of Rs. 36 lakhs) at Pune for which the legal documents are yet to be executed.

For details of property, plant and equipment pledged as security, refer note 52

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5 Intangible assets (BOT Toll Collection Right)

(Rs. in Lakhs)

	Hoshanagabad-Harda-Khandwa Projects	Raisen Rahatgarh Projects	Ludhiana Bus Terminal Project	Total
Gross carrying amount				
Balance as at 1st April, 2017	**3,161**	**2,749**	**240**	**6,150**
Additions	-	-	-	-
Balance as at 31st March, 2018	**3,161**	**2,749**	**240**	**6,150**
Additions	-	-	-	-
Balance as at 31st March, 2019	**3,161**	**2,749**	**240**	**6,150**

	Hoshanagabad-Harda-Khandwa Projects	Raisen Rahatgarh Projects	Ludhiana Bus Terminal Project	Total
Accumulated Amortisation				
Upto 1st April, 2017	**2,048**	**1,685**	**240**	**3,973**
Additions	1,113	735	-	**1,848**
Upto 31st March, 2018	**3,161**	**2,420**	**240**	**5,821**
Additions	-	329	-	**329**
Upto 31st March, 2019	**3,161**	**2,749**	**240**	**6,150**
Net carrying amount				
Balance as at 31st March, 2019	**-**	**-**	**-**	**-**
Balance as at 31st March, 2018	**-**	**329**	**-**	**329**

Note : For details of intangible assets pledged as security, refer note 52

6 Non-current investments

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Unquoted		
Investments in subsidiaries - at cost unless otherwise stated		
MSK Projects(Himmatnagar Bypass) Private Limited	233	233
242,000 (31st March, 2018 : 242,000) equity shares of Rs. 10/- each fully paid up		
MSK Projects (Kim Mandvi Corridor) Private Limited		
6,730,000 (31st March, 2018 :6,730,000) equity shares of Rs. 10/- each fully paid up	673	673
1,001,784 (31st March, 2018 :1,001,784) 0% unsecured compulsorily convertible debentures of Rs. 100 each fully paid up #	1,002	1,002
Welspun Natural Resources Private Limited		
31,875,000 (31st March, 2018 :31,875,000) equity shares of Rs. 10 each fully paid up @	4,036	4,036
15,997,260 (31st March, 2018 :14,424,022) 0% unsecured compulsorily convertible debentures of Rs. 100 each fully paid up #	15,997	14,424
Dewas Waterprojects Works Private Limited		
(Formerly known as Anjar Water Solutions Private Limited)		
7,600 (31st March, 2018 :10,000) equity shares of Rs. 10 each fully paid up ^^	1	1
2,291,080 (31st March, 2018 : Nil) 0% unsecured compulsorily convertible debentures of Rs. 100 each fully paid up ^^ ##	2,291	-
Welspun Build-Tech Private Limited		
(Formerly known as Welspun Construction Private Limited)		

Notes Forming Part of the Financial Statements

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
10,000 (31st March, 2018 :10,000) equity shares of Rs. 10 each fully paid up	1	1
1,711,775 (31st March, 2018 :1,711,775) 0% unsecured compulsorily convertible debentures of Rs. 100 each fully paid up #	1,712	1,712
ARSS Bus Terminal Private Limited		
18,627,451 (31st March, 2018 :18,627,451) equity shares of Rs. 10 each fully paid up	3,101	3,101
Welspun Delhi Meerut Expressway Private Limited		
5,000,000 (31st March, 2018 : 5,000,000) equity shares of Rs. 10 each fully paid up ^^	500	500
2,155,000 (31st March, 2018 : 10,055,000) 0% unsecured compulsorily convertible debentures of Rs. 100 each fully paid up #	2,155	10,055
7,900,000 (31st March, 2018 : Nil) 0% unsecured optionally convertible debentures of Rs. 100 each fully paid up $$	7,900	-
Grenoble Infrastructure Private Limited		
4,900 (31st March, 2018 : Nil) equity shares of Rs. 10/- each fully paid up (a)	0	-
DME Infra Private Limited		
10,000 (31st March, 2018 : Nil) equity shares of Rs. 10/- each fully paid up (b)	1	-
Welspun Sattanathapuram Nagapattinam Road Private Limited		
7,000 (31st March, 2018: Nil) equity shares of Rs. 10/- each fully paid up (c)	1	-
2,000,000 (31st March, 2018 :Nil) 0% unsecured compulsorily convertible debentures of Rs. 100 each fully paid up #	2,000	-
Welspun Road Infra Private Limited		
1,000,000 (31st March, 2018 : Nil) equity shares of Rs. 10/- each fully paid up (d)	100	-
210,212 (31st March, 2018 :Nil) 0% unsecured compulsorily convertible debentures of Rs. 100 each fully paid up #	210	-
Welspun Amravati Highways Private Limited		
10,000 (31st March, 2018 : Nil) equity shares of Rs. 10/- each fully paid up (e)	1	-
Investment in joint venture entities (at cost unless otherwise stated)		
RGY Roads Private Limited		
4,900 (31st March, 2018 : 4,900) equity shares of Rs. 10 each fully paid up ^^	2,300	2,300
6,372,910 (31st March, 2018 : Nil) 0% unsecured compulsorily convertible debentures of Rs. 100 each fully paid up #	6,373	-
MBL (GSY) Road Limited		
24,500 (31st March, 2018 : 24,500) equity shares of Rs. 10 each fully paid up ^^	2	2
3,549,550 (31st March, 2018 : 3,549,550) 0% unsecured compulsorily convertible debentures of Rs. 100 each fully paid up #	3,550	3,550
7,103,995 (31st March, 2018 : 7,103,995) 0% unsecured optionally convertible debentures of Rs. 100 each fully paid up (at fair value) $	7,104	7,104
MBL (CGRG) Road Limited		
24,500 (31st March, 2018 : 24,500) equity shares of Rs. 10 each fully paid up ^^	2	2
2,823,550 (31st March, 2018 : 2,823,550) 0% unsecured compulsorily convertible debentures of Rs. 100 each fully paid up #	2,824	2,824
5,651,995 (31st March, 2018 : 5,651,995) 0% unsecured optionally convertible debentures of Rs. 100 each fully paid up (at fair value) $	5,652	5,652
Corbello Trading Private Limited		
4,900 (31st March, 2018 : 4,900) equity shares of Rs. 10/- each fully paid up ^^	785	785

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(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
3,143,790 (31st March, 2018 : Nil) 0% unsecured compulsorily convertible debentures of Rs. 100 each fully paid up #	3,144	-
Chikhali - Tarsod Highways Private Limited		
490,000 (31st March, 2018 : 4,900) equity shares of Rs. 10/- each fully paid up ^^	49	0
3,095,300 (31st March, 2018 : 873,500) 0% unsecured compulsorily convertible debentures of Rs. 100 each fully paid up #	3,095	874
Welsteel Enterprises Private Limited		
49,000 (31st March, 2018 :Nil) equity shares of Rs. 10 each fully paid up (f)	5	-
1,375,000 (31st March, 2018 :Nil) 0% unsecured optionally convertible debentures of Rs. 100 each fully paid up (at fair value) $	1,375	-
Welspun Aunta-Simaria Project Private Limited		
7,400 (31st March, 2018 :7,400) equity shares of Rs. 10 each fully paid up ^^	1	1
3,482,260 (31st March, 2018 :3,482,260) 0% unsecured compulsorily convertible debentures of Rs. 100 each fully paid up #	3,482	3,482
2,585,305 (31st March, 2018 :1,867,740) 0% unsecured optionally convertible debentures of Rs. 100 each fully paid up (at fair value) $	2,585	1,868
Investment at fair value through profit and loss		
Other Investments - Quoted		
Corporation Bank Limited		
8,000 (31st March, 2018 : 8,000) equity Shares of Rs. 2/- each fully paid up	2	2
Other Investments - Unquoted		
Welspun Energy Thermal Private Limited		
(Formerly known as Solarsys Infra Projects Private Limited)		
1,549 (31st March, 2018:1,549) equity shares of Rs. 10 each fully paid up	0	0
20,264,500 (31st March, 2018 :20,264,500) 0% unsecured compulsorily convertible debentures of Rs. 10 each fully paid up @	2,026	2,026
Welspun Steel Limited		
Nil (31st March, 2018 :1,820,000) 0% unsecured optionally convertible debentures of Rs. 10 each fully paid up	-	182
Ecstatic Engineering Consultants Private Limited		
480 (31st March, 2018:Nil) equity shares of Rs. 10 each fully paid up	0	-
Investment in Government Securities		
Indira Vikash Patra	0	0
Sardar Sarovar Narmada Nigam Limited		
3 (31st March, 2018 : 3) bonds of Rs. 1,000,000/- each fully paid up	30	30
	86,303	**66,422**
Less : Provision for impairment	(1,368)	(1,368)
Total	**84,935**	**65,054**
Aggregate book value of quoted investments	2	2
Aggregate book value of unquoted investments	86,301	66,420
Aggregate market value of quoted investments	2	2
Aggregate amount of impairment in value of investments	1,368	1,368

Each debenture having face value of Rs. 100 each shall be compulsorily convertible into 10 equity shares of Rs. 10 each fully paid up at the end of the 5 years from the date of allotment or as mutually agreed before the end of the tenure.

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\## Each debenture having face value of Rs. 100 each shall be compulsorily convertible into 10 equity shares of Rs. 10 each fully paid up at any time after 29th March, 2024. Unless converted earlier, the CCDs shall be compulsorily converted into equity shares at the end of the Concession period.

$ Each debenture having face value of Rs. 100 each shall be convertible, at the option of the holder or the Company into 10 equity shares of Rs. 10 each of the Company at any time after the expiry of 5 years and such conversion option shall be available till the expiry of the tenure (10 years from date of allotment) unless redeemed earlier. Besides, the Debenture holder as well as the Company has the right to seek redemption or do redemption, as the case may be, any time after the allotment of debentures. If the debentures are not converted into equity or redeemed until the expiry of the tenure, the debentures shall be redeemed at the expiry of the tenure.

$$ Each debenture having face value of Rs. 100 each shall be convertible at the option of the holder at any time during the tenure of the debentures into 10 equity shares of Rs. 10 each. If the debentures are not redeemed within 18 years from the date of issue, the debentures will be mandatorily converted into equity shares. Debentures shall be redeemable at the option of the Issuer, any-time after a period of 3 months from the date of issue but not later than 18 years (indicative -TBD). (Rationale for 18 years – 3 years prior to COD + 15 years of annuity collection. If redeemed after a period of 2 years from the date of issue, the redemption amount shall be the aggregate of the Issue price and premium equivalent to 15% of the aggregate of present value of Free Cash Flow for Equity (FCFE) and cash balance, if any of the Issuer. Before redeeming the OCDs, the issuer shall give option to holder to convert the OCDs in to equity by issuing 15 day's notice thereto. If the holder does not opt for converting, the issuer shall redeem within 7 days of the expiry of the notice period.

@ Each debenture having face value of Rs. 10 each shall be compulsorily convertible into 1 equity shares of Rs. 10 each fully paid up at the end of the 5 years from the date of allotment or as mutually agreed before the end of the tenure.

^^ The Company has pledged below mentioned equity shares and CCD :-

(Rs. in Lakhs)

Entities	As at 31st March, 2019 Units	As at 31st March, 2018 Units
A) Equity shares		
Welspun Delhi Meerut Expressway Private Limited	2,550,000	2,550,000
Dewas Waterprojects Works Private Limited	5,100	-
Welspun Aunta-Simaria Project Private Limited	5,100	5,100
RGY Roads Private Limited	4,900	4,900
MBL (GSY) Road Limited	24,495	24,495
MBL (CGRG) Road Limited	24,495	24,495
Corbello Trading Private Limited	4,895	4,896
Chikhali - Tarsod Highways Private Limited	4,895	4,896
B) Compulsorily Convertible Debentures (CCD)		
Dewas Waterprojects Works Private Limited	2,000,000	-

(a) became subsidiary w.e.f. 16th July, 2018

(b) became subsidiary w.e.f. 2nd August, 2018

(c) became subsidiary w.e.f. 19th September, 2018

(d) became subsidiary w.e.f. 5th December, 2018

(e) became subsidiary w.e.f. 28th September, 2018

(f) became joint venture entity w.e.f. 25th June, 2018

@ Investment as at 31st March, 2019 includes cumulative adjustment for fair value of interest free loan Rs. 1,036 lakhs (31st March, 2018 : Rs. 1,036 lakhs).

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7 Non-current financial assets - Loans

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Unsecured		
Security deposits- considered good		
- Related parties (Refer note 46)	12	224
- Others	387	384
	399	**608**
Loans to related parties (Refer note 46)		
Considered good	1,791	1,738
Credit impaired	13,377	12,072
	15,168	13,810
Less : Expected credit loss	13,377	12,072
	1,791	**1,738**
Total	**2,190**	**2,346**

Loans are non-derivative financial assets carried at amortised cost which generate a fixed or variable interest income. The carrying value may be affected by changes in the credit risk of the counterparties.

8 Non-current financial assets - Others

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Bank deposit having maturity of more than 12 months - Held as margin money or security against guarantees and other commitments (with various government authorities and banks)	86	-
Total	**86**	**-**

9 Non-current tax assets

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Balance with government authorities		
- Direct tax (net of provision for taxation)	804	1,283
Total	**804**	**1,283**

10 Other non-current assets

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Capital advances	744	-
Prepaid expenses	132	10
Balances with government authorities - Indirect tax	11	12
Deferred revenue	16	30
Total	**903**	**52**

11 Inventories

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Raw materials	73	71
Total	**73**	**71**

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12 Current investments

(Rs. in Lakhs)

		As at 31st March, 2019	As at 31st March, 2018
	Investments at fair value through profit and loss		
I.	**Quoted**		
	a) Investment in bonds	35,748	65,064
	b) Investment in mutual funds	245	1,790
	c) Investment in equity shares		
	National Mineral Development Corporation	104	119
	100,000 (31st March, 2018 : 100,000) shares of face value of Rs. 1/- each fully paid up		
II	**Unquoted**		
	Investment in equity shares		
	Dewas Bhopal Corridor Private Limited	-	2,950
	Nil (31st March, 2018 : 13,000) equity shares of Rs. 10/- each fully paid up.		
	Ecstatic Engineering Consultants Private Limited		
	5,584 (31st March, 2018 : Nil) 0% unsecured optionally convertible debentures of Rs. 100 each fully paid up #	25	-
	Total	**36,122**	**69,923**
	Aggregate book value of quoted investments	36,097	66,973
	Aggregate book value of unquoted investments	25	2,950
	Aggregate market value of quoted investments	36,097	66,973

Each debenture having face value of Rs. 100 each shall be convertible, at the option of the holder into 1 equity share of Rs. 10 each of the Company at any time after the expiry of 6 months and may be redeemed or renewed or converted upon maturity at the option of the debentureholder.

13 Trade receivables

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Unsecured		
Considered good		
- Related parties (Refer note 46)	32,477	8,112
- Others	1,685	3,286
Total	**34,162**	**11,398**

Trade receivables are non-interest bearing and are normally settled as per payment terms mentioned in the contract.

14 Cash and cash equivalents

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Balances with banks :		
- On current accounts	7,938	492
- Deposit with original maturity of less than three months*	1,133	-
Cash on hand	5	9
Total	**9,076**	**501**

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15 Bank balances (other than 14 above)

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Balances with banks		
- Deposits having maturity period less than twelve months*	5	3,579
- Held as margin money or security against guarantees and other commitments (with various government authorities and banks)*	2,056	297
- Unclaimed dividend account	13	-
Total	**2,074**	**3,876**

Note: *Deposits with banks earns interest at prevailing bank deposit rates.

16 Current financial assets - loans

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Unsecured, considered good		
Inter corporate deposits - Others	100	150
Security deposits		
- Related parties (Refer note 46)	235	-
- Others	266	-
Loans and advances		
- Related parties (Refer note 46)	15,151	9,364
- Others	2,267	2,267
Total	**18,019**	**11,781**

17 Other current financial assets

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Unsecured, considered good		
Advances recoverable	165	426
Advance towards purchase of investment	-	500
Amount receivable from related party (Refer note 46)	-	6,961
Contract assets (Refer note 49) :		
- Related parties (Refer note 46)	51,761	13,528
- Others	987	412
Total	**52,913**	**21,827**

18 Other current assets

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Unsecured, considered good		
Advance against goods and services	2,965	563
Mobilisation advance receivable	2,448	-
Prepaid expenses	156	280
Balances with government authorities - Indirect tax	5,860	946
Total	**11,429**	**1,789**

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19 Assets held-for-sale

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Assets held-for-sale	36	36
Total	**36**	**36**

20 Equity

(a) Equity share capital

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Authorised		
180,000,000 (31 March 2018: 180,000,000) equity shares of Rs. 10/- each	18,000	18,000
	18,000	**18,000**
Issued, subscribed and paid up		
148,083,056 (31 March 2018: 147,533,056) equity shares of Rs. 10/- each fully paid up	14,808	14,753
	14,808	**14,753**

(i) Reconciliation of the number of equity shares outstanding and the amount of the share capital

	As at 31st March, 2019		As at 31st March, 2018	
	Number of equity shares	(Rs. in lakhs)	Number of equity shares	(Rs. in lakhs)
At the beginning of the year	147,533,056	14,753	147,293,056	14,729
Add : Pursuant to exercise of stock options (Refer note 42)	550,000	55	240,000	24
	148,083,056	**14,808**	**147,533,056**	**14,753**

(ii) Rights, preference and restriction on shares

The Company has only one class of equity having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. The dividend, incase proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except incase of interim dividend.

In the event of liquidation of the Company, the holders of the equity shares are entitled to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Details of shareholders holding more than 5% shares in the Company

	As at 31st March, 2019		As at 31st March, 2018	
	Number of equity shares	% Holding	Number of equity shares	% Holding
Anjar Road Private Limited	58,415,951	39.45%	58,175,951	39.43%

Notes Forming Part of the Financial Statements

(iv) Aggregate number of shares issued for consideration other than cash, bonus shares issued and shares bought back during the last five years immediately preceding the reporting date.

	As at 31st March, 2019	As at 31st March, 2018
a) Equity shares allotted as fully paid up for consideration other than cash		
- Pursuant to the Scheme of Amalgamation and Arrangement	157,768,980	157,768,980
- Pursuant to exercise of stock options (Refer note 42)	1,750,000	1,200,000
b) Equity shares bought back	(26,987,479)	(26,987,479)

(v) Shares reserved for issue under options

For details of shares reserved for issue under the share based payment plan of the company, please refer note 42

(b) Other equity

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Capital reserve	22,355	22,355
Securities premium	92,851	92,140
Share options outstanding account	1,662	904
Amalgamation reserve	521	521
General reserve	322	322
Retained earnings	27,409	14,739
Total	**145,120**	**130,981**

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
(i) Capital reserve		
As per last balance sheet	22,355	22,355
(ii) Securities premium		
As per last balance sheet	92,140	92,036
Exercise of share options	711	104
	92,851	**92,140**
(iii) Other reserves		
(a) Share options outstanding account		
As per last balance sheet	904	91
Compensation options granted during the year	1,524	941
Share options exercised during the year	(766)	(128)
	1,662	**904**
(b) Amalgamation reserve		
As per last balance sheet	521	521
(c) General reserve		
As per last balance sheet	322	322
(d) Retained earnings		
As per last balance sheet	14,739	5,185
Total comprehensive income for the year	15,337	10,886
Dividends paid	(2,213)	(1,107)
Dividends distribution tax paid	(455)	(225)
	27,409	**14,739**
Total	**145,120**	**130,981**

Notes Forming Part of the Financial Statements

21 Non-current borrowings

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Secured		
Term loans from banks (Refer note (i) below)	-	5,208
Term loans from financial institutions (Refer note (ii) below)	1,300	-
Less : Current maturities disclosed under other current financial liabilites (Refer note 25)	(740)	(603)
Total	**560**	**4,605**

Nature of security and terms of repayments for long term borrowings

i. Industrial Development Finance Corporation Limited ('IDFC')

Term loan from IDFC of Rs. Nil (31st March, 2018 Rs. 5,208 lakhs) was secured by way of mortgage in favour of IDFC of all movable properties pertaining to the Dewas Water Supply Projects, present and future. A first charge by way of hypothecation of all the movable assets including movable plant and machinery, machinery spares, tools & accessories, furniture and fixtures, vehicles and all other movable assets pertaining to the project, present and future. First charge of all book debts, operating cash flows, revenues and receivables of the Company pertaining to the project, present and future. First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future. Assignment of all rights, title, interest, benefits, claims and demands of the Company in respect of all the assets of the projects agreement and contracts including concession agreement. First charge over the escrow account, debt service reserve account and other reserve and any other bank account the Company wherever maintained.

Repayment terms : Repayment in monthly installments w.e.f. 16th April, 2016 i.e- FY 17-3%; FY18-7%; FY19-10%; FY20-20%; FY21-22%; FY22-33%; FY23-5%. However the loan has been repaid during the year.

Rate of Interest : 11.25% p.a.

ii. Tata Capital Financial Services Limited ('TCFSL')

Term loan from TCFSL of Rs. 1,300 lakhs (31st March, 2019 Nil) is secured by hypothecation of first and exclusive charge on construction equipment which is forming part of Property, Plant and Equipment ('PPE')

Repayment terms : Repayment in 23 monthly installments w.e.f. 21st April, 2019 (Rs. 71.96 lakhs EMI per month including interest)

Rate of Interest : 10.75% p.a.

22 Non-current provisions

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Provision for employee benefits	560	443
Provision for Welspun Maxsteel Limited (WMSL) obligations *	2,588	2,588
Total	**3,148**	**3,031**

* Represents certain obligations related to stamp duty, etc of Welspun Maxsteel Limited, an erstwhile subsidiary disposed off in earlier period. There is no movement during the year.

Notes Forming Part of the Financial Statements

23 Current financial liabilities - borrowings

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Secured		
Loans repayable on demand from banks	987	1,429
Unsecured		
Commercial paper	14,803	-
Total	**15,790**	**1,429**

Nature of security and terms of repayment for secured borrowings

Loan from bank is secured by hypothecation of inventories and book debts of the Company.

Rate of interest: 1 year MCLR + 1.65%

24 Trade payables

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Dues of micro enterprises and small enterprises (Refer note 48)	29	-
Dues of creditors other than micro enterprises and small enterprises		
- Others	56,332	20,591
Total	**56,361**	**20,591**

25 Current financial liabilities - others

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Current maturities of long-term borrowings (Refer Note 21) *	740	603
Security deposits/ retention money payable	10,292	8,104
Payable to employees	162	84
Unclaimed dividend payable	13	-
Other payables	-	20
Total	**11,206**	**8,811**

* Includes interest accrued but not due Rs. Nil (31st March, 2018 Rs. 27 lakhs)

26 Current provisions

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Provision for employee benefits	139	73
Total	**139**	**73**

27 Other current liabilities

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Contract liabilities (Refer note 49) :		
- Related party (Refer note 46)	9,300	-
- Other parties	214	4,545
Statutory dues	2,543	1,974
Total	**12,057**	**6,519**

Notes Forming Part of the Financial Statements

28 Current tax liabilities

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Provision for tax	591	645
Total	**591**	**645**

29 Revenue from operations

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Revenue from		
- Engineering, Procurement and Construction #	172,987	96,378
- Operation and Maintenance #	333	-
- Build Operate Transfer (BOT) Business	464	2,979
- Advisory and consultancy income #	126	65
Other operating revenues		
- Scrap sales	32	-
- Other material sales	-	298
Total	**173,942**	**99,720**

Refer note 46 for related parties transactions

30 Other income

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest income on financial assets at amortised cost		
- On bank deposits	443	198
- On inter corporate deposits	-	786
- On loans and advances	1,401	1,528
Interest income		
- Financial assets mandatorily measured at fair value through profit and loss ('FVTPL')	2,025	2,940
- Others *	158	68
Dividend income on financial assets mandatorily measured at fair value through profit and loss ('FVTPL')	16	25
Net gain on financial assets mandatorily measured at fair value through profit and loss ('FVTPL')	981	3,511
Reversal of provision no longer required	48	355
Insurance claim received	25	114
Recovery of bad debts	297	-
Unwinding of discount on interest free deposits	34	30
Gain on sale of property, plant and equipment (net)	32	-
Miscellaneous income	3	-
Total	**5,462**	**9,556**

* Includes interest income recognised on mobilisation advances

Notes Forming Part of the Financial Statements

31 Cost of materials consumed

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Inventories at the beginning of the year	71	296
Add: Purchases	1,734	1,190
	1,805	**1,486**
Less: Inventories at the end of the year	(73)	(71)
Total	**1,732**	**1,415**

32 Employee benefits expense

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Salaries, wages and bonus	5,554	3,615
Contribution to provident and other funds	422	278
Share based payments to employees (Refer note 42)	1,524	941
Staff welfare expenses	226	117
Total	**7,726**	**4,951**

33 Finance costs

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest expenses on financial liabilities at amortised cost		
- Term loans	370	605
- Working capital	636	33
Net interest on net defined benefit liability	43	24
Other interest costs	90	62
	1,139	**724**
Bank charges and other finance costs	252	30
Unwinding of discount on interest free deposits	30	30
Total	**1,421**	**784**

34 Depreciation and amortisation expense

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Depreciation on property, plant and equipment	722	114
Amortisation of intangible assets	329	1,848
Total	**1,051**	**1,962**

Notes Forming Part of the Financial Statements

35 Other expenses

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Site expenses	283	383
Hire charges	173	94
Power, fuel and water charges	258	362
Repairs and maintenance :-		
- Property, plant and equipment	1	11
- Others	536	544
Project monitoring and maintenance fees	12	64
Rent	363	416
Rates and taxes	1,116	1,006
Insurance	186	102
Travelling and conveyance expense	559	390
Communication expenses	31	29
Legal and professional fees	1,226	783
Freight	5	14
Business promotion and advertisement	235	151
Printing and stationary	36	21
Directors sitting fees	15	23
Payment to Auditor :-		
- Audit fees (including fees for limited review)	35	30
- Certifications	3	2
- Reimbursement of expenses	2	1
Bad debts	1	-
Donation	208	162
Loss on sale of property, plant and equipment (net)	-	4
Expected credit loss	1,304	1,528
Miscellaneous expenses	135	463
Total	**6,724**	**6,583**

36 Income tax

a) The major components of income tax for the year ended 31st March, 2019 are as under:

i) Income tax related to items recognised in Statement of profit and loss during the year

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Current tax		
Current tax on taxable income for the year	7,688	5,193
Deferred tax		
Relating to origination and reversal of temporary differences	145	(901)
Total deferred tax charge/ (credit)	**145**	**(901)**
Income tax expense reported in the statement of profit and loss	**7,833**	**4,292**

Notes Forming Part of the Financial Statements

ii) Deferred tax related to items recognized in other comprehensive income (OCI) during the year

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Deferred tax on remeasurement (gains)/losses on defined benefit plan	16	47
Deferred tax charged to other comprehensive income	**16**	**47**

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Accounting profit before tax	**23,202**	**15,266**
Income tax @ 34.944% (31st March, 2018: 34.608%)	8,108	5,283
Non-deductible expenses for tax purpose		
- Expected credit loss on loans	456	529
- Depreciation on grant exempted from tax	52	212
- Other non deductible expenses	34	534
Other allowances for tax purpose	(290)	(535)
Utilisation of previously unrecognised tax losses	(527)	(1,731)
Income tax expense charged to the statement of profit and loss	**7,833**	**4,292**

c) Deferred tax relates to the following:

(Rs. in Lakhs)

	Balance Sheet		Recognized in the statement of profit and loss		Recognized in OCI	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
a) Taxable temporary differences						
Depreciation on property, plant and equipment and intangible assets	(76)	(8)	(68)	(1,288)	-	-
Fair valuation of financial instruments	(219)	696	(916)	(22)	-	-
Total (a)	**(295)**	**688**	**(984)**	**(1,310)**	**-**	**-**
b) Deductible temporary differences						
Allowance for doubtful debts	-	-	-	-	-	-
Employee benefits / expenses allowable on payment basis	244	180	(47)	2	(16)	(47)
Unused tax losses and unabsorbed depreciation	-	687	687	407	-	-
Total (b)	**244**	**867**	**640**	**409**	**(16)**	**(47)**
Less: MAT credit entitlement (c)	-	489	489	-	-	-
Net deferred tax (assets)/liabilities (a-b-c)	**(539)**	**(668)**				
Deferred tax charge/(credit) (a+b)			**145**	**(901)**	**(16)**	**(47)**

Notes Forming Part of the Financial Statements

d) Unrecognised deferred tax assets on unused tax losses

The Company has brought forward long term capital losses of Rs. 81,167 lakhs (31st March, 2018 Rs. 84,128 lakhs) (majority of which is expiring in 31st March, 2023) and short term capital losses of Rs. 7,607 lakhs (31st March, 2018 Rs. 7,667 Lakhs) (majority of which is expiring in 31st March, 2023) that are available for offsetting against future taxable capital gains. Deferred tax assets of Rs. 18,909 lakhs (31st March, 2018 Rs. 19,598 Lakhs) have not been recognized in respect of long term capital losses in view of uncertainty of future taxable capital gains and deferred tax assets (@ 34.944%) of Rs. 2,658 lakhs (31st March, 2018 Rs. 2,654 lakhs) have not been recognized in respect of short term capital losses in view of uncertainty of future taxable capital gains.

37 Fair value measurements

Financial instruments by category (Rs. in Lakhs)

	As at 31st March, 2019		As at 31st March, 2018	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets (other than investment in subsidiaries, associates and joint venture companies at cost)				
Non-current assets				
Investments	18,776	-	16,865	-
Loans #	-	2,190	-	2,346
Other financial assets	-	86	-	-
Current assets				
Investments	36,122	-	69,923	-
Trade receivables	-	34,162	-	11,398
Cash and cash equivalents	-	9,076	-	501
Other bank balances	-	2,074	-	3,876
Loans	-	18,019	-	11,781
Other financial assets	-	52,913	-	21,827
Total financial assets	**54,898**	**118,520**	**86,788**	**51,729**
Non-current liabilities				
Borrowings	-	560	-	4,605
Current liabilities				
Borrowings	-	15,790	-	1,429
Trade and other payables	-	56,361	-	20,591
Other financial liabilities	-	11,206	-	8,811
Total financial liabilities	**-**	**83,917**	**-**	**35,436**

\# Includes loan given Rs. 1,791 lakhs (Gross Rs. 15,168 lakhs less Expected Credit Loan ('ECL') Rs. 13,377 lakhs) to Welspun Natural Resources Private Limited ('WNRPL'), one of its subsidiary, which was designated as credit impaired based on assessment of various factors like financial difficulty of the issuer etc and subsequent to this designation, interest income under EIR is computed based on net carrying value of loan (net of ECL provided) w.e.f 01.01.2019

Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of the cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to short term maturities of these instruments.

Notes Forming Part of the Financial Statements

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

(Rs. in Lakhs)

	As at 31st March, 2019				
	Carrying Value	Fair Value	Level 1	Level 2	Level 3
Financial assets measured at FVTPL					
Non-current investments	18,776	18,776	2	31	18,743
Current investments	36,122	36,122	349	35,748	25
Total	**54,898**	**54,898**	**351**	**35,779**	**18,768**

	As at 31st March, 2018				
	Carrying Value	Fair Value	Level 1	Level 2	Level 3
Financial assets measured at FVTPL					
Non-current investments	16,865	16,865	2	30	16,833
Current investments	69,923	69,923	1,909	68,014	-
Total	**86,788**	**86,788**	**1,911**	**68,044**	**16,833**

Valuation technique used to determine fair value

a) Investments included in Level 1 of fair value hierarchy are based on prices quoted in stock exchange and/ or NAV declared by the funds.

b) Investments included in Level 2 of fair value hierarchy have been valued based on inputs from banks and other recognised institutions such as FIMMDA/ FEDAI

c) Investments included in Level 3 of fair value hierarchy have been valued using acceptable valuation techniques such as Net Asset Value and/ or Discounted Cash Flow Method.

Note : All financial instruments for which fair value is recognised or disclosed are categorised within the Fair Value Hierarchy described as above, based on the lowest level input that is significant to the fair value measurement as a whole.

The carrying amounts of loans, trade receivables, cash and cash equivalents, Other bank balances, other financial assets, non-current and current borrowings, trade payables and other financial liabilities that are measured at amortised cost are considered to be approximately equal to the fair value due to short-term maturities of these financial assets/ liabilities.

38 Financial risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board. The Company is exposed to market risk, credit risk and liquidity risk.

(A) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks.

a) Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize Company's position with regard to interest income and interest expenses and manage the interest rate risk, treasury

Notes Forming Part of the Financial Statements

performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instrument in its total portfolio.

(i) Interest rate risk exposure

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Variable rate borrowings	17,089	6,637

(ii) Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact of change in interest rate of borrowings, as follows:

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest rates : (Increase) by 50 basis points	(57)	(34)
Interest rates : Decrease by 50 basis points	57	34

b) Foreign currency risk

Currency risk is the risk that the fair value or future cash flows fluctuate because of changes in market prices of various currencies against the functional currency. However the Company is currently not exposed to foreign currency risk.

(B) Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

a) Trade receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has also taken advances and security deposits from some of its customers, which mitigate the credit risk to an extent.

b) Financial instruments and cash deposits

The Company considers factors such as track record, size of the institution, market reputation, financial strength / rating and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings.

c) The ageing analysis of the receivables (gross of expected credit loss) has been considered from the date the invoice falls due.

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Up to 3 months	28,375	8,148
3 to 6 months	4,328	4
More than 6 months *	1,459	3,246
Total	**34,162**	**11,398**

* Includes mainly retention money

No significant changes in estmation techniques or assumption were made during the reporting period.

Notes Forming Part of the Financial Statements

(C) Liquidity risk

a) Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forcasts on the basis of expected cash flows.

b) Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on the contractual undiscounted payments.

(Rs. in Lakhs)

As at 31st March, 2019	Total	Less than 1 Year	1 to 5 years	Beyond 5 years
Long term borrowings	560	-	560	-
Short term borrowings	15,790	15,790	-	-
Trade payables	56,361	56,361	-	-
Other financial liabilities	11,206	11,206	-	-
As at 31st March, 2018	**Total**	**Less than 1 Year**	**1 to 5 years**	**Beyond 5 years**
Long term borrowings	4,605	-	4,317	288
Short term borrowings	1,429	1,429	-	-
Trade payables	20,591	20,591	-	-
Other financial liabilities	8,811	8,811	-	-

39 Capital Management

For the purpose of Company's capital management, capital includes issued capital and other equity reserves attributable to the shareholders. The primary objective of the Company's Capital Management is to maximize shareholders value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants, if any.

The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing borrowings, trade and other payables, less cash and cash equivalents.

(Rs. in Lakhs)

		As at 31st March, 2019	As at 31st March, 2018
Net debts	A	50,695	(29,249)
Total capital	B	159,928	145,734
Capital and net debt	C=A+B	210,623	116,485
Gearing ratio	**A/C**	**24%**	**-25%**

Notes Forming Part of the Financial Statements

40 Earnings per share (EPS)

	As at 31st March, 2019	As at 31st March, 2018
Profit for the year (Rs. in lakhs)	15,369	10,974
Weighted average number of equity shares for Basic EPS (Number of shares)	147,793,741	147,505,129
Weighted average number of equity shares for Diluted EPS (Number of shares)	148,624,397	148,918,827
Nominal value of equity shares (Rs.)	10	10
Basic EPS (Rs.)	10.40	7.44
Diluted EPS (Rs.)	10.34	7.37

41 Contingencies and Commitments

(a) Leases

Operating lease commitments — Company as lessee

The Company has taken office premises and residential facilities under cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. The initial tenure of the lease varies from six months to thirty six months. Lease rental charges for 31st March, 2019 is Rs. 363 lakhs (31st March, 2018 : Rs. 416 Lakhs)

Future minimum rental receivables under non-cancellable operating leases are as follows :-

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Not later than one year	268	200
Later than one year but not later than five years	280	-
Later than five years	-	-
	548	**200**

(b) Contingent liabilities (to the extent not provided for)

i) Claims against the Company not acknowledged as debts

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Disputed labour cess demand (net of provision)	384	229
Stamp duty payable on concession agreement disputed in respect of BOT Projects	115	542
Disputed income tax liability	780	1,118
Disputed service tax liabilty	2,347	174
Disputed value added tax liability	175	175
Other claims against the Company	281	283
	4,082	**2,521**

ii) Guarantees excluding financial guarantees

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Bank guarantees issued	34,134	6,927
	34,134	**6,927**

Notes Forming Part of the Financial Statements

iii) Financial guarantees

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Guarantee given for the facilities granted		
- **Subsidiaries and joint ventures**	55,500	2,102
Loan outstanding is Rs. 55,500 lakhs (31st March, 2018 Rs. 2,102 lakhs) against guarantees provided of Rs. 233,439 lakhs (31st March, 2018 Rs. 193,359 lakhs)		
	55,500	**2,102**

As undertaking (financial guarantee as per IND AS) is given to lenders for Rs. 70,605 Lakhs for financial assistance to be given to Welspun Aunta-Simaria Project Private Limited.

(c) Commitments

i) The Company has an outstanding commitments of Rs. 49,938 lakhs (31st March, 2018 Rs. 26,653 lakhs) and Rs. 1,582 lakhs (31st March, 2018 Rs. 3,873 lakhs) towards equity contribution in joint venture entities and its subsidiary respectively under the financing arrangement tied up with bankers.

ii) Pursuant to the understanding with MBL Projects Private Limited, with respect to investment in RGY Roads Private Limited ('RGY'), paid against option for acquisition of balance 51% shares in RGY equivalent to Rs. 1,450 lakhs (31st March, 2018 Rs. 1450 lakhs) on 22nd February, 2018. The balance amount is Rs. 122 lakhs (31st March, 2018 Rs. 122 lakhs).

iii) With respect to investment in MBL (GSY) Road Limited ('GSY') and MBL (CGRG) Road Limited ('CGRG'), Rs. 1.63 lakhs (31st March, 2018 Rs. 1.63 lakhs) each is paid against option for acquisition of balance 51% shares in GSY & CGRG. The balance amount is Rs. 0.13 lakhs (31st March, 2018 Rs. 0.13 lakhs).

iv) Pursuant to the understanding with Vishvaraj Environment Private Limited, with respect to investment in Corbello Trading Private Limited ('CTPL') paid against option for acquisition of balance 51% shares in CTPL equivalent to Rs. 745 lakhs (31st March, 2018 Rs. 745 lakhs). The balance amount is Rs. 72 lakhs (31st March, 2018 Rs. 72 lakhs).

v) With respect to investment in Chikhali-Tarsod Highways Private Limited ('CTHPL') Rs. 0.48 lakhs (31st March, 2018 Rs. 0.48 lakhs) is paid against option for acquisition of balance 51% shares in CTHPL. The balance amount is Rs. 0.03 lakhs (31st March, 2018 Rs. 0.03 lakhs).

42 Share based payments

a) In accordance with the "Welspun Enterprises Limited - Employees Stock Option Plan 2017" the company has granted 3,000,000 equity shares (maximum 2,000,000 equity shares to the "Managing Director") at zero cost on 10th October, 2017. The fair value of the above stock option of Rs. 4,179 lakhs is calculated at the average rate of Rs. 139.30 per share is amortised on the straight line basis over the vesting period in accordance with the Ind AS 102 "Share-based payment". Accordingly proportionate amount of Rs. 1,524 lakhs (31st March, 2018 - Rs. 904 lakhs) is shown as "Share based payment to employees" in the statement of profit and loss (Refer note 32)."

b) In accordance with the "Welspun Managing Director Stock Option Plan 2014" the Company has granted 240,000 equity shares to the "Managing Director" of the Company at zero Cost on 14th July, 2016. The fair value of the above Stock Options of Rs. 128 Lakhs as on 14th July, 2016 is calculated at the average rate of Rs. 53.23/- per share is amortized on the straight line basis over the vesting period of one year in accordance with the Ind AS 102 "Share-based payment". Accordingly proportionate amount of Rs. Nil (31st March, 2018 - Rs. 37 Lakhs) is shown as "Share based payment to employees" in the statement of profit and loss (Refer note 32)."

Notes Forming Part of the Financial Statements

The salient features of the Scheme ("Welspun Enterprises Limited - Employees Stock Option Plan 2017") are as under:

(i) Vesting: Options to vest shall happen at every anniversary of the date of grant in quantum of 20% of the total ESOPs granted, over the period of 5 years from the date of grant. However vesting period may be extended by the entire duration of the leave period for Employees on the long Leave. The Vesting Schedule is as under:

Number of ESOP	Date of Grant	Date of Vesting
600,000	10-Oct-17	10-Oct-18
600,000	10-Oct-17	10-Oct-19
600,000	10-Oct-17	10-Oct-20
600,000	10-Oct-17	10-Oct-21
600,000	10-Oct-17	14-Jul-22

(ii) Exercise: Options granted shall be capable of being exercised in one or more tranches in multiples of 5000 shares, within a period of 3 years from the date of vesting of the respective Employee Stock Options. In the event of cessation of employment due to death or permanent incapacity, all the vested and unvested options may be exercised immediately but not later than six months from the cessation of employment. In the event of cessation of employment due to normal retirement, all the vested options should be exercised immediately but not later than six months from date of retirement and all unvested options will stand cancelled. In the event of cessation of employment due to resignation prior to retirement, all the vested options should be exercised immediately but not later than one month from date of submission of resignation and all unvested options will stand cancelled.

Date of Grant	10-Oct-17
Number of Options Granted	3,000,000
Exercise Period	3 years from date of Vesting of respective Employee Stock Options
Exercise Price	Rs. Nil

	As at 31st March, 2019		As at 31st March, 2018	
	No. of Stock Options	Weighted Average Exercise Price (Rs.)	No. of Stock Options	Weighted Average Exercise Price (Rs.)
Options outstanding at the beginning of the year	3,000,000	Nil	240,000	Nil
Options granted during the year	Nil	Nil	3,000,000	Nil
Options exercised during the year	550,000	Nil	240,000	Nil
Options cancelled/ lapsed during the year	Nil	Nil	Nil	Nil
Options outstanding at the end of the year*	2,450,000	Nil	3,000,000	Nil
Options vested but not exercised at the end of the year	50,000	Nil	Nil	Nil

* includes options vested but not exercised

Notes Forming Part of the Financial Statements

(iii) Information in respect of options outstanding as at 31st March, 2019

No. of Stock Options	Remaining life in months	Weighted Average Exercise Price (Rs.)
2,450,000	39	Nil

Information in respect of options outstanding as at 31st March, 2018

No. of Stock Options	Remaining life in months	Weighted Average Exercise Price (Rs.)
3,000,000	51	Nil

(iv) The fair value of each option granted is estimated on the date of grant using the Black Scholes valuation model with the following assumptions :

No of Stock Options	Grant Date	Vesting Date
600,000	10-Oct-17	10-Oct-18
600,000	10-Oct-17	10-Oct-19
600,000	10-Oct-17	10-Oct-20
600,000	10-Oct-17	10-Oct-21
600,000	10-Oct-17	14-Jul-22

Variables :-

Stock price	139.30
Volatility	45.14%
Risk free rate (on the basis of tenure)	6.43% to 6.69%
Exercise price	Nil
Time to maturity	2 to 6
Dividend yield	0%
Option fair value	139.30

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

(v) Effect of share- based payment plan on the Balance sheet and Statement of profit and loss:

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Share options outstanding account (Refer note 20(b))	1,662	904
Share based payments to employees (Refer note 32)	1,524	941

43 Segment Information

The financial statements of the Company contains both the consolidated financial statements as well as the standalone financial statements of the Company. Hence, the Company has presented segment information based on the consolidated financial statements as permitted by Ind AS - 108 “Operating segments”.

Notes Forming Part of the Financial Statements

44 Exceptional items (net)

(Rs. in Lakhs)

		Year ended 31st March, 2019	Year ended 31st March, 2018
a)	Profit on sale of Dewas Bhopal Corridor Limited stake	1,844	-
b)	Gain on sale of stake in Welspun Energy Private Limited	141	1,394
c)	Realisation of contingent asset on account of income tax refund from Welspun Maxsteel Limited (now renamed as JSW Steel (Salav) Limited).	-	43
d)	Gain on sale of 'Assets held-for-sale'	-	1,348
e)	Impairment of investment in MSK Projects (Kim Mandvi Corridor) Private Limited	-	(1,368)
	Total	**1,985**	**1,417**

45 Gratuity and other post employment benefits plans

The disclosures of employee benefit as defined in the Ind AS 19 - " Employee Benefits" are given below :

a. The Company makes annual contributions to the employees' gratuity fund scheme, a funded defined benefit plan which is managed by LIC of India. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

b. Leave encashment is a non-funded defined benefit scheme. The obligation for leave encashment is recognized in the same manner as gratuity.

c. **Details of post retirement gratuity plan are as follows :-**

i. Net expenses recognised during the year in the statement of profit and loss :- (Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Current service cost	63	58
Interest cost (net)	23	11
Net expenses recognised in statement of profit and loss	**86**	**69**

ii. Net expenses recognised during the year in other comprehensive income (OCI) (Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Actuarial (gains) / losses arising from changes in demographic assumptions	5	-
Actuarial (gains) / losses arising from changes in financial assumptions	44	2
Actuarial (gains) / losses arising from changes in experience assumptions	7	96
Expected return on plan assets excluding interest	2	9
Net expenses recognised in other comprehensive income	**57**	**107**

iii. Net liability recognised in the balance sheet (Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Fair value of plan assets	83	122
Present value of obligation	513	413
Net liability recognized in balance sheet	**430**	**291**

Notes Forming Part of the Financial Statements

iv. Reconciliation of opening and closing balances of defined benefit obligation

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Defined benefit obligation as at the beginning of the year	413	261
Current service cost	63	58
Interest cost	32	20
Actuarial (gain) / loss on obligation	56	98
Liability transferred in/ (paid)	(51)	(24)
Defined benefit obligation at the end of the year	**513**	**413**

v. Reconciliation of opening and closing balance of fair value of plan assets

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Fair values of plan assets at the beginning of the year	122	121
Return on plant assets, excluding interest income	8	0
Recoverable from LIC	-	21
Fund charges	(1)	-
Benefits paid	(46)	(20)
Fair value of plan assets at year end	**83**	**122**

vi. Reconciliation of opening and closing balance of net defined benefit obligation

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Net defined benefit obligation as at the beginning of the year	291	140
Current service cost	63	58
Interest cost (net)	24	20
Actuarial (gain) / loss on obligation	56	98
Liability transferred in/ (paid)	(5)	(4)
Fund charges	1	-
Recoverable from LIC	-	(21)
Net defined benefit obligation at the end of the year	**430**	**291**

vii. Actuarial assumptions

	As at 31st March, 2019	As at 31st March, 2018
Mortality Table	100% of Indian assured lives Mortality (2006-08)	100% of Indian assured lives Mortality (2006-08)
Discount rate (per annum)	7.65%	7.72%
Expected rate of return on plan assets (per annum)	-	-
Rate of escalation in salary (per annum)	6.00%	6.00%
Attrition rate	38% up to age 30, 26% from age 31 to 44 and 19% thereafter	25% up to age 30, 10% from age 31 to 44 and 10% thereafter

Notes Forming Part of the Financial Statements

vii. Quantitative sensitivity analysis

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Impact of change in discount rate		
Present value obligation at the end of the period	513	413
Impact due to increase of 0.50%	(8)	(2)
Impact due to decrease of 0.50%	8	2
Impact of change in salary increase		
Present value obligation at the end of the period	513	413
Impact due to increase of 0.50%	9	1
Impact due to decrease of 0.50%	(8)	(1)

Sensitivities due to mortality & withdrawals are insignificant & hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

ix. Maturity analysis of projected benefit obligation: from the fund

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Year ended		
31-Mar-19	-	88
31-Mar-20	267	118
31-Mar-21	138	83
31-Mar-22	138	101
31-Mar-23	157	94
31-Mar-24	172	-

The weighted average duration of defined benefit obligation is 11.71 (31st March, 2018 - 10.31)

Notes

1. Amounts recognized as an expense and included in the Note 32 “Employee benefits expense” are gratuity Rs. 63 lakhs (31st March, 2018 Rs. 58 lakhs) and leave encashment Rs. 55 lakhs (31st March, 2018 Rs. 48 lakhs). Net interest cost on defined benefit obligation recognised in Note 33 under “Finance costs” is Rs. 43 lakhs (31st March, 2018 Rs. 24 lakhs)
2. The estimate of future salary increases considered in the actuarial valuation, takes into account the rate of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
3. Contribution to provident and other funds which is a defined plan is recognized as an expense in Note 32 of the financial statements.

Notes Forming Part of the Financial Statements

46 Disclosure as required by Ind AS 24 - Related Party disclosures

a) Particulars of subsidiaries

(Rs. in Lakhs)

Direct subsidiaries	Principal activities	Extent of holding		Principal place of business
		As at 31st March, 2019	As at 31st March, 2018	
MSK Projects (Himmatnagar Bypass) Private Limited	Infrastructure	100%	100%	India
MSK Projects (Kim Mandvi Corridor) Private Limited	Infrastructure	100%	100%	India
Dewas Waterprojects Works Private Limited @ (Formerly known as Anjar Water Solutions Private Limited)	Infrastructure	76%	100%	India
Welspun Build-Tech Private Limited (Formerly known as Welspun Construction Private Limited)	Infrastructure	100%	100%	India
Welspun Natural Resources Private Limited	Oil and Gas exploration	100%	100%	India
Welspun Delhi Meerut Expressway Private Limited	Infrastructure	100%	100%	India
Welspun Financial Services Limited *	Financial Services	-	-	India
ARSS Bus Terminal Private Limited	Infrastructure	100%	100%	India
Grenoble Infrastructure Private Limited **	Infrastructure	49%	-	India
DME Infra Private Limited ***	Infrastructure	100%	-	India
Welspun Sattanathapuram Nagapattinam Road Private Limited **** $	Infrastructure	70%	-	India
Welspun Amravati Highways Private Limited *****	Infrastructure	100%	-	India
Welspun Road Infra Private Limited ******	Infrastructure	100%	-	India

* Became subsidiary on 27th July, 2017 and ceased to be subsidiary w.e.f. 19th December, 2017
** Became subsidiary on 16th July, 2018
*** Became subsidiary on 2nd August, 2018
**** Became subsidiary on 19th September, 2018
***** Became subsidiary on 5th December, 2018
****** Became subsidiary on 28th September, 2018
@ In addition to aforesaid stake, 24% are held through MSK Projects (Kim Mandvi Corridor) Private Limited
$ In addition to aforesaid stake, 14.65% are held through Grenoble Infrastructure Private Limited

b) Joint venture companies

(Rs. in Lakhs)

Name of the Entities	Extent of holding		Principal place of business
	As at 31st March, 2019	As at 31st March, 2018	
Welspun Aunta-Simaria Project Private Limited #	74%	74%	India
RGY Roads Private Limited	49%	49%	India
MBL (GSY) Road Limited ##	49%	49%	India
MBL (CGRG) Road Limited ##	49%	49%	India
Corbello Trading Private Limited	49%	49%	India
Chikhali - Tarsod Highways Private Limited ###	49%	49%	India
Welsteel Enterprises Private Limited *	49%	-	India

Notes Forming Part of the Financial Statements

* Became Joint venture w.e.f. 25th June, 2018
# In addition to aforesaid stake, 12.74% are held through Welsteel Enterprises Private Limited
In addition to aforesaid stake, 24.94% are held through RGY Roads Private Limited
In addition to aforesaid stake, 24.99% are held through Corbello Trading Private Limited

c) Associate

(Rs. in Lakhs)

Name of the Entities	Extent of holding		Principal place of business
	As at 31st March, 2019	As at 31st March, 2018	
Adani Welspun Exploration Limited	35%	35%	India
(Held through Welspun Natural Resources Private Limited – Wholly owned subsidiary)			

c) Directors / Key Managerial Personnel (KMP)

Name of the Related Parties	Nature of Relationship
Mr. B. K. Goenka	Executive Chairman and Whole Time Director
Mr. Sandeep Garg	Managing Director
Mr. Rajesh R. Mandawewala	Non Independent Director
Dr. Aruna Sharma ^	Independent Director
Mr. Dhruv Subodh Kaji	Independent Director
Mr. Mohan Tandon	Independent Director
Mr. Ramgopal Sharma *	Independent Director
Mr. Yogesh Agarwal **	Independent Director
Ms. Mala Todarwal	Independent Director
Mr. Utsav Baijal ***	Independent Director
Mr. Mintoo Bhandari ***	Independent Director
Mr. Shriniwas Kargutkar	Chief Financial Officer
Ms. Indu Daryani ****	Company Secretary
Ms. Priya Pakhare ^^	Company Secretary

^ Appointed as director w.e.f. 29th January, 2019
^^ Appointed as Company Secretary w.e.f. 10th May, 2018
* Ceased to be director w.e.f. 30th October, 2018
** Ceased to be director w.e.f. 20th June, 2018
*** Ceased to be director w.e.f. 22nd November, 2017
**** Ceased to be Company Secretary w.e.f. 28th February, 2018

d) Other related parties with whom transactions have taken place or balances outstanding at the year end

Welspun India Limited, Welspun Corp Limited, Welspun Steel Limited, Welspun Realty Private Limited,Welspun Global Brands Limited, Welspun Energy Private Limited #, Welspun Foundation for Health and Knowledge, Welspun Energy Thermal Private Limited (Formerly known as Solarsys Infra Projects Private Limited), Diameter Trading Private Limited; Anjar Road Private Limited; Welspun Multiventures LLP; Welshop Trading Private Limited*

Welspun Energy Private Limited ('WEPL') merged with Welspun Steel Limited ('WSL') w.e.f. 21st August, 2017

* Welshop Trading Private Limited merged with Welspun Steel Limited ('WSL') w.e.f. 19th August, 2017

Notes Forming Part of the Financial Statements

e) Transactions with related parties

(Rs. in Lakhs)

Nature of transactions	Year ended 31st March, 2019	Year ended 31st March, 2018
Construction contract revenue (including unbilled work-in-progress)	**173,036**	**94,600**
Subsidiaries		
Welspun Delhi Meerut Expressway Private Limited	72	64,181
Dewas Waterprojects Works Private Limited	4,177	-
Welspun Sattanathapuram Nagapattinam Road Private Limited	9,358	-
Welspun Road Infra Private Limited	10,075	-
Joint Venture Companies		
Welspun Aunta-Simaria Project Private Limited	16,374	349
MBL (CGRG) Road Limited	51,093	10,194
MBL (GSY) Road Limited	57,950	19,876
Chikhali - Tarsod Highways Private Limited	23,950	-
Other Related Party		
Welspun India Limited	(13)	-
Rent expenses	**225**	**202**
Other Related Parties		
Welspun Corp Limited	24	2
Welspun Realty Private Limited	200	200
Welspun Multiventures LLP	1	-
Provision for impairment of investment	**-**	**1,368**
Subsidiary		
MSK Projects (Kim Mandvi Corridor) Private Limited	-	1,368
Business promotion expenses	**38**	**23**
Other Related Party		
Welspun Global Brands Limited	38	23
Staff welfare expenses	**85**	**-**
Other Related Parties		
Welspun Global Brands Limited	75	-
Welspun Corp Limited	10	-
Donation	**200**	**138**
Other Related Party		
Welspun Foundation for Health and Knowledge	200	138
Interest income	**44**	**62**
Subsidiary		
Welspun Natural Resources Private Limited	44	-
Other Related Party		
Welspun Steel Limited	-	62
Operation and maintenance income	**333**	**-**
Subsidiary		
Welspun Delhi Meerut Expressway Private Limited	333	-
Advisory and consultancy income	**125**	**65**
Subsidiary		
Welspun Delhi Meerut Expressway Private Limited	50	65

Notes Forming Part of the Financial Statements

(Rs. in Lakhs)

Nature of transactions	Year ended 31st March, 2019	Year ended 31st March, 2018
Joint Venture Companies		
MBL (CGRG) Road Limited	53	-
MBL (GSY) Road Limited	22	-
Interest income #	**1,357**	**1,528**
Subsidiary		
Welspun Natural Resources Private Limited	1,357	1,528
Expected Credit Loss #	**1,304**	**1,528**
Subsidiary		
Welspun Natural Resources Private Limited	1,304	1,528
Income on unwinding of discount on interest free deposits #	**34**	**30**
Other Related Party		
Welspun Realty Private Limited	34	30
Expenses on unwinding of discount on interest free deposits #	**30**	**30**
Other Related Party		
Welspun Realty Private Limited	30	30
Repairs and maintenance	**11**	**-**
Other Related Party		
Welspun India Limited	11	-
Purchase of materials	**506**	**-**
Other Related Parties		
Welspun Corp Limited	502	-
Welspun India Limited	4	-
Sale of materials	**-**	**29**
Other Related Party		
Welspun India Limited	-	29
Sale of 'Asset held-for-sale'	**-**	**6,961**
Subsidiary		
Dewas Waterprojects Works Private Limited	-	6,961
Loans/ advances received	**-**	**4,868**
Subsidiary		
MSK Projects (Himmatnagar Bypass) Private Limited	-	85
Joint Venture		
Welspun Aunta-Simaria Project Private Limited	-	4,766
Other Related Party		
Welspun India Limited	-	17
Loans/ advances received repaid / adjusted	**-**	**708**
Subsidiaries		
MSK Projects (Himmatnagar Bypass) Private Limited	-	267
Welspun Delhi Meerut Expressway Private Limited	-	425
Other Related Party		
Welspun India Limited	-	16

Notes Forming Part of the Financial Statements

(Rs. in Lakhs)

Nature of transactions	Year ended 31st March, 2019	Year ended 31st March, 2018
Retention money released / adjusted	**-**	**36**
Other Related Party		
Welspun India Limited	-	36
Loans/ deposits/ advances given	**32,868**	**10,542**
Subsidiaries		
ARSS Bus Terminal Private Limited	2	5
Dewas Waterprojects Works Private Limited	2,287	222
MSK Projects (Himmatnagar Bypass) Private Limited	94	318
MSK Projects (Kim Mandvi Corridor) Private Limited	615	210
Welspun Build-Tech Private Limited	0	1
Welspun Natural Resources Private Limited	9,807	815
Welspun Delhi Meerut Expressway Private Limited	7,335	-
DME Infra Private Limited	0	-
Grenoble Infrastructure Private Limited	0	-
Welspun Amravati Highways Private Limited	0	-
Welspun Sattanathapuram Nagapattinam Road Private Limited	786	-
Welspun Road Infra Private Limited	309	-
Welspun Financial Services Limited	-	28
Associate		
Adani Welspun Exploration Limited	30	44
Joint Venture Companies		
RGY Roads Private Limited	9,026	0
MBL (GSY) Road Limited	785	6,016
MBL (CGRG) Road Limited	469	2,797
Welsteel Enterprises Private Limited	0	-
Welspun Aunta-Simaria Project Private Limited	820	21
Corbello Trading Private Limited	1	2
Chikhali - Tarsod Highways Private Limited	488	62
Other Related Parties		
Welspun India Limited	5	-
Anjar Road Private Limited	10	-
Repayments of loans/ advances given	**16,227**	**595**
Subsidiaries		
Dewas Waterprojects Works Private Limited	86	91
MSK Projects (Himmatnagar Bypass) Private Limited	94	318
MSK Projects (Kim Mandvi Corridor) Private Limited	222	-
Welspun Delhi Meerut Expressway Private Limited	2,783	-
Welspun Natural Resources Private Limited	-	105
Welspun Sattanathapuram Nagapattinam Road Private Limited	303	-
Welspun Financial Services Limited	-	28
Associate		
Adani Welspun Exploration Limited	30	45

Notes Forming Part of the Financial Statements

(Rs. in Lakhs)

Nature of transactions	Year ended 31st March, 2019	Year ended 31st March, 2018
Joint Venture Companies		
RGY Roads Private Limited	2,651	-
MBL (GSY) Road Limited	6,577	-
MBL (CGRG) Road Limited	3,176	-
Welspun Aunta-Simaria Project Private Limited	100	-
Corbello Trading Private Limited	0	-
Chikhali - Tarsod Highways Private Limited	200	-
Other Related Parties		
Welspun India Limited	5	-
Welspun Foundation for Health and Knowledge	-	8
Security deposit given	**12**	**-**
Other Related Party		
Welspun Multiventures LLP	5	-
Welspun Corp Limited	7	-
Security deposit given refunded	**23**	**21**
Other Related Party		
Welspun Realty Private Limited	23	21
Mobilisation advance received	**9,300**	**-**
Joint Venture Company		
Chikhali - Tarsod Highways Private Limited	9,300	-
Mobilisation advance repaid/ adjusted	**-**	**6,507**
Subsidiary		
Welspun Delhi Meerut Expressway Private Limited	-	6,507
Application money for optionally convertible debentures refunded	**-**	**92**
Other Related Party		
Welspun Steel Limited	-	92
Redemption of Investment in optionally convertible debentures	**182**	**358**
Other Related Party		
Welspun Steel Limited	182	358
Additional sale consideration for equity shares of Welspun Energy Private Limited	**141**	**1,394**
Other Related Party		
Welspun Steel Limited	141	1,394
Inter-corporate deposit given	**-**	**5,000**
Other Related Party		
Welspun Steel Limited	-	5,000
Inter-corporate deposit given repaid	**-**	**5,515**
Other Related Party		
Welspun Steel Limited	-	5,515
Conversion of loan/ advance to equity shares	**148**	**-**

Notes Forming Part of the Financial Statements

(Rs. in Lakhs)

Nature of transactions	Year ended 31st March, 2019	Year ended 31st March, 2018
Subsidiary		
Welspun Road Infra Private Limited	99	-
Joint Venture Company		
Chikhali - Tarsod Highways Private Limited	49	-
Conversion of loan/ advance to Compulsorily Convertible Debentures	**9,987**	**-**
Subsidiaries		
Dewas Waterprojects Works Private Limited	1,130	-
Welspun Natural Resources Private Limited	1,573	-
Welspun Sattanathapuram Nagapattinam Road Private Limited	400	-
Welspun Road Infra Private Limited	210	-
Joint Venture Companies		
RGY Roads Private Limited	6,373	-
Chikhali - Tarsod Highways Private Limited	301	-
Conversion of loan/ advance to Optionally Convertible Debentures	718	-
Joint Venture Company		
Welspun Aunta-Simaria Project Private Limited	718	-
Conversion of Compulsorily Convertible Debentures to Optionally Convertible Debentures	**7,900**	**-**
Subsidiary		
Welspun Delhi Meerut Expressway Private Limited	7,900	-
Conversion of trade receivable to Compulsorily Convertible Debentures	**1,161**	**-**
Subsidiary		
Dewas Waterprojects Works Private Limited	1,161	-
Investment in equity shares	**9**	**3,090**
Subsidiaries		
Welspun Road Infra Private Limited	1	-
Welspun Sattanathapuram Nagapattinam Road Private Limited	1	-
DME Infra Private Limited	1	-
Grenoble Infrastructure Private Limited	0	-
Welspun Amravati Highways Private Limited	1	-
Joint Venture Companies		
Welsteel Enterprises Private Limited	5	-
RGY Roads Private Limited	-	2,300
MBL (GSY) Road Limited	-	2
MBL (CGRG) Road Limited	-	2
Welspun Aunta-Simaria Project Private Limited	-	1
Corbello Trading Private Limited	-	785
Chikhali - Tarsod Highways Private Limited	-	0
Purchase of equity shares of Welspun Financial Services Limited	**-**	**135**
Other Related Party		
Diameter Trading Private Limited	-	135

Notes Forming Part of the Financial Statements

(Rs. in Lakhs)

Nature of transactions	Year ended 31st March, 2019	Year ended 31st March, 2018
Sale of equity shares of Welspun Financial Services Limited	**-**	**135**
Other Related Party		
Diameter Trading Private Limited	-	135
Investment in compulsorily convertible debentures	**6,665**	**10,743**
Subsidiary		
Welspun Sattanathapuram Nagapattinam Road Private Limited	1,600	-
Joint Venture Companies		
MBL (GSY) Road Limited	-	3,550
MBL (CGRG) Road Limited	-	2,824
Welspun Aunta-Simaria Project Private Limited	-	3,482
Corbello Trading Private Limited	3,144	-
Chikhali - Tarsod Highways Private Limited	1,921	874
Other Related Party		
Welspun Energy Thermal Private Limited	-	13
Investment in optionally convertible debentures	**1,375**	**15,164**
Joint Venture Companies		
Welsteel Enterprises Private Limited	1,375	-
MBL (GSY) Road Limited	-	7,104
MBL (CGRG) Road Limited	-	5,652
Welspun Aunta-Simaria Project Private Limited	-	1,868
Other Related Party		
Welspun Steel Limited	-	540
Bank guarantee given/ (discharged)	**28,612**	**(2,104)**
Subsidiaries		
MSK Projects (Kim Mandvi Corridor) Private Limited	(21)	-
Dewas Waterprojects Works Private Limited	5	11
Welspun Delhi Meerut Expressway Private Limited	950	(2,115)
Joint Venture Companies		
MBL (GSY) Road Limited	4,144	-
MBL (CGRG) Road Limited	3,297	-
Welspun Aunta-Simaria Project Private Limited	8,708	-
Chikhali - Tarsod Highways Private Limited	11,529	-
Corporate guarantee given/ (discharged) for financial assistance	**40,080**	**179,559**
Subsidiaries		
MSK Projects (Kim Mandvi Corridor) Private Limited	(3,720)	-
Welspun Delhi Meerut Expressway Private Limited	-	(7,720)
Dewas Waterprojects Works Private Limited	-	10,759
Welspun Road Infra Private Limited	43,800	-
Associate		
Adani Welspun Exploration Limited	-	(2,360)

Notes Forming Part of the Financial Statements

(Rs. in Lakhs)

Nature of transactions	Year ended 31st March, 2019	Year ended 31st March, 2018
Joint Venture Companies		
MBL (GSY) Road Limited	-	66,940
MBL (CGRG) Road Limited	-	53,380
Chikhali - Tarsod Highways Private Limited	-	58,560
Guarantee given/ (discharged) for performance security	**12,159**	**20,101**
Subsidiaries		
Dewas Waterprojects Works Private Limited	-	350
Welspun Road Infra Private Limited	7,300	
Welspun Sattanathapuram Nagapattinam Road Private Limited	10,100	-
Welspun Delhi Meerut Expressway Private Limited	-	(8,531)
Associate		
Adani Welspun Exploration Limited	-	1,365
Joint Venture Companies		
Welspun Aunta-Simaria Project Private Limited	-	5,805
MBL (GSY) Road Limited	-	5,920
MBL (CGRG) Road Limited	-	4,710
Chikhali - Tarsod Highways Private Limited	(5,241)	10,482
Directors Sitting Fees paid/ provided	**15**	**24**
Mr. Mohan Tandon	6	6
Mr. Ram Gopal Sharma	1	6
Ms. Mala Todarwal	3	3
Mr. Yogesh Agarwal	0	3
Mr. Dhruv Kaji	4	5
Dr. Aruna Sharma	1	-
Mr Utsav Baijal	-	1
Remuneration paid/ provided to KMP ^	**2,266**	**1,508**
Short term benefits	2,266	1,508

^ excludes retirement benefits (employer PF contribution, gratuity, leave encashment etc)

Represents transactions related to Ind AS adjustments

*** Closing balances as at** (Rs. in Lakhs)

Nature of transactions	As at 31st March, 2019	As at 31st March, 2018
Loans, advances and deposits given	**30,566**	**23,397**
Subsidiaries		
Welspun Natural Resources Private Limited	23,401	13,810
Dewas Waterprojects Works Private Limited	1,209	139
MSK Projects (Kim Mandvi Corridor) Private Limited	699	306
ARSS Bus Terminal Private Limited	14	12
Welspun Delhi Meerut Expressway Private Limited	4,558	6
Welspun Build-Tech Private Limited	2	2
Welspun Sattanathapuram Nagapattinam Road Private Limited	83	-
DME Infra Private Limited	0	-
Grenoble Infrastructure Private Limited	0	-

Notes Forming Part of the Financial Statements

*** Closing balances as at** (Rs. in Lakhs)

Nature of transactions	As at 31st March, 2019	As at 31st March, 2018
Welspun Amravati Highways Private Limited	0	-
Welspun Road Infra Private Limited	0	-
Associate		
Adani Welspun Exploration Limited	0	0
Joint Venture Companies		
RGY Roads Private Limited	3	0
MBL (GSY) Road Limited	224	6,016
MBL (CGRG) Road Limited	90	2,797
Welsteel Enterprises Private Limited	0	-
Welspun Aunta-Simaria Project Private Limited	23	21
Corbello Trading Private Limited	3	2
Chikhali - Tarsod Highways Private Limited	-	62
Other related parties		
Welspun Realty Private Limited	235	224
Anjar Road Private Limited	10	-
Welspun Multiventures LLP	5	-
Welspun Corp Limited	7	-
Trade and other receivables (including Contract Assets)	**84,237**	**28,601**
Subsidiaries		
Welspun Delhi Meerut Expressway Private Limited	1,312	12,256
Dewas Waterprojects Works Private Limited	4,812	6,993
Welspun Sattanathapuram Nagapattinam Road Private Limited	9,171	-
Welspun Road Infra Private Limited	9,874	-
Joint Venture Companies		
Welspun Aunta-Simaria Project Private Limited	938	-
Chikhali - Tarsod Highways Private Limited	24,658	-
MBL (GSY) Road Limited	17,252	6,136
MBL (CGRG) Road Limited	16,220	3,186
Other related parties		
Welspun Global Brands Limited	0	-
Welspun India Limited	-	30
Payable at the end of the year		
Trade advances, deposits received and other payable	**5**	**12**
Other related parties		
Welspun Corp Limited	5	-
Welspun Global Brands Limited	-	12
Expected credit loss	**13,377**	**12,072**
Subsidiary		
Welspun Natural Resources Private Limited	13,377	12,072
Contract liabilities	**166**	**4,417**
Subsidiary		
Dewas Waterprojects Works Private Limited	166	-

Notes Forming Part of the Financial Statements

*** Closing balances as at** (Rs. in Lakhs)

Nature of transactions	As at 31st March, 2019	As at 31st March, 2018
Joint Venture Company		
Welspun Aunta-Simaria Projects Private Limited	-	4,417
Provision for impairment of investment	**1,368**	**1,368**
Subsidiary		
MSK Projects (Kim Mandvi Corridor) Private Limited	1,368	1,368
Investment in equity shares	**11,792**	**11,635**
Subsidiaries		
Welspun Natural Resources Private Limited	4,036	4,036
ARSS Bus Terminal Private Limited	3,101	3,101
Welspun Build-Tech Private Limited	1	1
MSK Projects(Himmatnagar Bypass) Private Limited	233	233
MSK Projects (Kim Mandvi Corridor) Private Limited	673	673
Dewas Waterprojects Works Private Limited	1	1
Welspun Delhi Meerut Expressway Private Limited	500	500
Welspun Sattanathapuram Nagapattinam Road Private Limited	1	-
DME Infra Private Limited	1	-
Grenoble Infrastructure Private Limited	0	-
Welspun Amravati Highways Private Limited	1	-
Welspun Road Infra Private Limited	100	-
Joint Venture Companies		
RGY Roads Private Limited	2,300	2,300
MBL (GSY) Road Limited	2	2
MBL (CGRG) Road Limited	2	2
Welspun Aunta-Simaria Project Private Limited	1	1
Corbello Trading Private Limited	785	785
Chikhali - Tarsod Highways Private Limited	49	0
Welsteel Enterprises Private Limited	5	-
Other related party		
Welspun Energy Thermal Private Limited	0	0
Investment in compulsorily convertible debentures	**49,862**	**39,949**
Subsidiaries		
Welspun Natural Resources Private Limited	15,997	14,424
Welspun Build-Tech Private Limited	1,712	1,712
MSK Projects (Kim Mandvi Corridor) Private Limited	1,002	1,002
Welspun Delhi Meerut Expressway Private Limited	2,155	10,055
Dewas Waterprojects Works Private Limited	2,291	-
Welspun Sattanathapuram Nagapattinam Road Private Limited	2,000	-
Welspun Road Infra Private Limited	210	-
Joint Venture Companies		
RGY Roads Private Limited	6,373	-
MBL (GSY) Road Limited	3,550	3,550
MBL (CGRG) Road Limited	2,824	2,824

Notes Forming Part of the Financial Statements

* **Closing balances as at** (Rs. in Lakhs)

Nature of transactions	As at 31st March, 2019	As at 31st March, 2018
Welspun Aunta-Simaria Project Private Limited	3,482	3,482
Corbello Trading Private Limited	3,144	-
Chikhali - Tarsod Highways Private Limited	3,095	874
Other related party		
Welspun Energy Thermal Private Limited	2,026	2,026
Investment in optionally convertible debentures	**24,616**	**14,806**
Subsidiary		
Welspun Delhi Meerut Expressway Private Limited	7,900	-
Joint Venture Companies		
MBL (GSY) Road Limited	7,104	7,104
MBL (CGRG) Road Limited	5,652	5,652
Welspun Aunta-Simaria Project Private Limited	2,585	1,868
Welsteel Enterprises Private Limited	1,375	-
Other related party		
Welspun Steel Limited	-	182
Bank guarantee outstanding	**28,654**	**42**
Subsidiaries		
MSK Projects (Kim Mandvi Corridor) Private Limited	-	21
MSK Projects (Himmatnagar Bypass) Private Limited	10	10
Dewas Waterprojects Works Private Limited	16	11
Welspun Delhi Meerut Expressway Private Limited	950	-
Joint Venture Companies		
MBL (GSY) Road Limited	4,144	-
MBL (CGRG) Road Limited	3,297	-
Welspun Aunta-Simaria Project Private Limited	8,708	-
Chikhali - Tarsod Highways Private Limited	11,529	-
Corporate guarantee outstanding for financial assistance	**233,439**	**193,359**
Subsidiaries		
MSK Projects (Kim Mandvi Corridor) Private Limited	-	3,720
Dewas Waterprojects Works Private Limited	10,759	10,759
Welspun Road Infra Private Limited	43,800	-
Joint Venture Companies		
MBL (GSY) Road Limited	66,940	66,940
MBL (CGRG) Road Limited	53,380	53,380
Chikhali - Tarsod Highways Private Limited	58,560	58,560
Guarantee outstanding for performance security	**41,369**	**29,210**
Subsidiaries		
Welspun Sattanathapuram Nagapattinam Road Private Limited	10,100	-
Welspun Road Infra Private Limited	7,300	-
Dewas Waterprojects Works Private Limited	350	350
Associate		
Adani Welspun Exploration Limited	1,943	1,943

Notes Forming Part of the Financial Statements

*** Closing balances as at** (Rs. in Lakhs)

Nature of transactions	As at 31st March, 2019	As at 31st March, 2018
Joint Venture Companies		
Welspun Aunta-Simaria Project Private Limited	5,805	5,805
MBL (GSY) Road Limited	5,920	5,920
MBL (CGRG) Road Limited	4,710	4,710
Chikhali - Tarsod Highways Private Limited	5,241	10,482

* Closing balances are considered after considering the Ind AS adjustments to make comparable with financial statements for reporting purpose.

Notes :

i) An undertaking (financial guarantee as per Ind AS) is given to lenders for Rs. 70,605 lakhs for financial assistance to be given to Welspun Aunta-Simaria Project Private Limited.

ii) All transactions with related parties are made on arm's length basis in the ordinary course of business.

47 Concession arrangements - main features

(i)	Name of the concession	BOT Project at Raisen & Rahatgarh With Madhya Pradesh Road Development Corporation Limited
(ii)	Description of arrangements	Toll Collection for 101.1 km length & 7 meter width + 4 meter unpaved shoulder Road
(iii)	Significant terms of arrangements	Period of Concession: 13 Years
		a) Remuneration: Toll Collection
		b) Investment grant from concession grantor: Yes
		c) Infrastructure return to grantor at end of concession : Yes
(iv)	Asset	Intangible

48 Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006 ('The Act') are given as follows :-

(Rs. in Lakhs)

		As at 31st March, 2019	As at 31st March, 2018
a)	Principal amount payable to the suppliers under the Act		
	- For capital goods	-	-
	- For others	29	-
b)	Principal amount due to the suppliers under the Act	-	-
c)	Interest accrued and due to the suppliers under the Act, on the above amount	-	-
d)	Payment made to suppliers other than interest beyond the appointed day, during the year	-	-
e)	Interest paid to suppliers under the Act	-	-
f)	Interest due and payable to suppliers undet the Act, for payment already made	-	-
g)	Interest accrued and remaining unpaid at the end of the year under the Act	-	
h)	The amount of further interest remaining due and payable even in the succeeding years for the purpose of disallowances under Section 23 of the Act	-	-

Note : The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available to the Company.

Notes Forming Part of the Financial Statements

49 A) Disclosure pertaining to Ind AS 115 "Revenue from Contracts with Customers"

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Contract revenue for the year	172,987	96,378
Contract cost incurred including recognised profits/ (losses) upto	314,355	141,355
Advances received (Contract Liabilities) as at	9,300	-
Retention money withheld by customers as at	1,312	1,299
Gross amount due from customers for contract work as at	53,805	13,941
Gross amount due to customers for contract work as at	166	4,527

B) Contract Balances

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Trade receivables	34,162	11,398
Contract assets	52,748	13,940
Contract liabilities	9,514	4,545

a) Trade receivables are non-interest bearing and are generally on terms as per agreements.

b) Explanation for increase in Contract assets/ Contract liabilities

(i) Revenue earned from construction activities, but yet to be billed to customers, is initially recognised as contract assets and reclassified to trade receivables when the right to consideration becomes unconditional. The significant increase in Contract assets in March 2019 is on account of new contracts awarded during the year.

(ii) A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. The increase in Contract liabilities in March 2019 is on account of mobilisation advance received as per the terms of the contract and unbilled revenue.

(iii) Amount of revenue recognised from :-

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Amounts included in Contract liabilities at the beginning of the year	4,545	8,597

50 Details of loans given, investments made and guarantee given covered U/s 186 of the Companies Act, 2013

a) The Company is engaged in the business of providing infrastructural facilities as specified under Schedule VI of the Companies Act 2013 (the 'Act') and hence the provisions of Section 186 of the Act related to loans/ guarantees given or securities provided are not applicable to the Company.

b) There are no investments other than as disclosed in Note 6 and 12 forming part of the financial statements.

Notes Forming Part of the Financial Statements

51 Disclosure as required by Schedule V (A) (2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

(Rs. in Lakhs)

		Balance as at 31st March, 2019 @	Maximum amount outstanding during the year ended 31st March, 2019	Balance as at 31st March, 2018 @	Maximum amount outstanding during the year ended 31st March, 2018
i.	**Loans and advances in the nature of loans to subsidiary**				
	Welspun Natural Resources Private Limited @@	10,024	14,263	1,738	18,102
	MSK Projects (Kim Mandvi Corridor) Private Limited	699	699	306	306
	ARSS Bus Terminal Private Limited	14	14	12	14
	Dewas Waterprojects Works Private Limited	1,209	2,150	139	191
	Welspun Delhi Meerut Expressway Private Limited	4,558	6,310	6	150
	Welspun Build-Tech Private Limited (Formerly Welspun Construction Private Limited)	2	2	2	2
	Welspun Sattanathapuram Nagapattinam Road Private Limited	83	483	-	-
	DME Infra Private Limited	0	0	-	-
	Grenoble Infrastructure Private Limited	0	0	-	-
	Welspun Amravati Highways Private Limited	0	0	-	-
	Welspun Road Infra Private Limited	0	308	-	-
ii.	**Loans and advances in the nature of loans to Associate**				
	Adani Welspun Exploration Limited	0	30	0	70
iii.	**Loans and advances in the nature of loans to Joint Venture Companies**				
	Welspun Aunta-Simaria Project Private Limited	23	741	21	21
	RGY Roads Private Limited	3	9,024	0	0
	MBL (GSY) Road Limited	224	7,870	6,016	6,016
	MBL (CGRG) Road Limited	90	2,791	2,797	2,797
	Corbello Trading Private Limited	3	3	2	2
	Chikhali - Tarsod Highways Private Limited	-	408	62	62
	Welsteel Enterprises Private Limited	0	0		
iv.	**Loans and advances in the nature of loans to firms/ companies in which directors are interested**				
	Anjar Road Private Limited	10	10	-	-
	Welspun Steel Limited	-	-	-	5,500
v.	**Investment by the loanee in the shares of the Company**	Nil	Nil	Nil	Nil

@ Closing balances are considered after considering the Ind AS adjustments to make comparable with financial statements for reporting purpose.

@@ After considering expected credit loss of Rs. 13,377 Lakhs (31st March, 2018 : Rs. 12,073 Lakhs)

Notes Forming Part of the Financial Statements

52 Collateral / security pledged

The carrying amount of assets pledged as security for current and non-current borrowings availed (Fund based - 31st March, 2019 : Rs. 2,286 lakhs (31st March, 2018 : Rs. 6,609 lakhs) and Non-fund based - 31st March, 2019 : Rs. 54,088 lakhs (31st March, 2018 Rs. 24,789 lakhs)) of the Company are as under:

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Property, plant and equipments	476	504
Intangible assets	-	329
Inventories	73	71
Other current and non-current assets excluding investments and tax	125,113	53,106
Total assets pledged	**125,662**	**54,010**

53 Proposed dividends on equity shares

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Dividend proposed for 31st March, 2019 Rs. 2.00 per share (31st March, 2018 Rs. 1.50 per share)	2,962	2,213
Dividend distribution tax on above	609	455

Proposed dividends on equity shares are subject to approval of shareholders at the annual general meeting and are not recognised as a liability (including dividend distribution tax theron) as at reporting date.

54 a) Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities as required by Ind AS 7 "Statement of Cash Flows" is as under:

(Rs. in Lakhs)

	Long term borrowings (Including current maturities)	Short term borrowings	Equity share capital	Securities Premium
As at 31st March, 2018	5,208	1,429	14,753	92,140
Cash inflow	1,300	15,986	-	-
Cash outflow	(5,208)	(1,429)	-	-
Non cash changes - other changes (Refer note below (b)	-	(197)	55	711
As at 31st March, 2019	**1,300**	**15,789**	**14,808**	**92,851**

Notes Forming Part of the Financial Statements

b) Non- cash investing and financing activities for the current year

i) Other Non-cash changes in short term borrowings are related to amortisation of processing fees

ii) Other Non-cash changes in equity share capital and securities premium are on account of equity shares alloted pursuant to exercise of stock option (Refer note 42)

iii) Conversion of loan to investment in subsidiaries during the year is Rs. 3,413 lakhs

iv) Conversion of loan to investment in joint venture companies during the year is Rs. 7,440 lakhs

iv) Conversion of receivables to investment in subsidiary during the year is Rs. 1,161 lakhs

55 Figures for the previous year are re-classified/ re-arranged/ re-grouped, wherever necessary to be in conformity with the figures of the current year's classification/ disclosure.

As per our report of even date
For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Place : Mumbai
Date : 15th May, 2019

For and on behalf of the Board

Balkrishan Goenka
Chairman
DIN 00270175

Sandeep Garg
Managing Director
DIN 00036419

Shriniwas Kargutkar
Chief Financial Officer

Priya Pakhare
Company Secretary

Place : Mumbai
Date : 15th May, 2019

Independent Auditors' Report

To
The Members of
Welspun Enterprises Limited

Report on the Audit of the Consolidated Financial Statements

1. Opinion

We have audited the accompanying consolidated financial statements of Welspun Enterprises Limited ("the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its associate and joint venture companies which comprise the consolidated balance sheet as at 31 March 2019, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (herein after referred to as "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statement and on other financial information of subsidiaries, associate and joint venture companies referred to in the Other Matters paragraph below, the aforesaid consolidated 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, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Group as at 31 March 2019, and its consolidated profit, consolidated total comprehensive income, the consolidated changes in equity and its consolidated cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) prescribed under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated 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 ICAI's Code of Ethics. We believe that the audit evidence obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

3. Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 31 March 2019. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	Auditor's response
Accuracy in respect of Construction contract revenue involves critical estimates. ▪ Estimated cost is a critical estimate to determine revenues. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, costs incurred till date, costs required to complete the remaining contract performance obligations.	**Principal audit procedures** Our audit approach was a combination of test of internal controls and substantive procedures which included the following: ▪ Evaluated the design of internal controls relating to recording of costs incurred and estimation of efforts required to complete the performance obligations. ▪ Tested the access and application controls pertaining to allocation and budgeting systems which prevents unauthorized changes to recording of costs incurred. ▪ Selected a sample of contracts and tested the operating effectiveness of the internal controls relating to costs incurred and estimated through inspection of evidence of performance of these controls.

Key audit matter	Auditor's response
	▪ Selected a sample of contracts and performed a retrospective review of costs incurred with estimated efforts to identify significant variations and verify whether those variations have been considered in estimating the remaining costs to complete the contract. ▪ Reviewed a sample of contracts with unbilled revenues to identify possible delays in achieving milestones, which require change in estimated costs to complete the remaining performance obligations. ▪ Performed analytical procedures and test of details for reasonableness of incurred and estimated costs.

4. Other information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board Report and Chairman's Statement but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard

5. Management's responsibility for the consolidated financial statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirement of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its associate and joint venture companies in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group and of its associate and joint venture companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and joint venture companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint venture companies are responsible for assessing the ability of the Group and of its associates and joint venture companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group and of its associates and joint venture companies are responsible for overseeing the financial reporting process of the Group and of its associate and joint venture companies.

6. Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls 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 and its subsidiary Companies which are companies incorporated in india has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture companies to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint venture companies to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint venture companies to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

7. Other matters

We did not audit the financial statements of ten subsidiaries whose financial statements reflect total assets of Rs.61,155 lakhs as at 31 March 2019, total revenues of Rs.20,704 lakhs, total net loss after tax of Rs.1,601 lakhs, total comprehensive loss of Rs.1,603 lakhs and total cash inflows of Rs.595 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss after tax of Rs.1,375 lakhs and total comprehensive loss of Rs. 1,374 lakhs for the year ended 31 March 2019, in respect of an associate and five joint venture companies, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate and joint venture companies and our report in terms of Section 143(3) of the Act, in so far as it relates to these subsidiaries, associate and joint venture companies, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

8. Report on Other Legal and Regulatory requirements

A. 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 of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The consolidated balance sheet, the consolidated statement of profit and loss including other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the books of account for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries, associate and joint venture companies which are incorporated in India, none of the directors of the Group, its associate and joint venture companies incorporated in India is disqualified as on 31 March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and joint venture companies.

ii. Provision has been made in consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and

iii. There has been no delay in transferring the amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its associates and joint venture companies during the year.

For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215
Mumbai, 15 May 2019

Annexure 'A' to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 8(A) (f) under 'Report on other Legal and Regulatory Requirements' of the Independent Auditor's Report of even date to the members of the Company on the consolidated financial statements for the year ended 31 March 2019.

We have audited the internal financial controls over financial reporting of Welspun Enterprises Limited ("the Holding Company") and its subsidiaries, associate and joint venture companies incorporated in India as at 31 March 2019 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

The respective Board of Directors of the Holding company, its subsidiaries, associate and joint venture companies incorporated in India , are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Holding Company, its subsidiaries, associate and joint venture companies incorporated in India 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

Our responsibility is to express an opinion on the Holding Company's, its subsidiaries, associate and joint venture companies incorporated in India internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on "Audit of Internal Financial Controls over financial reporting"(the "Guidance Note") issued by Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors of the subsidiary companies, associate and joint venture companies incorporated in India , in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its subsidiaries, associate and joint venture companies incorporated in India.

Meaning of internal financial controls over financial reporting

A Holding Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting 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 over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies, associate and joint venture companies incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Holding Company, its subsidiaries, associate and joint venture companies incorporated in India considering the essential components of Internal control stated in the Guidance Note issued by the ICAI.

Other matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to subsidiaries, associate and joint venture companies incorporated in India is based on corresponding reports of the auditors of such companies. Our opinion is not qualified in respect of this matter.

For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215
Mumbai, 15 May 2019

Consolidated Balance Sheet

as at 31st March, 2019

(Rs. in Lakhs)

	Notes	As at 31st March, 2019	As at 31st March, 2018
Assets			
1. Non-current assets			
(a) Property, plant and equipment	4	8,004	2,224
(b) Capital work-in-progress	4	12,013	6,381
(c) Intangible assets	5	39	464
(d) Investments in an associate and joint venture companies	49	53,651	39,646
(e) Financial assets			
i. Investments	6	2,059	2,240
ii. Loans	7	565	694
iii. Receivable under service concession arrangement	8	63,612	45,050
iv. Others	9	86	-
(f) Deferred tax assets (net)	38	817	908
(g) Non-current tax assets	10	1,727	2,026
(h) Other non-current assets	11	1,040	54
Total non-current assets		**143,613**	**99,687**
2. Current assets			
(a) Inventories	12	73	71
(b) Financial assets			
i. Investments	13	37,661	69,923
ii. Trade receivables	14	28,069	3,400
iii. Cash and cash equivalents	15	11,550	3,252
iv. Bank balances other than (iii) above	16	3,416	4,511
v. Loans	17	11,528	11,343
vi. Receivable under service concession arrangement	18	7,252	12,284
vii. Other financial assets	19	33,870	10,766
(c) Other current assets	20	12,209	2,029
Total current assets		**145,628**	**117,579**
Assets held-for-sale	21	53	2,863
		145,681	**120,442**
Total assets		**289,294**	**220,129**
Equity and liabilities			
Equity			
(a) Equity share capital	22(a)	14,808	14,753
(b) Other equity	22(b)	130,554	119,115
Equity attributable to equity holders of the parent		**145,362**	**133,868**
Non-controlling interests	50	7	-
Total equity		**145,369**	**133,868**
Liabilities			
1. Non-current liabilities			
(a) Financial liabilities			
Borrowings	23	40,394	41,515
(b) Provisions	24	3,217	3,054
(c) Deferred tax liabilities (net)	38	333	202
Total non-current liabilities		**43,944**	**44,771**
2. Current liabilities			
(a) Financial liabilities			
i. Borrowings	25	15,790	1,429
ii. Trade payables	26		
- Due of micro enterprises and small enterprises		29	-
- Due of creditors other than micro enterprises and small enterprises		57,392	21,483
iii. Other financial liabilities	27	13,654	11,249
(b) Provisions	28	143	74
(c) Other current liabilities	29	12,359	6,602
(d) Current tax liabilities	30	614	653
Total current liabilities		**99,981**	**41,490**
Total equity and liabilities		**289,294**	**220,129**

Notes forming part of the consolidated financial statements **1 to 59**

As per our report of even date
For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Place : Mumbai
Date : 15th May, 2019

For and on behalf of the Board

Balkrishan Goenka
Chairman
DIN 00270175

Sandeep Garg
Managing Director
DIN 00036419

Shriniwas Kargutkar
Chief Financial Officer

Priya Pakhare
Company Secretary

Place : Mumbai
Date : 15th May, 2019

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2019

(Rs. in Lakhs)

	Notes	Year ended 31st March, 2019	Year ended 31st March, 2018
Income			
Revenue from operations	31	178,660	106,713
Other income	32	7,387	11,481
Total income		**186,047**	**118,194**
Expenses			
Cost of materials consumed	33	1,732	1,415
Subcontracting, civil and repair work		142,923	83,739
Employee benefits expense	34	8,084	5,167
Finance costs	35	5,366	3,317
Depreciation and amortisation expense	36	1,149	2,359
Other expenses	37	6,630	8,378
Total expenses		**165,884**	**104,375**
Profit before share of profit of an associate and joint ventures and exceptional items		**20,163**	**13,819**
Share of loss from an associate and joint ventures companies	49	(1,450)	(285)
Profit before exceptional items and tax		**18,713**	**13,534**
Exceptional items (net)	45	1,985	(1,961)
Profit before tax		**20,698**	**11,573**
Tax expense	38		
- Current tax		7,766	5,297
- Earlier year tax		-	57
- Deferred tax charge/ (credit)		256	(724)
Total tax expense		**8,022**	**4,630**
Profit for the year		**12,676**	**6,943**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
- Remeasurement gains/(losses) on defined benefit plan		(51)	(140)
Income tax effect on above		17	48
Share of OCI of associate		1	0
Other comprehensive income for the year (net of tax)		**(33)**	**(92)**
Total comprehensive income for the year		**12,643**	**6,851**
Profit attributable to :			
Equity holders of the parent		12,669	6,943
Non-controlling interest		7	-
Total comprehensive income attributable to :			
Equity holders of the parent		12,636	6,851
Non-controlling interest		7	-
Earnings per equity share of Rs. 10 each fully paid up	42		
Basic (Rs.)		8.58	4.71
Diluted (Rs.)		8.53	4.66

Notes forming part of the consolidated financial statements **1 to 59**

As per our report of even date
For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

For and on behalf of the Board

Balkrishan Goenka
Chairman
DIN 00270175

Sandeep Garg
Managing Director
DIN 00036419

Sanjay Kothari
Partner
Membership Number 048215

Shriniwas Kargutkar
Chief Financial Officer

Priya Pakhare
Company Secretary

Place : Mumbai
Date : 15th May, 2019

Place : Mumbai
Date : 15th May, 2019

Consolidated Statement of cash flow

for the year ended 31st March, 2019

(Rs. in Lakhs)

		Year ended 31st March, 2019	Year ended 31st March, 2018
A	**Cash flow from operating activities**		
	Profit before tax	20,698	11,573
	Adjustments for		
	Depreciation and amortisation expense	1,149	4,604
	Loss/ (Gain) on sale/ discard of property, plant and equipment (net)	(32)	4
	Gain on sale of assets held-for-sale	(490)	-
	Bad debts	1	-
	Interest income	(2,625)	(6,525)
	Interest expense	4,885	2,880
	Gain on sale of non-current investments	(1,985)	(1,380)
	Dividend income	(16)	(25)
	Provision for gratuity and leave encashment	232	235
	Sundry balances written off	-	9
	Net loss on financial assets mandatorily measured at FVTPL	(1,453)	(4,318)
	Realisation of contingent asset on account of income tax refund from WMSL		(43)
	Reversal of provision no longer required	(99)	(374)
	Impairment loss	-	1,183
	Unwinding of discount on security deposits	(4)	0
	Expected credit loss	-	1,127
	Share based payments to employees	1,524	941
	Exchange difference (net)	-	(27)
	Share of loss from associate and joint venture companies	1,450	285
	Operating profit before working capital changes	**23,235**	**10,149**
	Adjustments for		
	(Increase)/ decrease in trade and other receivables	(71,740)	(52,811)
	Increase/ (decrease) in trade and other payables	44,146	18,300
	(Increase)/ decrease in inventories	(3)	226
	Cash generated/(used) from operations	**(4,362)**	**(24,136)**
	Direct taxes paid (net of refund)	(7,505)	(4,594)
	Net cash generated/ (used) in operating activities (A)	**(11,867)**	**(28,730)**
B	**Cash flow from investing activities**		
	Purchase of property, plant and equipment (including capital work-in-progress)	(10,011)	(314)
	Sale of property, plant and equipment and assets held for sale	527	33
	Gain on sale of current investments (net)	80	870
	Investment in joint venture companies	(6,444)	(28,443)
	Investment in other entity	(25)	(13)
	Investment in associate	(1,570)	-
	Advance towards purchase of investment	-	(500)
	Proceeds from sale of investment in other entity	5,911	1,394
	Loans given to joint venture companies	(11,589)	(8,899)
	Loans given to associate	(8,263)	(44)
	Loans given to others	(9)	(2,273)
	Loans given to joint venture companies repaid	12,705	-

Consolidated Statement of Cash Flow

for the year ended 31st March, 2019

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Loans given to associate repaid	30	45
Loans given to others repaid	6	-
Application money for optionally convertible debentures refunded	-	92
Redemption of investment in optionally convertible debentures	181	358
Realisation of contingent asset on account of income tax refund from WMSL	-	43
Increase in other bank balances	1,008	366
Inter-corporate deposits given	-	(5,000)
Inter-corporate deposits given repaid	50	10,020
Dividend received	16	25
Interest received	3,343	7,211
Net cash generated from investing activities (B)	**(14,054)**	**(25,029)**
C Cash flow from financing activities		
Proceeds from long-term borrowings	6,821	31,807
Repayment of long-term borrowings	(7,683)	(591)
Increase/ (decrease) in short-term borrowings (net)	14,360	(545)
Interest paid	(5,158)	(2,571)
Dividend paid including dividend distribution tax	(2,667)	(1,332)
Net cash used in financing activities (C)	**5,673**	**26,768**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(20,248)**	**(26,991)**
Cash and cash equivalents at the beginning of the year	69,670	96,662
Cash and cash equivalents at the end of the year	**49,422**	**69,671**

Notes:

1. Break up of cash and cash equivalents are as follows	Year ended 31st March, 2019	Year ended 31st March, 2018
Current investments	37,872	66,419
Cash and cash equivalents	11,550	3,252
Total	**49,422**	**69,671**

2. As required by Ind AS 7 "Statement of Cash Flows", a reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given in note 57

3. The impact of non-cash transactions have not been given in the above cash flow statement details of which are given in note 57

4. The previous year figures are regrouped/ reclassified wherever necessary.

As per our report of even date
For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Place : Mumbai
Date : 15th May, 2019

For and on behalf of the Board

Balkrishan Goenka
Chairman
DIN 00270175

Sandeep Garg
Managing Director
DIN 00036419

Shriniwas Kargutkar
Chief Financial Officer

Priya Pakhare
Company Secretary

Place : Mumbai
Date : 15th May, 2019

Consolidated Statement of changes in equity

for the year ended 31st March, 2019

A. Equity share capital

(Rs. in Lakhs)

	Note	Amount
Balances as at 1st April, 2017	**22 (a)**	**14,729**
Changes in equity share capital		24
Balances as at 31st March, 2018	**22 (a)**	**14,753**
Changes in equity share capital		55
Balances as at 31st March, 2019	**22 (a)**	**14,808**

B. Other equity

(Rs. in Lakhs)

Particulars	Notes	Reserves and surplus						Total other equity	Non-controlling interests	Total
		Capital reserve	Securities premium	Share options outstanding account	Amalgamation reserve	General reserve	Retained earnings			
Balance as at 1st April, 2017 (A)		**26,425**	**92,034**	**91**	**521**	**322**	**(8,282)**	**111,112**	**-**	**111,112**
Profit for the year		-	-	-	-	-	6,944	**6,944**	-	**6,944**
Other comprehensive income for the year		-	-	-	-	-	(92)	**(92)**	-	**(92)**
Total comprehensive income for the year (B)		**-**	**-**	**-**	**-**	**-**	**6,851**	**6,851**	**-**	**6,851**
Compensation options granted	44 & 22(b)	-	-	941	-	-	-	**941**	-	**941**
Exercise of share options	44 & 22(b)	-	104	(128)	-	-	-	**(24)**	-	**(24)**
Dividends paid		-	-	-	-	-	(1,107)	**(1,107)**	-	**(1,107)**
Dividends distribution tax paid		-	-	-	-	-	(225)	**(225)**	-	**(225)**
Gain on bargain purchase		1,568	-	-	-	-	-	**1,568**	-	**1,568**
Share of an associate	49	-	-	-	-	-	(0)	**(0)**	-	**(0)**
Total (C)		**1,568**	**104**	**813**	**-**	**-**	**(1,332)**	**1,153**	**-**	**1,153**
Balance as at 31st March, 2018 (D=A+B+C))		**27,993**	**92,138**	**904**	**521**	**322**	**(2,763)**	**119,115**	**-**	**119,115**
Profit for the year		-	-	-	-	-	12,669	**12,669**	7	**12,676**
Other comprehensive income		-	-	-	-	-	(33)	**(33)**	-	**(33)**
Total comprehensive income for the year (E)		**-**	**-**	**-**	**-**	**-**	**12,636**	**12,636**	**7**	**12,643**
Compensation options granted	44 & 22(b)	-	-	1,524	-	-	-	**1,524**	-	**1,524**
Exercise of share options	44 & 22(b)	-	711	(766)	-	-	-	**(55)**	-	**(55)**
Dividends paid	55	-	-	-	-	-	(2,213)	**(2,213)**	-	**(2,213)**
Dividends distribution tax paid	55	-	-	-	-	-	(454)	**(454)**	-	**(454)**
Non-controlling interest		-	-	-	-	-	-	**-**	0	**0**
Share of an associate	49	-	-	-	-	-	0	**0**	-	**0**
Total (F)		**-**	**711**	**758**	**-**	**-**	**(2,667)**	**(1,198)**	**1**	**(1,197)**
Balance as at 31st March, 2019 (G = D+E+F))		27,993	92,849	1,662	521	322	7,207	**130,554**	7	**130,561**

Nature and purpose of reserves

a) Capital reserve

Capital reserve represents capital surplus and not normally available for distribution as dividend.

b) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

c) Share options outstanding account

The share options outstanding account represents the value of equity settled share based payment provided to employees as part of their remuneration. Refer note 44 for further details of this plan.

d) Amalgamation reserve

It represents reserve arising out of amalgamation of two subsidiaries with the Company.

e) General reserve

The reserve is a distributable reserve maintained by the Company out of transfers made from profits.

f) Other comprehensive income

Other comprehensive income comprises of re-measurement gains/ (losses) of defined benefit obligations.

Notes forming part of the consolidated financial statements **1 to 59**

As per our report of even date
For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Place : Mumbai
Date : 15th May, 2019

For and on behalf of the Board

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Shriniwas Kargutkar
Chief Financial Officer

Priya Pakhare
Company Secretary

Place : Mumbai
Date : 15th May, 2019

Notes forming part of the consolidated financial statements

1. Corporate information

"Welspun Enterprises Limited (herein after referred to as 'WEL' or the 'company' or the 'parent company') is a public limited company incorporated in India. Its shares are publicly traded on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The Company along with its subsidiaries (the 'Group'), an associate and joint venture companies is engaged in infrastructure development (Engineering, Procurement and Construction ('EPC') and Build, Operate and Transfer (BOT) basis) and oil and gas exploration activities. It is also engaged in carrying out Operation and Maintenance ("O&M") activities for the transportation sector projects.

The Consolidated Financial Statements (hereinafter referred to as "CFS") of the group for the year ended 31st March, 2019 were authorised for issue by the Board of Directors at their meeting held on 15th May, 2019.

2 Basis of preparation

The CFS have been prepared to comply in all material respects with the Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) from time to time and other relevant provisions of the Act and rules framed thereunder and guidelines issued by Securities and Exchange Board of India (SEBI)

The CFS have been prepared under the historical cost convention and on accrual basis, except for the following that are measured at fair value :

a) Certain financial assets and liabilities. (Refer accounting policy regarding financial instruments).

b) Non current assets held-for-sale - measured at fair value less cost to sell

c) Defined benefit plan assets and liabilities

d) Share based payments

The Consolidated Financial Statements are presented in Indian rupees (INR) with values rounded off to the nearest lakhs, except otherwise stated. Zero '0' denotes amount less than Rs. 50,000/-

3 (A) Principles of Consolidation and equity accounting

i) Subsidiaries

a) The consolidated financial statements incorporate the financial statements of WEL and entities controlled by WEL and its subsidiaries.

b) Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

c) The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. The financial statements of the parent company and its subsidiaries have been consolidated using uniform accounting policies. When necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies in line with the Group's accounting policies. The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the parent i.e. year ended 31st March, 2019.

d) Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

e) Listed below are the subsidiaries considered in the CFS. Subsidiaries are consolidated from the date on which effective control is acquired and are excluded from the date that control ceases.

Notes forming part of the consolidated financial statements

Name of the Subsidiaries	Proportion of interest (including beneficial interest) / Voting Power (either directly/indirectly through subsidiaries)		Country of Incorporation
	31st March, 2019	31st March, 2018	
MSK Projects (Himmatnagar Bypass) Private Limited	100%	100%	India
MSK Projects (Kim Mandvi Corridor) Private Limited	100%	100%	India
Dewas Waterprojects Works Private Limited @ (Formerly known as Anjar Water Solutions Private Limited)	76%	100%	India
Welspun Build-Tech Private Limited (Formerly known as Welspun Construction Private Limited)	100%	100%	India
Welspun Natural Resources Private Limited	100%	100%	India
Welspun Delhi Meerut Expressway Private Limited	100%	100%	India
ARSS Bus Terminal Private Limited	100%	100%	India
Welspun Financial Services Limited *	-	-	India
Grenoble Infrastructure Private Limited **	49%	-	India
DME Infra Private Limited ***	100%	-	India
Welspun Sattanathapuram Nagapattinam Road Private Limited **** $	70%	-	India
Welspun Amravati Highways Private Limited *****	100%	-	India
Welspun Road Infra Private Limited ******	100%	-	India

* Became subsidiary on 27th July 2017 and ceased to be subsidiary w.e.f. 19th December, 2017

** Became subsidiary on 16th July, 2018

*** Became subsidiary on 02nd August, 2018

**** Became subsidiary on 19th September, 2018

***** Became subsidiary on 5th December, 2018

****** Became subsidiary on 28th September, 2018

@ In addition to aforesaid stake, 24% are held through MSK Projects (Kim Mandvi Corridor) Private Limited

$ In addition to aforesaid stake, 14.65% are held through Grenoble Infrastructure Private Limited

ii) Associate and joint venture companies

a) Associate is an entity over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investment in associate is accounted for using the equity method of accounting, after initially being recognised at cost.

b) Under Ind AS 111 "Joint Arrangements", investments in joint arrangements are classified as either joint operations or joint venture. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The group has interest in joint venture that are accounted for using the equity method after initially being recognised at cost in the consolidated balance sheet.

c) Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint venture are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group, its associate and joint venture companies are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment.

Notes forming part of the consolidated financial statements

d) List of investments in associate and joint venture companies accounted for using "Equity method" are as under:

Name of the Associate/ joint venture companies	Extent of holding		Country of Incorporation
	31st March, 2019	31st March, 2018	
Associate			
Adani Welspun Exploration Limited	35%	35%	India
(Held through Welspun Natural Resources Private Limited –Wholly owned subsidiary)			
Joint venture companies			
Welspun Aunta-Simaria Project Private Limited #	74%	74%	India
RGY Roads Private Limited	49%	49%	India
MBL (GSY) Road Limited ##	49%	49%	India
MBL (CGRG) Road Limited ##	49%	49%	India
Corbello Trading Private Limited	49%	49%	India
Chikhali - Tarsod Highways Private Limited ###	49%	49%	India
Welsteel Enterprises Private Limited *	49%	-	India

* Became Joint venture w.e.f 25th June, 2018
# In addition to aforesaid stake, 12.74% are held through Welsteel Enterprises Private Limited
In addition to aforesaid stake, 24.94% are held through RGY Roads Private Limited
In addition to aforesaid stake, 24.99% are held through Corbello Trading Private Limited

3 (B) Significant accounting policies

i) Current versus non-current classification

The group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

ii) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Refer Note 3(C) for Changes in accounting policies and disclosures

The disclosures of significant accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3(D).

Notes forming part of the consolidated financial statements

a) Construction contract revenue

The Company derives revenue from the long-term construction of major infrastructure projects across India. The transaction price is normally fixed at the start of the project. It is normal practice for contracts to include escalation clause based on timely construction or other performance criteria known as variable consideration, discussed below. Revenue is recognized over time in the construction stream, when the customer simultaneously receives and consumes the benefits provided through the entity's performance or when the Company creates or enhances an asset that the customer controls.

The Company recognises revenue from construction contracts, using an input method on the basis of accumulated project expenses in relation to estimated accumulated project expenses upon completion. This method reflects close approximation of actual work performed. A provision is made for the difference between the expected cost of fulfilling a contract and the expected unearned portion of the transaction price where the forecast costs are greater than the forecast revenue.

b) Toll collection

Toll revenue from operations is recognised on an accrual basis which coincides with the collection of toll.

c) Services revenue

The Company performs maintenance and other services (advisory and consultancy). Revenue is recognised in the accounting period in which the services are rendered.

d) Variable consideration

It is common for contracts to include performance bonuses or penalties assessed against the timeliness or cost effectiveness of work completed or other performance related KPIs. Where consideration in respect of a contract is variable, the expected value of revenue is only recognised when the uncertainty associated with the variable consideration is subsequently resolved, known as "constraint" requirements. The Company assesses the constraint requirements on a periodic basis when estimating the variable consideration to be included in the transaction price. The estimate is based on all available information including historic performance. Where modifications in design or contract requirements are entered into, the transaction price is updated to reflect these. Where the price of the modification has not been confirmed, an estimate is made of the amount of revenue to recognise whilst also considering the constraint requirement.

e) Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects goods and service tax on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

f) Contract Balances

Contract assets and contract liabilities

A contract asset is the right to consideration in exchange for goods or services transferred to the customer.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer.

Unlike the method used to recognise contract revenue related to construction contract, the amounts billed to the customer are based on achievement of the various milestones established in the contract. The amounts recognised as revenue for a given year do not necessarily coincide with the amounts billed to or certified by the customer. In the case of contracts in which the goods or services transferred to the customer exceed the related amount billed, the difference is recognised (as a contract asset) and presented in the statement of financial position under "Contract assets", whereas in contracts in which the goods or services transferred are lower than the amount billed to the customer, the difference is recognised (as a contract liability) and presented in the statement of financial position under "Contract liabilities".

Notes forming part of the consolidated financial statements

Trade receivables

A trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Revenue earned from construction activities, but yet to be billed to customers, is initially recognised as contract assets and reclassified to trade receivables when the right to consideration becomes unconditional. We refer to the accounting policies on financial assets in this note for more information.

g) Cost to obtain a contract

The Company incurs costs to obtain the contracts such as bidding costs, feasibility study. The Company has charged these costs to statement of profit and loss as the Company does not expect to recover these costs.

h) Financing components

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer represents a financing component. As a consequence, the Company does not adjust any of the transaction prices for the time value of money. However incase financing element is present then the Company would split the transaction price between the consideration for services rendered and time value of money ('financing component')

i) Interest income

Interest income for all debt instruments, measured at amortised cost or fair value through other comprehensive income, is recognised using the effective interest rate ('EIR') method and shown under interest income in the statement of profit and loss. Interest income on interest bearing financial assets classified as fair value through profit and loss is shown as interest income under other income.

j) Dividend income

Dividend income is recognised when right to receive the payment is established, which is generally when shareholders approve the dividend.

iii) Exceptional items

On certain occasions, the size, type, or incidences of the item of income or expenses pertaining to the ordinary activities of the group is such that its disclosure improves the understanding of the performance of the group, such income or expenses is classified as an exceptional item and accordingly, disclosed in the financial statements.

iv) Service concession arrangement

(a) The group constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. These arrangements may include Infrastructure used in a public-to-private service concession arrangement for its entire useful life.

Under Appendix C to Ind AS 115 - Revenue from Contracts with Customers, these arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the group receives a right (i.e. a franchisee) to charge users of the public service. The financial asset model is used to the extent the group has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component. If the group performs more than one service (i.e., construction or upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.

The group manages concession arrangements which include toll road project, hybrid annuity road project and water supply project. The group maintains and services the infrastructure during the concession period. These concession arrangements set out rights and obligations related to the infrastructure and the service to be provided.

Income from the concession arrangements earned under the intangible asset model consists of the (i) fair value of contract revenue, which is deemed to be fair value of consideration transferred to acquire the

Notes forming part of the consolidated financial statements

asset; and (ii) payments actually received from the users. The intangible asset is amortised over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the group, starting from the date when the right to operate starts to be used. Based on these principles, the intangible asset is amortised in line with the actual usage of the specific public utility facility, with a maximum of the duration of the concession.

Financial receivable under the financial asset model is recorded at a fair value of guaranteed value to be received over the concession period. Based on business model assessment, the group measures such financial assets at fair value and subsequently also classifies the same as fair value through profit and loss ("FVTPL").

Any asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

(b) Amortisation

Intangible assets i.e. BOT cost (Toll collection right) existing on transition date, viz., 1st April, 2015 are amortized over the period of concession, using revenue based amortization. Under this methodology, the carrying value is amortized in the proportion of actual toll revenue for the year to projected revenue for the balance toll period, to reflect the pattern in which the assets' economic benefits will be consumed. At each balance sheet date, the projected revenue for the balance toll period is reviewed by the management. If there is any change in the projected revenue from previous estimates, the amortization of toll collection rights is changed prospectively to reflect any change in the estimates.

v) Property, plant and equipment

Freehold land is carried at cost. Other property, plant and equipment acquired are measured on initial recognition at cost. Subsequent to initial recognition, property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. The carrying amount of the replaced part accounted for as a separate asset previously is derecognised. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss when incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Depreciation on property, plant and equipment is provided on written down value basis as per the rate derived on the basis of useful life and method prescribed under Schedule – II of the Companies Act 2013. If the management estimate of the useful life of assets at the time of acquisition of assets or remaining useful life on a subsequent review is shorter/longer than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate/ lower rate based on the management estimate of the useful life/remaining useful life.

Pursuant to this policy, property, plant and equipment are depreciated over the useful life as provided below :-

Assets description	Useful life
Plant and machinery	2 years to 12 years
Furniture and fixtures	10 years
Vehicles	8 years to 10 years
Office and other equipments	3 years to 5 years
Computers	3 years to 6 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal

Notes forming part of the consolidated financial statements

proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

On transition to Ind AS, the group had elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

vi) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Intangibles assets are amortised as explained in note iv (b) above

On transition to Ind AS, the group had elected to continue with the carrying value of all of its intangible assets recognised as at 1st April, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

vii) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. If indication exists, an asset is treated as impaired when the carrying amount exceeds its recoverable value. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognized in prior accounting periods is reversed by crediting the statement of profit and loss if there has been a change in the estimate of recoverable amount.

viii) Valuation of inventories

Raw materials and components are valued at lower of cost and net realizable value. Cost is determined on FIFO basis.

Traded goods are valued at lower of cost or net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.

ix) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the

Notes forming part of the consolidated financial statements

periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual installments.

x) Non-current assets held for sale

The group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification. Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets are not depreciated or amortized.

xi) Employee benefits

a) Short-term benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related services are rendered.

b) Defined benefit plans

Post-employment and other long-term employee benefits are recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques.

Re-measurement of the net defined benefit liability, which comprises of actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) are recognised in other comprehensive income in the period in which they occur.

c) Defined contribution plans

Payments to defined contribution retirement benefit schemes are charged to the statement of profit and loss of the year when the contribution to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

xii) Share based payments

Employees (including senior executives) of the group receive remuneration also in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity settled transactions)

Employee stock options

The fair value of the options granted under the “Welspun Enterprises Limited - Employees Stock Option Plan 2017” and “Welspun Managing Director Stock Option Plan 2014” is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions
- excluding the impact of any service and non-market performance vesting conditions, and
- including the impact of any non-vesting conditions

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit and loss, with a corresponding adjustment to equity.

xiii) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consists of interest and other costs incurred in connection with the borrowing of funds.

Notes forming part of the consolidated financial statements

xiv) Taxes on income

a) Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current taxes are recognized in profit or loss except to the extent that the tax relates to items recognized in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred tax

Deferred tax is recognized on all temporary differences which are the differences between the carrying amount of an asset or liability in the consolidated balance sheet and its tax base except when the deferred income tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of the transaction other than business combination that at the time of the transaction affects neither accounting profit nor taxable profit.

Deferred tax liabilities are recognized for all taxable temporary differences; and deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where the group is able to control the timing of the reversal of the temporay differences and it is probable that the difference will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date and based on the tax consequence which will follow from the manner in which the group expects, at financial year end, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax relating to item recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liability and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the entity

Notes forming part of the consolidated financial statements

will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the entity will pay normal income tax during the specified period.

xv) Foreign Currency transactions

The consolidated financial statements are presented in Indian rupee (INR), which is Welspun Enterprises Limited's functional and presentation currency. Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date, are translated at the closing rate and are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.

xvi) Leases

a) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lesser are classified as operating lease. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

b) Finance lease

Assets acquired under leases where group has substantially all the risks and rewards of ownership are classified as finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

xvii) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and other short term highly liquid investments with an original maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the group's cash management.

xviii) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except when the results would be anti-dilutive.

xix) Provisions, contingent liabilities and contingent assets

a) Provisions

Provisions are recognized when the group has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the

Notes forming part of the consolidated financial statements

obligation and a reliable estimate can be made to the amount of the obligation. When the group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. when discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

b) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurence or non occurence of one or more uncertain future events beyond the control of the group or a present obligation which is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Information on contingent liabilities is disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group. Contingent asset is not recognized, but its existence is disclosed in the financial statements.

xx) Financial instruments

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

A. Financial assets

a) Initial recognition and measurement

Financial assets are recognized when the group becomes a party to the contractual provisions of the instrument. The group determines the classification of its financial assets at initial recognition. All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset except for financial assets classified as fair value through profit or loss.

b) Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified in four categories:

i) Debt instruments measured at amortised cost

ii) Debt instruments measured at fair value through other comprehensive income (FVTOCI)

iii) Debt instruments measured at fair value through profit or loss (FVTPL)

iv) Equity instruments measured at FVTOCI or FVTPL

Debt instruments

The subsequent measurement of debt instruments depends on their classification. The classification depends on the group's business model for managing the financial assets and the contractual terms of the cash flows.

i) Debt instruments measured at amortised cost

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired.

Notes forming part of the consolidated financial statements

Interest income from these financial assets is disclosed as interest income in the statement of profit and loss using the effective interest rate method.

ii) Debt instruments measured at FVTOCI

Debt instruments that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payment of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest income which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in the OCI is reclassified from equity to statement of profit and loss. Interest income from these financial assets is disclosed as interest income in the statement of profit and loss using the effective interest rate method.

iii) Debt instruments measured at FVTPL

Debt instruments that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. Debt instruments which are held for trading are classified as FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised and presented net in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

iv) Equity instruments (other than investment in an associate and joint venture companies)

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as FVTPL. The group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

B. Derecognition of financial assets

A financial asset is derecognised only when

i) The group has transferred the rights to receive cash flows from the financial asset or

ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

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

C. Impairment of financial assets

The group assesses impairment based on expected credit losses (ECL) model to the following:

i) Financial assets measured at amortised cost

ii) Financial assets measured at fair value through other comprehensive income (FVTOCI)

Expected credit losses are measured through a loss allowance at an amount equal to

Notes forming part of the consolidated financial statements

i) the twelve months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within twelve months after the reporting date) or

ii) full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For recognition of impairment loss on other financial assets and risk exposure, the group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the group reverts to recognising impairment loss allowance based on twelve months ECL.

D. Financial liabilities

a) Initial recognition and measurement

Financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. The group determines the classification of its financial liability at initial recognition. All financial liabilities are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial liability except for financial liabilities classified as fair value through profit or loss.

b) Subsequent measurement

For the purposes of subsequent measurement, financial liabilities are classified in two categories:

(i) Financial liabilities measured at amortised cost

(ii) Financial liabilities measured at FVTPL (fair value through profit or loss)

i) Financial liabilities measured at amortised cost

After initial recognition, financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of profit and loss.

ii) Financial liabilities measured at fair value through profit or loss (FVTPL)

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities at FVTPL are carried in the statement of profit and loss at fair value with changes in fair value recognized in the statement of profit and loss.

c) Derecognition

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

xxi) Business combinations

In accordance with Ind AS 101, provisions related to first time adoption, the group has elected to apply Ind AS accounting for business combination prospectively from 1st April, 2015. Business combinations are accounted for using the acquisition method as per Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which

Notes forming part of the consolidated financial statements

is the date on which control is transferred to the group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Business combinations between entities under common control is accounted for at carrying value. Transaction costs that the group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

xxii) Fair value measurement

The group measures financial instruments, such as, investment in debt and equity instruments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether transfers, if any, have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3 (C) Changes in accounting policies and disclosures

New and amended standards

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on 28th March, 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

Notes forming part of the consolidated financial statements

The company has elected to apply the cumulative catch-up method on the date of transition and the revised standard is applied to contracts that were in progress as of 1st April, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect of adoption of Ind AS 115 is not material to the financial statements.

3 (D) Significant estimates, judgements and assumptions

The preparation of consolidated financial statements requires management to exercise judgment in applying the group's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures including disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.

a) Contract estimates

The group prepares budgets in repect of each EPC projects to compute project profitability and construction revenue under percentage of completion method. The major component of contract estimate is budgeted cost to complete the contract. Due to such complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

b) Provision for employee benefits

The cost of post-employment and other long term benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of discount rates, expected rate of return on assets, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The assumptions used are disclosed in note 46.

c) Contingencies and commitments

In the normal course of business, contingent liabilities may arise from litigation and other claims against the group. Potential liabilities that have a low probability of crystallising or are very difficult to quantify reliably, are treated as contingent liabilities. Such liabilities are disclosed in the notes, if any, but are not provided for in the financial statements. There can be no assurance regarding the final outcome of these legal proceedings.

d) Impairment testing

i) Impairment of non-financial asset

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the future years and do not include restructuring activities that the group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate.

ii) Impairment of financial assets

The impairment provisions for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

e) Taxes

The group periodically assesses its liabilities and contingencies related to income taxes for all years open to scrutiny based on latest information available. The group records its best estimates of the tax liability in the current tax provision. The management believes that they have adequately provided for the probable outcome of these matters.

Notes forming part of the consolidated financial statements

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses 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.

f) Fair value measurement

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date. For details of the key assumptions used and the impact of changes to these assumptions (Refer note 39).

g) Classification of associate and joint arrangement

Please refer note 49 (b) (v) and 49 (c) (v)

h) Share based payments

Estimating fair value for share-based payment requires determination of the most appropriate valuation model. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 44.

3 (E) Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard.

i. Ind AS 116 Leases

Ind AS 116 Leases was notified on 30th March, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1st April, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases. The Group intends to adopt these standards, if applicable, when they become effective. As the Group does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its Financial Statements.

Notes forming part of the consolidated financial statements

ii. Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments

On 30th March, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after 1st April, 2019. The Group will adopt the standard on 1st April, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. 1st April, 2019 without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the financial statements.

iii. Amendment to Ind AS 12 – Income taxes

On 30th March, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after 1st April, 2019. The Group is currently evaluating the effect of this amendment on the financial statements.

iv. Amendment to Ind AS 19 – plan amendment, curtailment or settlement

On 30th March, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after 1st April, 2019. The Group does not have any impact on account of this amendment.

Notes Forming Part of the Consolidated Financial Statements

4 Property, plant and equipment

(Rs. in Lakhs)

	Freehold Land	Buildings	Plant and Machinery	Construction Equipments	Furniture and Fixtures	Vehicles	Office and other Equipments	Computers	Total
Gross carrying amount									
Balance as at 1st April, 2017	1,815	6	298	64	8	140	49	10	**2,390**
Additions	-	-	1	-	37	207	46	23	**314**
Disposals	-	-	79	-	-	5	-	-	**84**
Reclassification as held for sale	16	-	2	-	0	1	5	11	**35**
Balance as at 31st March, 2018	**1,798**	**6**	**218**	**64**	**45**	**341**	**90**	**23**	**2,585**
Additions	-	-	4,597	-	49	1,806	52	6	**6,510**
Disposals	-	-	9	-	-	11	-	-	**20**
Reclassification as held for sale	-	-	-	-	-	-	-	-	**-**
Balance as at 31st March, 2019	**1,798**	**6**	**4,806**	**64**	**94**	**2,136**	**142**	**29**	**9,076**

	Freehold Land	Buildings	Plant and Machinery	Construction Equipments	Furniture and Fixtures	Vehicles	Office and other Equipments	Computers	Total
Accumulated Depreciation									
Upto 1st April, 2017	-	2	146	64	4	63	26	4	**309**
Additions	-	0	30	-	5	55	22	9	**121**
Disposals	-	-	56	-	-	3	-	-	**59**
Reclassification as held for sale	-	-	1	-	0	1	3	5	**10**
Upto 31st March, 2018	**-**	**2**	**119**	**64**	**9**	**114**	**45**	**8**	**361**
Additions	-	0	393	-	14	282	25	9	**724**
Disposals	-	-	7	-	-	7	-	-	**14**
Reclassification as held for sale	-	-	-	-	-	-	-	-	**-**
Upto 31st March, 2019	**-**	**2**	**505**	**64**	**23**	**389**	**70**	**17**	**1,071**
Net carrying amount									
Upto 31st March, 2019	**1,798**	**4**	**4,301**	**-**	**71**	**1,746**	**72**	**11**	**8,004**
Upto 31st March, 2018	1,798	4	99	-	36	227	45	15	2,224

	As at 31st March, 2019	As at 31st March, 2018
Net carrying amount		
Property, plant and equipment	**8,004**	2,224
Capital work-in-progress	**12,013**	6,381

Note

* Includes value of land Rs. Nil (Original value of Rs. 36 lakhs) at Pune for which the legal documents are yet to be executed.

For details of property, plant and equipment pledged as security, refer note 54

Notes forming part of the consolidated financial statements

5 Intangible assets (BOT Toll Collection Right)

(Rs. in Lakhs)

Particulars	Hoshanagabad-Harda-Khandwa Projects	Raisen Rahatgarh Projects	Ludhiana Bus Terminal Project	Dewas Water Supply Project	Himmatnagar Bypass Private Limited	Kim Mandvi Corridor Private Limited	Total
Gross carrying amount							
Balance as at 1st April, 2017	3,163	2,749	240	11,225	350	4,767	**22,494**
Additions	-	-	-	-	-	-	**-**
Reclassification as held for sale	-	-	-	-	-	4,767	**4,767**
Balance as at 31st March, 2018	**3,163**	**2,749**	**240**	**11,225**	**350**	**-**	**17,727**
Additions	-	-	-	-	-	-	**-**
Balance as at 31st March, 2019	**3,163**	**2,749**	**240**	**11,225**	**350**	**-**	**17,727**

Particulars	Hoshanagabad-Harda-Khandwa Projects	Raisen Rahatgarh Projects	Ludhiana Bus Terminal Project	Dewas Water Supply Project	Himmatnagar Bypass Private Limited	Kim Mandvi Corridor Private Limited	Total
Accumulated depreciation							
Up to at 1st April, 2017	2,049	1,685	240	8,980	126	484	**13,564**
Additions	1,114	735	-	2,245	89	300	**4,483**
Reclassification as held for sale	-	-	-	-	-	784	**784**
Up to at 31st March, 2018	**3,163**	**2,420**	**240**	**11,225**	**215**	**-**	**17,263**
Additions	-	329	-	-	96	-	**425**
Up to at 31st March, 2019	3,163	2,749	240	11,225	311	-	**17,688**
Net carrying amount							
Upto 31st March, 2019	**-**	**-**	**-**	**-**	**39**	**-**	**39**
Upto 31st March, 2018	**0**	**329**	**-**	**-**	**135**	**-**	**464**

Note : For details of intangible assets pledged as security, refer note 54

6 Non-current investments

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Investment at fair value through profit and loss		
Investment - Quoted		
Corporation Bank Limited		
8,000 (31st March, 2018 : 8,000) equity shares of Rs. 2/- each fully paid up	2	2
Investments - Unquoted		
Welspun Energy Thermal Private Limited		
(Formerly known as Solarsys Infra Projects Private Limited)		
1,549 (31st March, 2018 : 1,549) equity shares of Rs. 10 each fully paid up	0	0
20,264,500 (31st March, 2018 : 20,264,500) 0% unsecured compulsorily convertible debentures of Rs. 10 each fully paid up #	2,026	2,026
Welspun Steel Limited		
Nil (31st March, 2018 : 1,820,000) 0% unsecured optionally convertible debentures of Rs. 10 each fully paid up	-	182
Ecstatic Engineering Consultants Private Limited		
480 (31st March, 2018 :Nil) equity shares of Rs. 10 each fully paid up	0	-

Notes forming part of the consolidated financial statements

	As at 31st March, 2019	As at 31st March, 2018
Investment in Government Securities		
Indira Vikash Patra	0	0
Sardar Sarovar Narmada Nigam Limited		
3 (31st March, 2018 : 3) bonds of Rs. 1,000,000/- each fully paid up	30	30
Total	**2,059**	**2,240**
Aggregate book value of quoted investments	2	2
Aggregate book value of unquoted investments	2,057	2,238
Aggregate market value of quoted investments	2	2

\# Each debenture having face value of Rs. 10 each shall be compulsorily convertible into 1 equity shares of Rs. 10 each fully paid up at the end of the 5 years from the date of allotment or as mutually agreed before the end of the tenure.

7 Non-current financial assets - Loans

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Unsecured		
Security deposits- considered good		
- Related parties (Refer note 47)	12	224
- Others	553	470
Total	**565**	**694**

8 Receivable under service concession arrangement

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Service concession receivables	63,612	45,050
Total	**63,612**	**45,050**

9 Non-current financial assets -others

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Bank deposit having maturity of more than 12 months - Held as margin money or security against guarantees and other commitments (with various government authorities and banks)	86	-
Total	**86**	**-**

10 Non-current tax assets

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Balances with government authorities :		
- Direct tax (net of provision for taxation)	1,727	2,026
Total	**1,727**	**2,026**

Notes forming part of the consolidated financial statements

11 Other non-current assets

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Capital advances	745	-
Prepaid expenses	261	9
Balances with government authorities - Indirect taxes	18	14
Deferred revenue	16	30
Total	**1,040**	**54**

12 Inventories

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Raw materials	73	71
Total	**73**	**71**

13 Current investments

(Rs. in Lakhs)

		As at 31st March, 2019	As at 31st March, 2018
	Investments at fair value through profit and loss		
I.	**Quoted**		
	a) Investment in bonds	37,287	65,064
	b) Investment in mutual funds	245	1,790
	c) Investment in equity shares		
	National Mineral Development Corporation	104	119
	100,000 (31st March, 2018 : 100,000) shares of face value of Rs. 1/- each fully paid up		
II	**Unquoted**		
	Investment in equity shares		
	Dewas Bhopal Corridor Private Limited	-	2,950
	Nil (31st March, 2018 : 13,000) equity shares of Rs. 10/- each fully paid up.		
	Ecstatic Engineering Consultants Private Limited		
	5,584 (31st March, 2018 : Nil) 0% unsecured optionally convertible debentures of Rs. 100 each fully paid up (at fair value) #	25	-
	Total	**37,661**	**69,923**
	Aggregate book value of quoted investments	37,636	66,973
	Aggregate book value of unquoted investments	25	2,950
	Aggregate market value of quoted investments	37,636	66,973

Each debenture having face value of Rs. 100 each shall be convertible, at the option of the holder into 1 equity share of Rs. 10 each of the Company at any time after the expiry of 6 months and may be redeemed or renewed or converted upon maturity at the option of the debentureholder.

Notes forming part of the consolidated financial statements

14 Trade receivables

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Unsecured		
Considered good		
- Related parties (Refer note 47)	26,353	57
- Others	1,716	3,343
Total	**28,069**	**3,400**

Trade receivables are non-interest bearing and are normally settled as per payment terms mentoned in the contract.

15 Cash and cash equivalents

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Balances with banks in		
- Current accounts	10,181	1,523
- Deposits with banks having original maturity period of less than three months *	1,359	1,713
Cash on hand	10	16
Total	**11,550**	**3,252**

16 Bank balances (other than 15 above)

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Balances with banks		
- Deposits with banks having maturity period of less than twelve months *	1,318	4,172
- Held as margin money or security against guarantees and other commitments (with various government authorities and banks) * #	2,085	339
- Unclaimed dividend account	13	-
Total	**3,416**	**4,511**

Note:

* Deposits with banks earns interest at prevailing bank deposit rates.

\# includes Rs. 42 lakhs (31st March, 2018 : Rs. 42 lakhs) restricted bank balance due to freezing of account by bank

17 Current financial assets - loans

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Unsecured, considered good		
Inter corporate deposits - Others	100	150
Security deposits		
- Related parties (Refer note 47)	235	-
- Others	340	22
Loans and advances		
- Related parties (Refer note 47)	8,586	8,905
- Others	2,267	2,267
Total	**11,528**	**11,343**

Notes forming part of the consolidated financial statements

18 Receivable under service concession arrangement

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Service concession receivables	7,252	12,284
Total	**7,252**	**12,284**

19 Other current financial assets

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Unsecured, considered good		
Contract assets (Refer note 53)		
- Related parties (Refer note 47)	32,717	9,296
- Others	987	510
Advances recoverable	166	460
Advance towards purchase of investment	-	500
Total	**33,870**	**10,766**

20 Other current assets

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Unsecured, considered good		
Advance against goods and services	3,054	570
Advances to employees	-	1
Mobilisation advances receivable	2,448	-
Prepaid expenses	586	280
Balance with government authorities - Indirect taxes	6,120	1,178
Total	**12,209**	**2,029**

21 Assets held-for-sale

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Assets held-for-sale	53	2,863
Total	**53**	**2,863**

22 Equity

22 (a) Equity share capital

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Authorised		
180,000,000 (31st March, 2018: 180,000,000) equity shares of Rs. 10/- each	18,000	18,000
	18,000	**18,000**
Issued, subscribed and paid up		
148,083,056 (31st March, 2018: 147,533,056) equity shares of Rs. 10/- each fully paid up	14,808	14,753
Total	**14,808**	**14,753**

Notes forming part of the consolidated financial statements

i) Reconciliation of the number of shares outstanding and the amount of the share capital

	As at 31st March, 2019		As at 31st March, 2018	
	Number of equity shares	(Rs. in lakhs)	Number of equity shares	(Rs. in lakhs)
At the beginning of the year	147,533,056	14,753	147,293,056	14,729
Add : Pursuant to exercise of stock options (Refer note 44)	550,000	55	240,000	24
Outstanding at the end of the year	**148,083,056**	**14,808**	**147,533,056**	**14,753**

ii) Rights, preference and restriction on shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. The dividend, in case proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except incase of interim dividend.

In the event of liquidation of the company, the holders of the equity shares are entitled to receive remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

iii) Details of shareholders holding more than 5% shares in the Company

	As at 31st March, 2019		As at 31st March, 2018	
	Number of equity shares	% Holding	Number of equity shares	% Holding
Anjar Road Private Limited	58,415,951	39.45%	58,175,951	39.43%

(iv) Aggregate number of shares issued for consideration other than cash, bonus shares issued and shares bought back during the last five years immediately preceding the reporting date.

	As at 31st March, 2019	As at 31st March, 2018
a) Equity shares allotted as fully paid up for consideration other than cash		
- Pursuant to the Scheme of Amalgamation and Arrangement	157,768,980	157,768,980
- Pursuant to exercise of stock options (Refer note 44)	1,750,000	1,200,000
b) Equity shares bought back during the year	(26,987,479)	(26,987,479)

v) Shares reserved for issue under options

For details of shares reserved for issue under the share based payment plan of the company, please refer note 44

Notes forming part of the consolidated financial statements

22 (b) Other equity

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Capital reserve	27,993	27,993
Securities premium	92,849	92,138
Share options outstanding account	1,662	904
Amalgamation reserve	521	521
General reserve	322	322
Retained earnings	7,207	(2,763)
Total	**130,554**	**119,115**
(i) Capital reserve		
As per last balance sheet	27,993	26,425
Gain on bargain purchase	-	1,568
	27,993	**27,993**
(ii) Securities premium		
As per last balance sheet	92,138	92,035
Exercise of share options	711	104
	92,849	**92,138**
(iii) Other reserves		
(a) Share options outstanding account		
As per last balance sheet	904	91
Compensation options granted during the year	1,524	941
Share options exercised during the year	(766)	(128)
	1,662	**904**
(b) Amalgamation reserve		
As per last balance sheet	521	521
(c) General reserve		
As per last balance sheet	322	322
(d) Retained earnings		
As per last balance sheet	(2,763)	(8,282)
Total comprehensive income for the year	12,636	6,851
Dividend paid	(2,213)	(1,107)
Dividend distribution tax paid	(454)	(225)
Share of an associate	0	0
	7,207	**(2,763)**
Total	**130,554**	**119,115**

Notes forming part of the consolidated financial statements

23 Non-current borrowings

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Secured		
Term loans from banks	37,176	44,554
Term loans from financial institutions	6,242	-
Less : Current maturities disclosed under other current financial liabilites - Refer note 27	(3,024)	(3,039)
Total	**40,394**	**41,515**
Term loans from banks / financial institutions		
In Parent Company		
Industrial Development Finance Corporation Limited ('IDFC')	-	5,208
Tata Capital Financial Services Limited ('TCFSL')	1,300	-
In Subsidiary Companies		
Union Bank of India	9,170	9,445
State Bank of India	9,122	9,424
Punjab National Bank	18,884	18,376
L&T Infrastructure Finance Company Limited	4,942	-
State Bank of India	-	2,102
Total	**43,418**	**44,554**

Nature of security and terms of repayments for long term borrowings

A In Parent Company

i. Industrial Development Finance Corporation Limited ('IDFC')

Secured by way of mortgage in favour of IDFC of all movable properties pertaining to the Dewas Water Supply Projects, present and future. A first charge by way of hypothecation of all the movable assets including movable plant and machinery, machinery spares, tools & accessories, furniture and fixtures, vehicles and all other movable assets pertaining to the project, present and future. First charge of all book debts, operating cash flows, revenues and receivables of the Company pertaining to the project, present and future. First charge on all intangibles including but not limited to goodwill, uncalled capital, present and future. Assignment of all rights, title, interest, benefits, claims and demands of the Company in respect of all the assets of the projects agreement and contracts including concession agreement. First charge over the escrow account, debt service reserve account and other reserve and any other bank account the Company wherever maintained.

Repayment terms : Repayment in monthly installments w.e.f. 16th April, 2016 i.e- FY 17-3%; FY18-7%; FY19-10%; FY20-20%; FY21-22%; FY22-33%; FY23-5%. However the loan has been repaid during the year.

Rate of Interest : 11.25% p.a.

ii. Tata Capital Financial Services Limited ('TCFSL')

Secured by hypothecation of first and exclusive charge on construction equipment which is forming part of Property, Plant and Equipment ('PPE')

Repayment terms : Repayment in 23 monthly installments w.e.f. 21st April, 2019 (Rs. 71.96 lakhs EMI per month including interest)

Rate of Interest : 10.75% p.a.

B In Subsidiaries

i) Union Bank of India

Secured by first pari passu charges on all immovable properties including lease hold rights, if any, both present and future. First pari passu charges on all tangible moveable assets including moveable plant & machineries, machinery spares, tools & accessories, furniture & fixture, vehicles and other movable assets both present & future. Lien over all accounts of the Welspun Delhi Meerut Expressway Private

Notes forming part of the consolidated financial statements

Limited ('DME'), including the escrow accounts and sub accounts and all funds from time to time, deposited therein. First charge in all intangible assets, if any including but not limited to, goodwill rights, undertaking intellectual property and uncalled capital present & future excluding the project assets.

Collateral security : Parent company has pledged 51% of the shares of its subsidiary "Welspun Delhi Merrut Expressway Private Limited".

Repayment terms : Term loan is repayable in half yearly installments starting from 2019 and ending in 2034

Rate of interest : 1 year MCLR plus 0.85% p.a.

ii) State Bank of India

Secured by first pari passu charges on all borrower immovable properties, including lease hold rights if any both present and future. First pari passu charges on all borrower, tangible movable assets including movable plant and machinery, spares, accessories, furniture & fixture, vehicles and all other movable assets, both present and future. Lien over all accounts, of the Welspun Delhi Meerut Expressway Private Limited ('DME'), including the escrow accounts and sub-accounts and all funds from time to time, deposited therein. First charge on all intangible assets, of the borrower, if any including but not limited to goodwill, right, undertaking, intellectual property, uncalled capital present and future excluding the project assets.

Repayment terms : Term loan is repayable in half yearly installments starting from 2019 and ending in 2034

Rate of interest : One year SBI MCLR Rate plus spread of 0.25% p.a. payable monthly installment.

iii) Punjab National Bank

Secured by first pari passu charges on all borrower immovable properties, including lease hold rights if any both present and future. First pari passu charges on all borrower, tangible movable assets including movable plant and machinery, spares, accessories, furniture & fixture, vehicles and all other movable assets, both present and future. Lien over all accounts, of the Welspun Delhi Meerut Expressway Private Limited ('DME'), including the escrow accounts and sub-accounts and all funds from time to time, deposited therein. First charge on all intangible assets, of the borrower, if any including but not limited to goodwill, right, undertaking, intellectual property, uncalled capital present and future excluding the project assets.

Repayment terms : Term loan is repayable in half yearly installments starting from 2019 and ending in 2034

Rate of interest : 1 year MCLR plus 0.70% p.a.

iv) L&T Infrastructure Finance Company Limited

Secured by first charge on all borrower immovable properties, tangible movable assets, and intangible assets, both present and future except Project assets. A first charge over all accounts of the Dewas Waterprojects Works Private Limited ('DWWPL') including Escrow account and the sub accounts.

Repayment terms : 44 quarterly installments - 11 years from end of moratorium (Moratorium period : 1.5 years from COD)

Rate of Interest : 10.82% p.a.

v) State Bank of India

Secured by first charge over on the assignment of project rights/ movable / immovable property/ intangible assets / uncalled capital of the MSK Projects (Kim Mandvi Corridor) Private Limited ('KM') for the respective projects and on assignment of all the receivable / revenue of the projects. First charge on KM's bank accounts from the Kim Mandvi projects including the Trust and Retention account / Escrow Account and Debt Service Reserve Account /Maintenance Reserve Account or such other account to be opened as directed by the bank. First Charge / Assignment Security Interest on the KM's right under the concession agreement, project documents, contracts and all licences permits, approvals, consents, and insurance policies in respect of the Kim Mandvi Projects). Assignment of contractors guarantee, liquidated damages letter of credit, guarantee or performance bond and insurance policies pertaining to the Kim Mandvi Projects noting the interest of the lenders. First charge on all the intangible assets of the KM including but not limited to the Goodwill of the KM pertaining and specific to the Kim Mandvi Projects.

Rate of Interest : 5.09% + 3.50% LIBOR

Notes forming part of the consolidated financial statements

24 Non-current provisions

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Provision for employee benefits	629	466
Provision for Welspun Maxsteel Limited (WMSL) obligations *	2,588	2,588
Total	**3,217**	**3,054**

* Represents certain obligations related to stamp duty, etc of Welspun Maxsteel Limited, an erstwhile subsidiary disposed off in earlier period. There is no movement during the year.

25 Current financial liabilities - borrowings

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Secured		
Loans repayable on demand from banks	987	1,429
Unsecured		
Commercial paper	14,803	-
Total	**15,790**	**1,429**

Nature of security and terms of repayment for secured borrowings
Loan from bank is secured by hypothecation of inventories and book debts of the Company
Rate of interest: 1 year MCLR + 1.65%

26 Trade payables

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Dues of micro enterprises and small enterprises (Refer note 52)	29	-
Dues of creditors other than micro enterprises and small enterprises		
- Others	57,392	21,483
Total	**57,421**	**21,483**

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled as per payment terms mentioned in the contract.

27 Current financial liabilities - others

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Current maturities of long-term borrowings (Refer note 23) *	3,024	3,039
Security deposits/ retention money payable	10,455	8,105
Payable to employees	163	85
Unclaimed dividend payable	13	-
Other payables	-	20
Total	**13,654**	**11,249**

* Includes interest accrued but not due Rs. 78 lakhs (31st March, 2018 : Rs. 352 lakhs)

Notes forming part of the consolidated financial statements

28 Current provisions

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Provision for employee benefits	143	74
Total	**143**	**74**

29 Other current liabilities

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Trade advances	49	18
Contract liabilities (Refer note 53)		
- Related party (Refer note 47)	9,300	-
- Other parties	-	4,527
Statutory dues	3,010	2,057
Total	**12,359**	**6,602**

30 Current tax liabilities

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Provision for tax	614	653
Total	**614**	**653**

31 Revenue from operations

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Revenue from		
- Engineering, Procurement and Construction #	176,666	102,397
- Operation and Maintenance	333	-
- Build Operate Transfer (BOT) Business	1,063	4,018
- Advisory and consultancy income #	75	-
Other operating revenues		
- Gain on sale of assets held-for-sale	490	-
- Scrap sales	33	-
- Other material sales	-	298
Total	**178,660**	**106,713**

Refer note 47 for related parties transactions

Notes forming part of the consolidated financial statements

32 Other income

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest income on financial assets at amortised cost		
- On bank deposits	529	275
- On inter corporate deposits	-	786
- On loans and advances	44	1,127
- On financial assets	2,605	1,397
Interest income		
- Financial assets mandatorily measured at fair value through profit and loss ('FVTPL')	2,052	2,940
- Others *	162	68
Dividend income on financial assets mandatorily measured at fair value through profit and loss ('FVTPL')	16	25
Net gain on financial assets mandatorily measured at fair value through profit and loss ('FVTPL')	1,490	4,318
Reversal of provision no longer required	99	374
Recovery of bad debts	296	-
Insurance claim received	25	114
Unwinding of discount on interest free deposits	34	30
Gain on sale of property, plant and equipment (net)	32	-
Unclaimed liabilities written back	-	0
Exchange difference (net)	-	27
Miscellaneous income	3	-
Total	**7,387**	**11,481**

* Includes interest income recognised on mobilisation advances

33 Cost of materials consumed

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Inventories at the beginning of the year	71	296
Add: Purchases	1,734	1,189
	1,805	**1,485**
Less: Inventories at the end of the year	(73)	(71)
Total	**1,732**	**1,415**

34 Employee benefits expense

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Salaries, wages and bonus	5,816	3,805
Contribution to provident and other funds	507	293
Share based payments to employees (Refer note 44)	1,524	941
Staff welfare expenses	237	129
Total	**8,084**	**5,167**

Notes forming part of the consolidated financial statements

35 Finance costs

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest expenses on financial liabilities at amortised cost		
- Term loans	4,248	2,847
- Working capital	637	33
Net interest on net defined benefit liability	43	24
Other interest costs	95	263
	5,023	**3,167**
Bank charges and other finance costs	313	120
Unwinding of discount on interest free deposits	30	30
Total	**5,366**	**3,317**

36 Depreciation and amortisation expense

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Depreciation on property, plant and equipment	724	121
Amortisation of intangible assets	425	2,238
Total	**1,149**	**2,359**

37 Other expenses

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Site expenses	312	401
Stores and spares consumed	58	20
Hire charges	183	109
Power, fuel and water charges	521	419
Repairs and maintenance		
- Property, plant and equipment	3	12
- Others	591	550
Project monitoring and maintenance fees	13	64
Rent	378	422
Rates and taxes	1,396	2,763
Insurance	251	162
Travelling and conveyance expenses	566	394
Communications expenses	34	29
Legal and professional fees	1,534	1,000
Freight	5	14
Business promotion and advertisement	235	151
Printing and stationary	38	21
Directors sitting fees	17	25

Notes forming part of the consolidated financial statements

37 Other expenses (Contd...)

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Payment to Auditor :-		
- Audit fees (including fees for limited review)	35	30
- Certifications	3	2
- Reimbursement of expenses	2	1
Bad debts	1	-
Donation	207	162
Loss on sale of property, plant and equipment (net)	-	4
Net loss on financial assets mandatorily measured at fair value through profit and loss ('FVTPL')	37	-
Expected credit loss	-	1,127
Miscellaneous expenses	210	493
Preliminary expenses written off	-	4
Total	**6,630**	**8,378**

38 Income tax

a) The major components of income tax for the year ended 31st March, 2019 are as under:

i) Income tax related to items recognised in the consolidated statement of profit and loss during the year

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Current tax		
Current tax on taxable income for the year	7,766	5,297
Earlier year tax	-	57
	7,766	**5,354**
Deferred tax		
Relating to origination and reversal of temporary differences	256	(672)
MAT credit taken	-	(52)
Total deferred tax (credit) / charge	**256**	**(724)**
Income tax expense/ (credit) reported in the consolidated statement of profit and loss	**8,022**	**4,630**

ii) Deferred tax related to items recognized in other comprehensive income (OCI) during the year

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Deferred tax on remeasurement (gains)/losses on defined benefit plan	(17)	(48)
Deferred tax charged/(credited) to Other Comprehensive Income	**(17)**	**(48)**

Notes forming part of the consolidated financial statements

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Accounting profit before tax	**20,698**	**11,573**
Income tax @ 34.944% (31st March, 2018: 34.608%)	7,233	4,005
Non-deductible expenses for tax purpose		
- ECL on loans	456	529
- Depreciation on grant exempted from tax	52	212
- Other non deductible expenses	990	1,950
- Impact of fair value adjustment	164	224
Taxes paid/ provided for earlier years	-	57
Other allowances for tax purpose	(290)	(616)
Utilisation of previously unrecognised tax losses/ MAT credit	(583)	(1,731)
Income tax expense/ (credit) reported in the consolidated statement of profit and loss	**8,022**	**4,630**

c) Deferred tax relates to the following:

(Rs. in Lakhs)

	Balance Sheet		Recognized in the statement of profit and loss		Recognized in OCI	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
A. Deferred tax assets (net)						
I). Deferred tax assets						
Unused tax losses and unabsorbed depreciation	954	1,641	687	(687)	-	-
Allowance for doubtful debts	-	-	-	-	-	-
Employee benefits / expenses allowable on payment basis	247	185	(45)	(183)	(17)	(48)
Total (i)	**1,201**	**1,826**	**642**	**(870)**	**(17)**	**(48)**
Less : Deferred tax liabilities						
Depreciation on property, plant and equipment and intangible assets	660	729	(69)	(0)	-	-
Fair valuation of financial instruments	(219)	696	(916)	696	-	-
Total (ii)	**441**	**1,425**	**(985)**	**696**	**-**	**-**
Add: MAT credit entitlement of earlier years recognised (iii)	-	-	-	(28)	-	-
Add: MAT credit entitlement (iv)	57	507	468	(491)	-	-
(A) Total (i - ii + iii + iv)	**817**	**908**	**125**	**(693)**	**(17)**	**(48)**

Notes forming part of the consolidated financial statements

38 Income tax (Contd...)

c) Deferred tax relates to the following: (Contd...)

(Rs. in Lakhs)

	Balance Sheet		Recognized in the statement of profit and loss		Recognized in OCI	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
B. Deferred tax liabilities (net)						
II). Deferred tax liabilities						
Depreciation on property, plant and equipment and intangible assets	-	-	-	(1,280)	-	-
Fair valuation of financial instruments	333	224	109	(495)	-	-
Total (i)	**333**	**224**	**109**	**(1,775)**	**-**	**-**
Less : Deferred tax assets						
Employee benefits / expenses allowable on payment basis	-	-	-	183	-	-
Unused tax losses and unabsorbed depreciation	-	-	-	1,094	-	-
Total (ii)	**-**	**-**	**-**	**1,277**	**-**	**-**
Less: MAT credit entitlement (iii)	-	22	22	467	-	-
(B) Total (i - ii - iii)	**333**	**202**	**131**	**(31)**	**-**	**-**
Deferred tax charge/(credit) (A + B)			**256**	**(724)**	**(17)**	**(48)**

d) Unrecognised deferred tax assets on unused tax losses

i) The Group has brought forward long term capital losses of Rs. 81,167 lakhs (31st March, 2018 Rs. 84,128 lakhs) (majority of which is expiring in 31st March, 2023) and short term capital losses of Rs. 7,607 lakhs (31st March, 2018 Rs. 7,667 Lakhs) (majority of which is expiring in 31st March, 2023) that are available for offsetting against future taxable capital gains. Deferred tax assets of Rs. 18,909 lakhs (31st March, 2018 Rs. 19,598 Lakhs) have not been recognized in respect of long term capital losses in view of uncertainty of future taxable capital gains and deferred tax assets (@ 34.944%) of Rs. 2,658 lakhs (31st March, 2018 Rs. 2,654 lakhs) have not been recognized in respect of short term capital losses in view of uncertainty of future taxable capital gains.

ii) The Group has brought forward business losses of Rs. 1,860 Lakhs (31st March, 2018 Rs. 1,055 Lakhs) (majority of which is expiring in 31st March, 2022) that are available for offsetting future taxable business losses . Deferred tax assets of Rs. 517 Lakhs (31st March, 2018 Rs. 293 Lakhs) have not been recognized in respect of these losses in view of uncertainty of future taxable business profits.

iii) The Group has brought forward unabsorbed depreciation of Rs. 3,974 Lakhs (31st March, 2018 Rs. 1,190 Lakhs) that are available for offsetting against future taxable income. Deferred tax assets of Rs. 1,105 Lakhs (31st March, 2018 Rs. 331 Lakhs) have not been recognized in respect of these losses in view of uncertainty of future taxable business profits.

Notes forming part of the consolidated financial statements

39 Fair value measurements

Financial instruments by category

(Rs. in Lakhs)

	As at 31st March, 2019		As at 31st March, 2018	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets (other than investment in subsidiaries, associates and joint venture companies at cost)				
Non-current assets				
Investments	2,059	-	2,240	-
Investments in optionally convertible debentures	16,716	-	14,624	-
Service concession receivables	63,612	-	45,050	-
Loans	-	565	-	694
Other financial assets	-	86	-	-
Current assets				
Investments	37,661	-	69,923	-
Service concession receivables	7,252	-	12,284	-
Trade receivables	-	28,069	-	3,400
Cash and cash equivalents	-	11,550	-	3,252
Other bank balances	-	3,416	-	4,511
Loans	-	11,528	-	11,343
Other financial assets	-	33,870	-	10,766
Total financial assets	**127,300**	**89,084**	**144,120**	**33,967**
Non-current liabilities				
Borrowings	-	40,394	-	41,515
Current liabilities				
Borrowings	-	15,790	-	1,429
Trade and other payables	-	57,421	-	21,483
Other financial liabilities	-	13,654	-	11,249
Total financial liabilities	**-**	**127,259**	**-**	**75,676**

Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Notes forming part of the consolidated financial statements

The following methods and assumptions were used to estimate the fair values:

The carrying amounts of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets, non-current and current borrowings, trade payables and other financial liabilities that are measured at amortised cost are considered to be approximately equal to the fair value due to short-term maturities of these financial assets/ liabilities.

(Rs. in Lakhs)

	As at 31st March, 2019				
	Carrying Value	Fair Value	Level 1	Level 2	Level 3
Financial assets measured at FVTPL					
Non-current investments	2,059	2,059	2	30	2,027
Investments in optionally convertible debentures	16,716	16,716	-	-	16,716
Non- current Service concession receivables	63,612	63,612	-	-	63,612
Current Investments	37,661	37,661	349	37,287	25
Current Service concession receivables	7,252	7,252	-	-	7,252
Total	**127,300**	**127,300**	**352**	**37,317**	**89,632**

	As at 31st March, 2018				
	Carrying Value	Fair Value	Level 1	Level 2	Level 3
Financial assets measured at FVTPL					
Non-current investments	2,240	2,240	2	29	2,209
Investments in optionally convertible debentures	14,624	14,624	-	-	14,624
Non- current Service concession receivables	45,050	45,050	-	-	45,050
Current Investments	69,923	69,923	1,909	68,014	-
Current Service concession receivables	12,284	12,284	-	-	12,284
Total	**144,121**	**144,121**	**1,911**	**68,043**	**74,167**

Valuation technique used to determine fair value

a) Investments included in Level 1 of fair value hierarchy are based on prices quoted in stock exchange and/ or NAV declared by the funds.

b) Investments included in Level 2 of fair value hierarchy have been valued based on inputs from banks and other recognised institutions such as FIMMDA/ FEDAI

c) Investments included in Level 3 of fair value hierarchy have been valued using acceptable valuation techniques such as Net Asset Value and/ or Discounted Cash Flow Method.

Note : All financial instruments for which fair value is recognised or disclosed are categorised within the Fair Value Hierarchy described as above, based on the lowest level input that is significant to the fair value measurement as a whole.

40 Financial risk management

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the Managing Board. The Group is exposed to market risk - foreign currency and interest rate, credit risk and liquidity risk.

(A) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments.

Notes forming part of the consolidated financial statements

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks.

a) Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize group's position with regard to interest income and interest expenses and manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instrument in its total portfolio.

(i) Interest rate risk exposure

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Variable rate borrowings	52,966	45,983

(ii) Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact of change in interest rate of borrowings, as follows:

(Rs. in Lakhs)

Effect on Profit before tax	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest rates : (Increase) by 50 basis points	(162)	(145)
Interest rates : Decrease by 50 basis points	162	145

b) Foreign currency risk

Currency risk is the risk that the fair value or future cash flows fluctuate because of changes in market prices of various currencies against the functional currency. The group manages its foreign currency risk, by hedging transaction that are expected or occur within maximum 36 months, period for hedge. The group hedges its exposure to fluctuation on transaction in to INR by holding net borrowing in foreign currency and using foreign currency forward contracts.

(i) Foreign currency risk exposure

(Rs. in Lakhs)

Currency	Liabilities	
	As at 31st March, 2019	As at 31st March, 2018
USD	-	33

The group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are not hedged considering the small quantum and short period of such exposure.

(ii) ii) Sensitivity to foreign currency risk

The impact of increase / decrease in USD by 5% on foreign currency borrowings shall result in gain / loss as given below:

(Rs. in Lakhs)

	31st March, 2019	31st March, 2018
	+/(-) 5%	**+/(-) 5%**
Effect on profit before tax	-	(105)/ 105
	+/(-) 5%	**+/(-) 5%**
Effect on Equity	-	(105)/ 105

Notes forming part of the consolidated financial statements

(B) Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

a) Trade receivables

The group extends credit to customers in normal course of business. The group considers factors such as credit track record in the market and past dealings for extension of credit to customers. The group monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The group has also taken advances and security deposits from some of its customers, which mitigate the credit risk to an extent.

b) Financial instruments and cash deposits

The group considers factors such as track record, size of the institution, market reputation, financial strength / rating and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the group has also availed borrowings.

c) The ageing analysis of the receivables (gross of expected credit loss) has been considered from the date the invoice falls due.

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Up to 3 months	22,281	153
3 to 6 months	4,329	0
More than 6 months *	1,459	3,246
Total	**28,069**	**3,400**

* Includes mainly retention money

No significant changes in estimation techniques or assumption were made during the reporting period.

d) Service concession receivables

The Company manages concession arrangement which include the construction of road on hydrid annuity basis followed by a period in which the Company maintains and services the infrastructure. These concession arrangements set out rights and obligations relating to the infrastructure and services to be provided. For fulfilling those obligations, the Company is entitled to receive cash from the grantor. The Consideration received or receivable is allocated by reference to the relative fair value of the services provided. The same is classified and disclosed as current and non current service concession receivables in the balance sheet based on the criteria of current and non current classification mentioned in note 3(B)(i).

The carrying amount of following financial assets represents the maximum credit exposure

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
More than 12 months	63,612	45,050
Less than 12 months	7,252	12,284
Total	**70,864**	**57,334**

(C) Liquidity risk

a) Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's treasury department is responsible for liquidity, funding as well as settlement. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Notes forming part of the consolidated financial statements

b) Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on the contractual undiscounted payments.

(Rs. in Lakhs)

As at 31st March, 2019	Total	Less than 1 Year	1 to 5 years	Beyond 5 years
Long term borrowings	40,394	-	11,773	28,621
Short term borrowings	15,790	15,790	-	-
Trade payables	57,392	57,392	-	-
Other financial liabilities	13,654	13,654	-	-
As at 31st March, 2018	**Total**	**Less than 1 Year**	**1 to 5 years**	**Beyond 5 years**
Long term borrowings	41,515	-	13,857	27,658
Short term borrowings	1,429	1,429	-	-
Trade payables	21,483	21,483	-	-
Other financial liabilities	11,249	11,249	-	-

41 Capital Management

For the purpose of group's capital management, capital includes issued capital and other equity reserves attributable to the shareholders. The primary objective of the Group's capital management is to maximize shareholder value. The group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants, if any.

The group monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The group includes within net debt, interest bearing borrowings, trade and other payables, less cash and cash equivalents.

(Rs. in Lakhs)

		As at 31st March, 2019	As at 31st March, 2018
Net debt	A	88,971	7,731
Total capital	B	145,362	133,868
Capital and net debt	C = A+B	234,333	141,600
Gearing ratio	A / C	**38%**	**5%**

42 Earnings per share (EPS)

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Profit for the year (Rs. in lakhs)	12,676	6,943
Weighted average number of equity shares for Basic EPS (Number of shares)	147,793,741	147,505,129
Weighted average number of equity shares for Diluted EPS (Number of shares)	148,624,397	148,918,827
Nominal value of equity shares (Rs.)	10	10
Basic EPS (Rs.)	8.58	4.71
Diluted EPS (Rs.)	8.53	4.66

Notes forming part of the consolidated financial statements

43 Contingencies and Commitments

(a) Leases

Operating lease commitments — Company as lessee

The Group has taken office premises and residential facilities under cancellable and non-cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. The initial tenure of the lease varies from six months to thirty-six months. Lease rental charges for 31st March, 2019 is Rs. 378 Lakhs (31st March, 2018 : Rs. 422 Lakhs).

Future minimum rental receivables under non-cancellable operating leases are as follows :-

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Not later than one year	268	202
Later than one year but not later than five years	280	-
Later than five years	-	-
	548	**202**

(b) Contingent liabilities (to the extent not provided for)

i) Claims against the group not acknowledged as debts

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Disputed labour cess demand (net of provision)	384	229
Stamp duty payable on concession agreement disputed in respect of BOT Projects	115	542
Disputed income tax liability	780	1,118
Disputed service tax liabilty	2,347	174
Disputed value added tax liability	175	175
Claims against the Company not acknowledged as debts	281	283
	4,082	**2,521**

ii) Guarantees excluding financial guarantees

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Bank guarantees issued	34,134	6,927
	34,134	**6,927**

iii) Financial guarantees

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Guarantee given to the bankers for the facilities granted		
- Associate and Joint venture companies	50,500	-
(Loan outstanding is Rs. 50,500 (31st March, 2018 Rs. Nil) against guarantees provided of Rs. 194,751 lakhs (31st March, 2018 Rs. 178,880 lakhs)		
	50,500	**-**

An undertaking (Financial Guarantee as per IND AS) is given to lender for Rs. 70,605 Lakhs for financial assistance to be given to Welspun Aunta-Simaria Project Private Limited.

Notes forming part of the consolidated financial statements

(c) Commitments

i) The group has an outstanding commitments of Rs. 49,938 lakhs (31st March, 2018 Rs. 26,653 lakhs) towards equity contribution in joint venture companies under the financing arrangement tied up with bankers.

ii) Pursuant to the understanding with MBL Projects Private Limited, with respect to investment in RGY Roads Private Limited ('RGY'), paid against option for acquisition of balance 51% shares in RGY equivalent to Rs. 1,450 lakhs (31st March, 2018 Rs. 1450 lakhs) on 22nd February, 2018. The balance amount is Rs. 122 lakhs (31st March, 2018 Rs. 122 lakhs).

iii) With respect to investment in MBL (GSY) Road Limited ('GSY') and MBL (CGRG) Road Limited ('CGRG'), Rs. 1.63 lakhs (31st March, 2018 Rs. 1.63 lakhs) each is paid against option for acquisition of balance 51% shares in GSY & CGRG. The balance amount is Rs. 0.13 lakhs (31st March, 2018 Rs. 0.13 lakhs).

iv) Pursuant to the understanding with Vishvaraj Environment Private Limited, with respect to investment in Corbello Trading Private Limited ('CTPL') paid against option for acquisition of balance 51% shares in CTPL equivalent to Rs. 745 lakhs (31st March, 2018 Rs. 745 lakhs) . The balance amount is Rs. 72 lakhs (31st March, 2018 Rs. 72 lakhs).

v) With respect to investment in Chikhali-Tarsod Highways Private Limited ('CTHPL') Rs. 0.48 lakhs (31st March, 2018 Rs. 0.48 lakhs) is paid against option for acquisition of balance 51% shares in CTHPL. The balance amount is Rs. 0.03 lakhs (31st March, 2018 Rs. 0.03 lakhs).

44 Share based payments

a) In accordance with the "Welspun Enterprises Limited - Employees Stock Option Plan 2017" the company has granted 3,000,000 equity shares (maximum 2,000,000 equity shares to the "Managing Director") at zero cost on 10th October, 2017. The fair value of the above stock option of Rs. 4,179 lakhs is calculated at the average rate of Rs. 139.30 per share is amortised on the straight line basis over the vesting period in accordance with the Ind AS 102 "Share-based payment". Accordingly proportionate amount of Rs. 1,524 lakhs (31st March, 2018 - Rs. 904 lakhs) is shown as "Share based payment to employees" in the statement of profit and loss (Refer note 34).

b) In accordance with the "Welspun Managing Director Stock Option Plan 2014" the Company has granted 240,000 equity shares to the "Managing Director" of the Company at zero Cost on 14th July, 2016. The fair value of the above Stock Options of Rs. 128 Lakhs as on 14th July, 2016 is calculated at the average rate of Rs. 53.23/- per share is amortized on the straight line basis over the vesting period of one year in accordance with the Ind AS 102 "Share-based payment". Accordingly proportionate amount of Rs. Nil (31st March, 2018 - Rs. 37 Lakhs) is shown as "Share based payment to employees" in the statement of profit and loss (Refer note 34).

The salient features of the Scheme ("Welspun Enterprises Limited - Employees Stock Option Plan 2017") are as under:

(i) Vesting: Options to vest shall happen at every anniversary of the date of grant in quantum of 20% of the total ESOPs granted, over the period of 5 years from the date of grant.. However vesting period may be extended by the entire duration of the leave period for Employees on the long Leave. The Vesting Schedule is as under:

(Rs. in Lakhs)

Number of ESOP	Date of Grant	Date of Vesting
600,000	10-Oct-17	10-Oct-18
600,000	10-Oct-17	10-Oct-19
600,000	10-Oct-17	10-Oct-20
600,000	10-Oct-17	10-Oct-21
600,000	10-Oct-17	14-Jul-22

Notes forming part of the consolidated financial statements

(ii) Exercise: Options granted shall be capable of being exercised in one or more tranches in multiples of 5000 shares, within a period of 3 years from the date of vesting of the respective Employee Stock Options. In the event of cessation of employment due to death or permanent incapacity, all the vested and unvested options may be exercised immediately but not later than six months from the cessation of employment. In the event of cessation of employment due to normal retirement, all the vested options should be exercised immediately but not later than six months from date of retirement and all unvested options will stand cancelled. In the event of cessation of employment due to resignation prior to retirement, all the vested options should be exercised immediately but not later than one month from date of submission of resignation and all unvested options will stand cancelled.

Date of Grant	**10-Oct-17**
Number of Options Granted	3,000,000
Exercise Period	3 years from date of Vesting of respective Employee Stock Options
Exercise Price	Rs. Nil

	As at 31st March, 2019		As at 31st March, 2018	
	No. of Stock Options	Weighted Average Exercise Price (Rs.)	No. of Stock Options	Weighted Average Exercise Price (Rs.)
Options outstanding at the beginning of the period	3,000,000	Nil	240,000	Nil
Options granted during the year the period	Nil	Nil	3,000,000	Nil
Options exercised during the year	550,000	Nil	240,000	Nil
Options cancelled/ lapsed during the year	Nil	Nil	Nil	Nil
Options outstanding at the end of the period *	2,450,000	Nil	3,000,000	Nil
Options vested but not exercised at the end of the year	50,000	Nil	Nil	Nil

* Includes options vested but not exercised

(iii) Information in respect of options outstanding as at 31st March, 2019

No. of Stock Options	Remaining life in months	Weighted Average Exercise Price (Rs.)
2,450,000	39	Nil

Information in respect of options outstanding as at 31st March, 2018

No. of Stock Options	Remaining life in months	Weighted Average Exercise Price (Rs.)
3,000,000	51	Nil

Notes forming part of the consolidated financial statements

(iv) The fair value of each option granted is estimated on the date of grant using the Black Scholes valuation model with the following assumptions :

No of Stock Options	Grant Date	Vesting Date
600,000	10-Oct-17	10-Oct-18
600,000	10-Oct-17	10-Oct-19
600,000	10-Oct-17	10-Oct-20
600,000	10-Oct-17	10-Oct-21
600,000	10-Oct-17	14-Jul-22

Variables :-

Stock price	139.30
Volatility	45.14%
Risk free rate (on the basis of tenure)	6.43% to 6.69%
Exercise price	Nil
Time to maturity	2 to 6
Dividend yield	0%
Option fair value	139.30

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

(v) Effect of share- based payment plan on the consolidated balance sheet and consolidated statement of profit and loss

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Share options outstanding account (Refer note 22(b))	1,662	904
Share based payments to employees (Refer note 34)	1,524	941

45 Exceptional items (net)

(Rs. in Lakhs)

		Year ended 31st March, 2019	Year ended 31st March, 2018
a)	Profit on sale of stake in Dewas Bhopal Corridor Limited	1,844	-
b)	Gain on sale of stake in Welspun Energy Private Limited	141	1,394
c)	Realisation of contingent asset on account of income tax refund from Welspun Maxsteel Limited (now renamed as JSW Steel (Salav) Limited)	-	43
d)	Gain on sale of stake in Welspun Financial Services Limited	-	30
e)	Impairment loss recognised in MSK Projects (Kim Mandvi Corridor) Private Limited	-	(1,183)
f)	Additional amortisation charge on account of reassessment of useful life of water pipe line project (on public-private partnership basis) due to economic and policy developments and revised the remaining usefiul life to 2.5 years in respect of the said asset w.e.f 1st April, 2015.	-	(2,245)
	Total	**1,985**	**(1,961)**

Notes forming part of the consolidated financial statements

46 Gratuity and other post employment benefits plans

The disclosures of employee benefit as defined in the Ind AS 19 - " Employee Benefits" are given below:

a. The group makes annual contributions to the employees' gratuity fund scheme, a funded defined benefit plan which is managed by LIC of India. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

b. Leave encashment is a non-funded defined benefit scheme. The obligation for leave encashment is recognized in the same manner as gratuity.

c. Details of post retirement gratuity plan are as follows :-

i. Expenses recognised during the year in the statement of profit and loss :- (Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Current service cost	69	62
Past service cost including curtailment gain/ loss	40	-
Interest cost (net)	23	11
Net expenses recognised in statement of profit and loss	**132**	**73**

ii. Net expenses recognised during the year in other comprehensive income (OCI) (Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Actuarial (gains) / losses arising from changes in demographic assumptions	4	-
Actuarial (gains) / losses arising from changes in financial assumptions	43	3
Actuarial (gains) / losses arising from changes in experience assumptions	10	128
Expected return on plan assets excluding interest	2	9
Net expenses recognised in other comprehensive income	**59**	**140**

iii. Net liability recognised in the balance sheet (Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Fair value of plan assets	83	122
Present value of obligation	565	429
Net liability recognized in balance sheet	**482**	**307**

iv. Reconciliation of opening and closing balances of defined benefit obligation

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Defined benefit obligation as at the beginning of the year	429	270
Current service cost	69	62
Past service cost	40	-
Interest cost	32	20
Actuarial (gain) / loss on obligation	58	104
Liability transferred in/ (paid)	(62)	(27)
Defined benefit obligation at the end of the year	**566**	**429**

Notes forming part of the consolidated financial statements

v. Reconciliation of opening and closing balance of fair value of plan assets

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Fair values of plan assets at the beginning of the year	122	121
Return on plant assets, excluding interest income	8	0
Recoverable from LIC	-	21
Fund charges	(1)	-
Benefits paid	(46)	(20)
Fair value of plan assets at year end	**83**	**122**

vi. Reconciliation of opening and closing balance of net defined benefit obligation

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Net defined benefit obligation as at the beginning of the year	307	149
Current service cost	69	62
Past service cost	40	-
Interest cost (net)	25	20
Actuarial (gain) / loss on obligation	58	104
Liability transferred in/ (paid)	(17)	(7)
Fund charges	1	-
Recoverable from LIC	-	(21)
Net defined benefit obligation at the end of the year	**482**	**307**

vii. Actuarial assumptions

	As at 31st March, 2019	As at 31st March, 2018
Mortality Table	100% of Indian assured lives Mortality (2006-08)	Indian assured lives Mortality (2006-08)
Discount rate (per annum)	7.65%	7.72%
Expected rate of return on plan assets (per annum)	-	-
Rate of escalation in salary (per annum)	6.00%	6.00%
Attrition rate	38% up to age 30, 26% from age 31 to 44 and 19% thereafter	25% up to age 30, 10% from age 31 to 44 and 10% thereafter

Notes forming part of the consolidated financial statements

viii. Quantitative sensitivity analysis

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Impact of change in discount rate		
Present value obligation at the end of the period	565	429
Impact due to increase of 0.50%	(11)	(2)
Impact due to decrease of 0.50%	11	2
Impact of change in salary increase		
Present value obligation at the end of the period	565	429
Impact due to increase of 0.50%	11	1
Impact due to decrease of 0.50%	(11)	(1)

Sensitivities due to mortality & withdrawals are insignificant & hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

ix. Maturity analysis of projected benefit obligation from the fund

	As at 31st March, 2019	As at 31st March, 2018
Year ended		
31-Mar-19	-	89
31-Mar-20	272	120
31-Mar-21	144	87
31-Mar-22	151	103
31-Mar-23	166	98
31-Mar-24	183	-

The average duration of defined benefit obligation is 11.71 (2018 - 10.31)

Notes

1. Amounts recognized as an expense and included in the Note 34 “Employee benefits expense” are gratuity Rs. 108 lakhs (31st March, 2018 Rs. 62 lakhs) and leave encashment Rs. 77 lakhs (31st March, 2018 Rs. 50 lakhs). Net interest cost on defined benefit obligation (gratuity and leave encashment) recognised in Note 35 under “Finance costs” is Rs. 43 lakhs (31st March, 2018 Rs. 24 lakhs).

2. The estimate of future salary increases considered in the actuarial valuation, takes into account the rate of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

3. Contribution to provident and other funds which is a defined plan is recognized as an expense in Note 34 of the financial statements.

Notes forming part of the consolidated financial statements

47 Disclosure as required by Ind AS 24 - Related Party disclosures

a) Joint venture companies

Name of the Entities	Extent of holding		Principal place of business
	As at 31st March, 2019	As at 31st March, 2018	
Welspun Aunta-Simaria Project Private Limited #	74%	74%	India
RGY Roads Private Limited	49%	49%	India
MBL (GSY) Road Limited ##	49%	49%	India
MBL (CGRG) Road Limited ##	49%	49%	India
Corbello Trading Private Limited	49%	49%	India
Chikhali - Tarsod Highways Private Limited ###	49%	49%	India
Welsteel Enterprises Private Limited *	49%	-	India

* Became Joint venture w.e.f. 25th June, 2018
# In addition to aforesaid stake, 12.74% are held through Welsteel Enterprises Private Limited
In addition to aforesaid stake, 24.94% are held through RGY Roads Private Limited
In addition to aforesaid stake, 24.99% are held through Corbello Trading Private Limited

b) Associate

Name of the Entity	Extent of holding		Principal place of business
	As at 31st March, 2019	As at 31st March, 2018	
Adani Welspun Exploration Limited ('AWEL')	35%	35%	India
"(Held through Welspun Natural Resources Private Limited - Wholly owned subsidiary)"			

c) Directors / Key managerial Personnel (KMP)

Name of the Related Parties	Nature of Relationship
Mr. B. K. Goenka	Executive Chairman and Whole Time Director
Mr. Sandeep Garg	Managing Director
Mr. Rajesh R. Mandawewala	Non Independent Director
Dr. Aruna Sharma ^	Independent Director
Mr. Dhruv Subodh Kaji	Independent Director
Mr. Mohan Tandon	Independent Director
Mr. Ramgopal Sharma *	Independent Director
Mr. Yogesh Agarwal **	Independent Director
Ms. Mala Todarwal	Independent Director
Mr. Utsav Baijal ***	Independent Director
Mr. Mintoo Bhandari***	Independent Director
Mr. Shriniwas Kargutkar	Chief Financial Officer
Ms. Indu Daryani ****	Company Secretary
Ms. Priya Pakhare ^^	Company Secretary

^ Appointed as director w.e.f. 29th January, 2019
^^ Appointed as Company Secretary w.e.f. 10th May, 2018
* Ceased to be director w.e.f 30th October, 2018
** Ceased to be director w.e.f 20th June, 2018
*** Ceased to be director w.e.f 22nd November, 2017
**** Ceased to be Company Secretary w.e.f 28th February, 2018

Notes forming part of the consolidated financial statements

d) Other related parties with whom transactions have taken place or balances outstanding at the year end

Welspun India Limited, Welspun Corp Limited, Welspun Steel Limited, Welspun Realty Private Limited,Welspun Global Brands Limited, Welspun Energy Private Limited #, Welspun Foundation for Health and Knowledge, Welspun Energy Thermal Private Limited (Formerly known as Solarsys Infra Projects Private Limited), Diameter Trading Private Limited; Anjar Road Private Limited; Welspun Multiventures LLP; Welshop Trading Private Limited*

Welspun Energy Private Limited ('WEPL') merged with Welspun Steel Limited ('WSL') w.e.f 21st August, 2017

* Welshop Trading Private Limited merged with Welspun Steel Limited ('WSL') w.e.f. 19th August, 2017

e) Transactions with related parties

(Rs. in Lakhs)

Nature of transactions	Year ended 31st March, 2019	Year ended 31st March, 2018
Construction contract revenue (including unbilled work-in-progress)	**149,354**	**30,419**
Joint Venture Companies		
Welspun Aunta-Simaria Project Private Limited	16,374	349
MBL (CGRG) Road Limited	51,093	10,194
MBL (GSY) Road Limited	57,950	19,876
Chikhali - Tarsod Highways Private Limited	23,950	-
Other Related Parties		
Welspun India Limited	(13)	-
Rent expenses	**225**	**202**
Other Related Parties		
Welspun Corp Limited	24	2
Welspun Realty Private Limited	200	200
Welspun Multiventures LLP	1	-
Business promotion expenses	**38**	**23**
Other Related Party		
Welspun Global Brands Limited	38	23
Staff welfare expenses	**85**	**-**
Other Related Parties		
Welspun Global Brands Limited	75	-
Welspun Corp Limited	10	-
Donation	**200**	**138**
Other Related Party		
Welspun Foundation for Health and Knowledge	200	138
Interest income	**-**	**62**
Other Related Party		
Welspun Steel Limited	-	62
Advisory and consultancy income	**75**	**-**
Joint Venture Companies		
MBL (CGRG) Road Limited	53	-
MBL (GSY) Road Limited	22	-
Income on Unwinding of discount on interest free deposits #	**34**	**30**

Notes forming part of the consolidated financial statements

(Rs. in Lakhs)

Nature of transactions	Year ended 31st March, 2019	Year ended 31st March, 2018
Other Related Party		
Welspun Realty Private Limited	34	30
Expenses on Unwinding of discount on interest free deposits #	**30**	**30**
Other Related Party		
Welspun Realty Private Limited	30	30
Repair and Maintenance	**11**	**-**
Other Related Party		
Welspun India Limited	11	-
Purchase of material	**506**	**-**
Other Related Parties		
Welspun Corp Limited	502	-
Welspun India Limited	4	-
Sale of materials	**-**	**29**
Other Related Party		
Welspun India Limited	-	29
Loans/ advances received	**-**	**4,783**
Joint Venture Company		
Welspun Aunta-Simaria Project Private Limited	-	4,766
Other Related Party		
Welspun India Limited	-	17
Loans/ advances received repaid / adjusted	**-**	**16**
Other Related Party		
Welspun India Limited	-	16
Retention money released / adjusted	**-**	**36**
Other Related Party		
Welspun India Limited	-	36
Loans/ deposits/ advances given	**11,634**	**8,943**
Associate		
Adani Welspun Exploration Limited	30	44
Joint Venture Companies		
RGY Roads Private Limited	9,026	0
MBL (GSY) Road Limited	785	6,016
MBL (CGRG) Road Limited	469	2,797
Welsteel Enterprises Private Limited	0	-
Welspun Aunta-Simaria Project Private Limited	820	21
Corbello Trading Private Limited	1	2
Chikhali - Tarsod Highways Private Limited	488	62
Other Related Parties		
Welspun India Limited	5	-
Anjar Road Private Limited	10	-
Repayment of loans/ advances given	**12,739**	**53**
Associate		
Adani Welspun Exploration Limited	30	45

Notes forming part of the consolidated financial statements

(Rs. in Lakhs)

Nature of transactions	Year ended 31st March, 2019	Year ended 31st March, 2018
Joint Venture Companies		
RGY Roads Private Limited	2,651	-
MBL (GSY) Road Limited	6,577	-
MBL (CGRG) Road Limited	3,176	-
Welspun Aunta-Simaria Project Private Limited	100	-
Corbello Trading Private Limited	0	-
Chikhali - Tarsod Highways Private Limited	200	-
Other Related Parties		
Welspun India Limited	5	-
Welspun Foundation for Health and Knowledge	-	8
Security deposit given	**12**	**-**
Other Related Parties		
Welspun Multiventures LLP	5	-
Welspun Corp Limited	7	-
Security deposit given refunded	**23**	**21**
Other Related Party		
Welspun Realty Private Limited	23	21
Mobilisation advance received	**9,300**	**-**
Joint Venture Company		
Chikhali - Tarsod Highways Private Limited	9,300	-
Application money for optionally convertible debentures refunded	**-**	**92**
Other Related Party		
Welspun Steel Limited	-	92
Redemption of Investment in optionally convertible debentures	**182**	**358**
Other Related Party		
Welspun Steel Limited	182	358
Additional sale consideration for equity shares of Welspun Energy Private Limited	**141**	**1,394**
Other Related Party		
Welspun Steel Limited	141	1,394
Inter-corporate deposit given	**-**	**5,000**
Other Related Party		
Welspun Steel Limited	-	5,000
Inter-corporate deposit given repaid	**-**	**5,515**
Other Related Party		
Welspun Steel Limited	-	5,515
Conversion of loan/ advance to equity shares	**49**	**-**
Joint Venture Company		
Chikhali - Tarsod Highways Private Limited	49	-
Conversion of loan/ advance to Compulsorily Convertible Debentures	**6,674**	**-**

Notes forming part of the consolidated financial statements

(Rs. in Lakhs)

Nature of transactions	Year ended 31st March, 2019	Year ended 31st March, 2018
Joint Venture Companies		
RGY Roads Private Limited	6,373	-
Chikhali - Tarsod Highways Private Limited	301	-
Conversion of loan/ advance to Optionally Convertible Debentures	**718**	**-**
Joint Venture Company		
Welspun Aunta-Simaria Project Private Limited	718	-
Investment in equity shares	**5**	**3,090**
Joint Venture Companies		
Welsteel Enterprises Private Limited	5	-
RGY Roads Private Limited	-	2,300
MBL (GSY) Road Limited	-	2
MBL (CGRG) Road Limited	-	2
Welspun Aunta-Simaria Project Private Limited	-	1
Corbello Trading Private Limited	-	785
Chikhali - Tarsod Highways Private Limited	-	0
Purchase of equity shares of Welspun Financial Services Limited	**-**	**135**
Other Related Party		
Diameter Trading Private Limited	-	135
Sale of equity shares of Welspun Financial Services Limited	**-**	**135**
Other Related Party		
Diameter Trading Private Limited	-	135
Investment in compulsorily convertible debentures	**5,065**	**10,743**
Joint Venture Companies		
MBL (GSY) Road Limited	-	3,550
MBL (CGRG) Road Limited	-	2,824
Welspun Aunta-Simaria Project Private Limited	-	3,482
Corbello Trading Private Limited	3,144	
Chikhali - Tarsod Highways Private Limited	1,921	874
Other Related Party		
Welspun Energy Thermal Private Limited	-	13
Investment in optionally convertible debentures	**1,375**	**15,164**
Joint Venture Companies		
Welsteel Enterprises Private Limited	1,375	-
MBL (GSY) Road Limited	-	7,104
MBL (CGRG) Road Limited	-	5,652
Welspun Aunta-Simaria Project Private Limited	-	1,868
Other Related Party		
Welspun Steel Limited	-	540
Bank guarantee given	**27,678**	**-**
Joint Venture Companies		
MBL (GSY) Road Limited	4,144	-
MBL (CGRG) Road Limited	3,297	-
Welspun Aunta-Simaria Project Private Limited	8,708	-
Chikhali - Tarsod Highways Private Limited	11,529	-

Notes forming part of the consolidated financial statements

(Rs. in Lakhs)

Nature of transactions	Year ended 31st March, 2019	Year ended 31st March, 2018
Corporate guarantee given/ (discharged) for financial assistance	**-**	**176,520**
Associate		
Adani Welspun Exploration Limited	-	(2,360)
Joint Venture Companies		
MBL (GSY) Road Limited	-	66,940
MBL (CGRG) Road Limited	-	53,380
Chikhali - Tarsod Highways Private Limited	-	58,560
Guarantee given/ (discharged) for performance security	**(5,241)**	**28,282**
Associate		
Adani Welspun Exploration Limited	-	1,365
Joint Venture Companies		
Welspun Aunta-Simaria Project Private Limited	-	5,805
MBL (GSY) Road Limited	-	5,920
MBL (CGRG) Road Limited	-	4,710
Chikhali - Tarsod Highways Private Limited	(5,241)	10,482
Directors Sitting Fees paid/ provided	**18**	**25**
Mr. Mohan Tandon	6	6
Mr. Ram Gopal Sharma	1	6
Ms. Mala Todarwal	5	5
Mr. Yogesh Agarwal	0	3
Mr. Dhruv Kaji	5	5
Dr. Aruna Sharma	1	-
Mr Utsav Baijal	-	1
Remuneration paid/ provided to KMP ^	**2,266**	**1,508**
Short term benefits **	2,266	1,508

^ excludes retirement benefits (employer PF contribution, gratuity, leave encashment etc)
** excludes Rs. 120 lakhs (31st March, 2018 Rs. 120 lakhs) paid from AWEL to Mr Sandeep Garg
# Represents transactions related to Ind AS adjustments

(Rs. in Lakhs)

* Closing balances as at	As at 31st March, 2019	As at 31st March, 2018
Loans, advances and deposits given	**600**	**9,122**
Associate		
Adani Welspun Exploration Limited	0	0
Joint Venture Companies		
RGY Roads Private Limited	3	0
MBL (GSY) Road Limited	224	6,016
MBL (CGRG) Road Limited	90	2,797
Welsteel Enterprises Private Limited	0	-
Welspun Aunta-Simaria Project Private Limited	23	21

Notes forming part of the consolidated financial statements

(Rs. in Lakhs)

* Closing balances as at	As at 31st March, 2019	As at 31st March, 2018
Corbello Trading Private Limited	3	2
Chikhali - Tarsod Highways Private Limited	-	62
Other related parties		
Welspun Realty Private Limited	235	224
Anjar Road Private Limited	10	-
Welspun Multiventures LLP	5	-
Welspun Corp Limited	7	-
Trade and other receivables (including Contract Assets)	**59,068**	**9,352**
Joint Venture Companies		
Welspun Aunta-Simaria Project Private Limited	938	-
Chikhali - Tarsod Highways Private Limited	24,658	-
MBL (GSY) Road Limited	17,252	6,136
MBL (CGRG) Road Limited	16,220	3,186
Other related parties		
Welspun Global Brands Limited	0	-
Welspun India Limited	-	30
Payable at the end of the year		
Trade advances and deposits received and other payables	**5**	**12**
Other related parties		
Welspun Corp Limited	5	-
Welspun Global Brands Limited	-	12
Contract Liability	**-**	**4,417**
Joint Venture Company		
Welspun Aunta-Simaria Project Private Limited	-	4,417
Investment in equity shares	**3,144**	**3,090**
Joint Venture Companies		
RGY Roads Private Limited	2,300	2,300
MBL (GSY) Road Limited	2	2
MBL (CGRG) Road Limited	2	2
Welspun Aunta-Simaria Project Private Limited	1	1
Corbello Trading Private Limited	785	785
Chikhali - Tarsod Highways Private Limited	49	0
Welsteel Enterprises Private Limited	5	-
Other related party		
Welspun Energy Thermal Private Limited	0	0
Investment in compulsorily convertible debentures	**24,494**	**12,756**
Joint Venture Companies		
RGY Road Private Limited	6,373	-
MBL (GSY) Road Limited	3,550	3,550
MBL (CGRG) Road Limited	2,824	2,824
Welspun Aunta-Simaria Project Private Limited	3,482	3,482
Corbello Trading Private Limited	3,144	-
Chikhali - Tarsod Highways Private Limited	3,095	874

Notes forming part of the consolidated financial statements

(Rs. in Lakhs)

* Closing balances as at	As at 31st March, 2019	As at 31st March, 2018
Other related party		
Welspun Energy Thermal Private Limited	2,026	2,026
Investment in optionally convertible debentures	**16,716**	**14,806**
Joint Venture Companies		
MBL (GSY) Road Limited	7,104	7,104
MBL (CGRG) Road Limited	5,652	5,652
Welspun Aunta-Simaria Project Private Limited	2,585	1,868
Welsteel Enterprises Private Limited	1,375	-
Other related party		
Welspun Steel Limited	-	182
Bank guarantee outstanding	**27,678**	**-**
Joint Venture Companies		
MBL (GSY) Road Limited	4,144	-
MBL (CGRG) Road Limited	3,297	-
Welspun Aunta-Simaria Project Private Limited	8,708	-
Chikhali - Tarsod Highways Private Limited	11,529	-
Corporate guarantee outstanding for financial assistance	**178,880**	**178,880**
Joint Venture Companies		
MBL (GSY) Road Limited	66,940	66,940
MBL (CGRG) Road Limited	53,380	53,380
Chikhali - Tarsod Highways Private Limited	58,560	58,560
Guarantee outstanding for performance security	**23,619**	**28,860**
Associate		
Adani Welspun Exploration Limited	1,943	1,943
Joint Venture Companies		
Welspun Aunta-Simaria Project Private Limited	5,805	5,805
MBL (GSY) Road Limited	5,920	5,920
MBL (CGRG) Road Limited	4,710	4,710
Chikhali - Tarsod Highways Private Limited	5,241	10,482

* Closing balances are considered after considering the Ind AS Adjustments to make comparable with financial statements for reporting purpose.

Notes :

i) An undertaking (financial guarantee as per Ind AS) is given to lenders for Rs. 70,605 lakhs for financial assistance given to Welspun Aunta-Simaria Project Private Limited.

ii) All transactions with related parties are made on arm's length basis in the ordinary course of business.

Notes forming part of the consolidated financial statements

48 Concession arrangements - main features

a)	(i) Name of the concession	Delhi Meerut Express Way Package-1 (NHAI)
	(ii) Description of arrangements	Development of Delhi Meerut Expressways from Km 0.00 to Km 27.50 including 6/8 laning of NH-24 from Km 0.00 to Km 49.346 (Haspur byspass) in state of Delhi and Uttar Pradesh, Pakage - I from Km 0.00 to exising Km 8.36 in state of Delhi on Hybrid Annuity Model ('HAM')
	(iii) Significant terms of arrangements	Period of Concession: 15 Years Construction Period: 910 days from Appointed Date 28.11.2016
		a) Remuneration: Annuity, Interest and O&M
		b) Investment grant from concession grantor: Yes
		c) Infrastructure return to grantor at end of concession: Yes
	(iv) Construction completion date	28th June, 2018
	(v) Asset	Financial asset
b)	(i) Name of the concession	BOT Project at Raisen & Rahatgarh With Madhya Pradesh Road Development Corporation Limited
	(ii) Description of arrangements	Toll Collection for 101.1 km length & 7 meter width + 4 meter unpaved shoulder Road
	(iii) Significant terms of arrangements	Period of Concession: 13 Years
		a) Remuneration: Toll Collection
		b) Investment grant from concession grantor: Yes
		c) Infrastructure return to grantor at end of concession: Yes
	(iv) Asset	Intangible
c)	(i) Name of the concession	BOT Project at Himmatnagar With Gujarat State Road Development Corporation Limited
	(ii) Description of arrangements	Toll Collection for 8.7 km length & 7 meter width + 2 meter paved shoulder Road
	(iii) Significant terms of arrangements	Period of Concession: 14 Years
		a) Remuneration: Toll Collection
		b) Investment grant from concession grantor: Yes
		c) Infrastructure return to grantor at end of concession: Yes
	(iv) Asset	Intangible
d)	(i) Name of the concession	Restructured Dewas Water Supply Scheme
	(ii) Description of arrangements	Project envisaging planning, design, engineering, financing, procurement, construction, restructuring, establishment of systems, operation and maintenance of water supply scheme of Dewas Industrial Area in Madhya Pradesh under Public Private Partnership (PPP) mode under Swiss Challenge Guidelines
	(iii) Significant terms of arrangements	Period of Concession: up to 15-06-2037.
		Construction Period: 365 days from Appointed Date
		a) Remuneration: Water Supply Fees
		b) Investment grant from concession grantor: Yes
		c) Infrastructure return to grantor at end of concession: Yes
		d) Investment and renewal obligations: No
		e) Re-pricing dates: Every year of O&M
		f) Basis upon which re-pricing or re-negotiation is determined: Tariff escalation formula as defined in concession agreement
	(iv) Asset	Intangible

Notes forming part of the consolidated financial statements

e)	(i)	Name of the concession	Aunta - Simaria Highway Project
	(ii)	Description of arrangements	Four/Six laning of Aunta - Simaria (Ganga Bridge with approach road) section of NH 31 from KM 197.900 to 206.050 (Design Chainage) and (Existing Chainage Km 204.741 to Km 209.945 of NH-31) [Total Design Length – 8.150 km] in the State of Bihar on HAM basis
	(iii)	Significant terms of arrangements	Period of Concession: 15 Years
			Construction Period: 1277 days from Appointed Date
			Investment grant from concession grantor: Yes
			Infrastructure return to grantor at end of concession : Yes
			Investment and renewal obligations: No
			Re-pricing dates: Half Yearly for O&M
			Basis upon which re-pricing or re-negotiation is determined: Inflation price index as defined in concession agreement.
	(iv)	Asset	Financial asset
f)	(i)	Name of the concession	Chikhali – Tarsod Highway
	(ii)	Description of arrangements	Four laning of Chikhali – Tarsod (Package- IIA) section of NH-6 from km. 360.000 to km. 422.700 in the State of Maharashtra to be executed on Hybrid Annuity pattern under NHDP Phase IV
	(iii)	Significant terms of arrangements	Period of Concession: 15 Years
			Construction Period: 910 days from Appointed Date
			Remuneration: Annuity, Interest and O&M
			Investment grant from concession grantor: Yes
			Infrastructure return to grantor at end of concession : Yes
			Investment and renewal obligations: No
			Re-pricing dates: Half Yearly for O&M
			Basis upon which re-pricing or re-negotiation is determined: Inflation price index as defined in concession agreement
	(iv)	Asset	Financial asset
g)	(i)	Name of the concession	Gagalheri-Saharanpur-Yamunanagar Highway
	(ii)	Description of arrangements	Four Laning of Gagalheri-Saharanpur-Yamunanagar (UP/ Haryana Border) section of NH-73 from km33.000 (design chainage km 35.400) to km 71.640 (design chainage km 86.855) in the State of Uttar Pradesh under NHDP-IV on HAM basis
	(iii)	Significant terms of arrangements	Period of Concession: 15 Years
			Construction Period: 730 days from Appointed Date
			Remuneration: Annuity, Interest and O&M
			Investment grant from concession grantor: Yes
			Infrastructure return to grantor at end of concession : Yes
			Investment and renewal obligations: No
			Re-pricing dates: Half Yearly for O&M
			Basis upon which re-pricing or re-negotiation is determined: Inflation price index as defined in concession agreement
	(iv)	Asset	Financial asset

Notes forming part of the consolidated financial statements

h)	(i)	Name of the concession	Chutmalpur-Ganeshpur and Roorkee-Gagalherisection Highway
	(ii)	Description of arrangements	4-Laning of Chutmalpur-Ganeshpur section of NH-72A from km 0.000 (km 22.825 of NH-73) to km 16.000 (Design Chainagekm 17.900) & Roorkee-Chutmalpur-Gagalherisection of NH-73 from km 0.000 (km 167.800 of NH- 58) to km 33.000 (Design Chainage 35.400) in the State of Uttarakhand and Uttar Pradesh under NHDP-IV on HAM basis
	(iii)	Significant terms of arrangements:	Period of Concession: 15 Years.
			Construction Period: 730 days from Appointed Date
			Remuneration: Annuity, Interest and O&M
			Investment grant from concession grantor: Yes
			Infrastructure return to grantor at end of concession : Yes
			Investment and renewal obligations: No
			Re-pricing dates: Half Yearly for O&M
			Basis upon which re-pricing or re-negotiation is determined: Inflation price index as defined in concession agreement
	(iv)	Asset	Financial asset
i)	(i)	Name of the concession	Akola Amravati Road Project
	(ii)	Description of arrangements	Upgradation of Roads in Maharashtra State or Two Laning Road/ Two Laning Road with paved shoulder under MRIP Package No. AM 2 on Hybrid Annuity Mode (HAM) under Public Works Department, Special Project Division, Amravati on design, build, operate and transfer ("DBOT Annuity or Hybrid Annuity") basis
	(iii)	Significant terms of arrangements:	Period of Concession: 10 Years.
			Construction Period: 730 days from Appointed Date
			Remuneration: Annuity, Interest and O&M
			Investment grant from concession grantor: Yes
			Infrastructure return to grantor at end of concession : Yes
			Investment and renewal obligations: No
			Re-pricing dates: Half Yearly for O&M
			Basis upon which re-pricing or re-negotiation is determined: Inflation price index as defined in concession agreement
	(iv)	Asset	Financial asset
j)	(i)	Name of the concession	Sathanathapuram Nagapattinam Road Project
	(ii)	Description of arrangements	Four laning of Sattanathapuram to Nagapattinam (Design Ch Km 123+800 to Km 179+555) section of NH-45A (New NH -332) in the State of Tamil Nadu under NHDP Phase-IV on Hybrid Annuity Mode
	(iii)	Significant terms of arrangements:	Period of Concession: 15 Years.
			Construction Period: 730 days from Appointed Date
			Remuneration: Annuity, Interest and O&M
			Investment grant from concession grantor: Yes
			Infrastructure return to grantor at end of concession : Yes
			Investment and renewal obligations: No
			Re-pricing dates: Half Yearly for O&M
			Basis upon which re-pricing or re-negotiation is determined: Inflation price index as defined in concession agreement
	(iv)	Asset	Financial asset

Notes forming part of the consolidated financial statements

49 Interest in an associate and joint venture companies

a) List of investments in associate and joint venture companies accounted for using "Equity method" are as under:

(Rs. in Lakhs)

Name of the Associate/ Joint venture companies	Extent of holding		Country of Incorporation
	31st March, 2019	31st March, 2018	
Associate			
Adani Welspun Exploration Limited ('AWEL')	35%	35%	India
(Held through Welspun Natural Resources Private Limited –Wholly owned subsidiary)			
Joint venture companies			
Welspun Aunta-Simaria Project Private Limited #	74%	74%	India
RGY Roads Private Limited	49%	49%	India
MBL (GSY) Road Limited ##	49%	49%	India
MBL (CGRG) Road Limited ##	49%	49%	India
Corbello Trading Private Limited	49%	49%	India
Chikhali - Tarsod Highways Private Limited ###	49%	49%	India
Welsteel Enterprises Private Limited *	49%	-	India

* Became Joint venture w.e.f 25th June, 2018
# In addition to aforesaid stake, 12.74% are held through Welsteel Enterprises Private Limited
In addition to aforesaid stake, 24.94% are held through RGY Roads Private Limited
In addition to aforesaid stake, 24.99% are held through Corbello Trading Private Limited

b) Interest in an associate

The group has a 35% interest in Adani Welspun Exploration Limited ('AWEL') which is in the business of exploration and production of oil and natural gas in India and overseas. The group's interest in AWEL is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the associate and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

i) Summarised balance sheet is as under

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Non-current assets	108,939	94,168
Current assets	192	757
Total assets (A)	**109,131**	**94,925**
Non-current liabilities	17	15
Current liabilities	10,496	8,835
Total liabilities (B)	**10,513**	**8,850**
Net assets (A-B)	**98,618**	**86,075**
Proportion of the Company's ownership	35%	35%
Proportionate net asset value	**34,517**	**30,126**

ii) Reconciliation to carrying amounts

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Opening net assets	86,076	1,731
Instrument entirely equity in nature	13,090	85,562
Total comprehensive income for the year	(545)	(1,217)
Closing net assets	**98,621**	**86,076**
Proportion of the Company's ownership	35%	35%
Proportionate net asset value	**34,517**	**30,126**
Fair value adjustments	(23,345)	(20,334)
Carrying amount of the investment (Net of Provision for investment Rs. 7,164 lakhs (31st March, 2018 Rs. 7,164 lakhs)	**11,172**	**9,793**

Notes forming part of the consolidated financial statements

iii) Summarised statement of profit and loss

(Rs. in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Revenue	-	-
Other income	83	1
Total income	**83**	**1**
Employee benefits expense	166	207
Finance costs	317	31
Depreciation and amortisation expense	4	8
Unsuccessful exploration costs	-	857
Other expenses	143	115
Total expenses	**630**	**1,218**
Profit/(loss) before tax	**(547)**	**(1,217)**
Tax expense	-	-
Profit/(loss) for the year	**(547)**	**(1,217)**
Other comprehensive income	2	(0)
Total comprehensive income for the year	**(545)**	**(1,217)**
Proportion of the Company's ownership	35%	35%
Group's share of loss for the year (before adjustment)	**(191)**	**(426)**
Consolidation adjustment	-	300
Group's share of loss for the year (after adjustment)	**(191)**	**(126)**
Group's share of other comprehensive income for the year	**1**	**(0)**

iv) There are no contingent liabilities in respect of the associate.

v) Significant judgement - Existence of significant influence

Pursuant to the shareholder agreement, two directors would be nominated by Welspun Natural Resources Pvt Limited ('WNRPL') on the board of AWEL. Further, it participates in all significant financial and operating decisions. Based on 35% holding in share capital read with contractual terms between shareholders, the group has determined that entity should be classified as an associate.

Notes Forming Part of the Consolidated Financial Statements

c) Investment in joint venture companies

i) Summarised balance sheet as at 31st March, 2019

(Rs. in Lakhs)

	Welsteel Enterprises Private Limited ('WEPL')	Welspun Aunta-Simaria Project Private Limited ('WASPPL')	Corbello Trading Private Limited ('CTPL')	Chikhali - Tarsod Highways Private Limited ('CTHPL')	RGY Roads Private Limited ('RGY')	MBL (GSY) Road Limited ('GSY')	MBL (CGRG) Road Limited ('CGRG')	Total
Non-current assets	1,375	17,033	3,144	24,028	6,376	63,918	50,580	**166,454**
Current assets	10	2,993	2	12,540	2	3,412	3,001	**21,959**
Non-current liabilities	-	31	-	-	-	29,623	26,370	**56,024**
Current liabilities	1,375	15,252	4	30,428	3	31,625	22,188	**100,876**
Compulsorily convertible debentures	-	4,857	3,144	6,189	6,373	7,099	5,647	**33,309**
NET ASSETS	**10**	**(115)**	**(1)**	**(49)**	**1**	**(1,017)**	**(624)**	**(1,794)**
Proportion of the Group ownership	49.00%	86.74%	49.00%	73.99%	49.00%	73.94%	73.94%	
Carrying amount of the equity investment	5	(100)	(0)	(36)	1	(752)	(461)	**(1,344)**
Compulsorily convertible debentures	-	3,482	3,144	3,095	6,373	3,550	2,824	**22,467**
Optionally convertible debentures	1,375	2,585	-	-	-	7,104	5,652	**16,716**
Fair value adjustment on acquisition	-	(14)	785	-	2,300	-	-	**3,071**
Gain on bargain purchase	-	-	-	400	-	651	517	**1,568**
Carrying amount of the investment	**1,380**	**5,954**	**3,928**	**3,459**	**8,674**	**10,553**	**8,531**	**42,478**

Summarised balance sheet as at 31st March, 2018

(Rs. in Lakhs)

	Welsteel Enterprises Private Limited ('WEPL')	Welspun Aunta-Simaria Project Private Limited ('WASPPL')	Corbello Trading Private Limited ('CTPL')	Chikhali - Tarsod Highways Private Limited ('CTHPL')	RGY Roads Private Limited ('RGY')	MBL (GSY) Road Limited ('GSY')	MBL (CGRG) Road Limited ('CGRG')	Total
Non-current assets	-	-	1	-	3	19,950	10,746	**30,700**
Current assets	-	5,457	2	786	0	3,136	3,930	**13,311**
Non-current liabilities	-	-	-	-	-	7	8	**15**
Current liabilities	-	1,985	3	62	1	19,559	11,857	**33,467**
Compulsorily convertible debentures	-	3,483	-	874	-	3,550	2,824	**10,730**
NET ASSETS	**-**	**(11)**	**0**	**(150)**	**2**	**(30)**	**(13)**	**(201)**
Proportion of the Group ownership		74.00%	49.00%	73.99%	49.00%	73.94%	73.94%	
Carrying amount of the equity investment	-	(9)	-	(112)	1	(23)	(10)	**(153)**
Compulsorily convertible debentures	-	3,482	-	874	-	3,550	2,823	**10,729**
Optionally convertible debentures	-	1,868	-	-	-	7,104	5,652	**14,624**
Fair value adjustment on acquisition	-	-	785	-	2,300	-	-	**3,085**
Gain on bargain purchase	-	-	-	400	-	651	517	**1,568**
Carrying amount of the investment	**-**	**5,341**	**785**	**1,162**	**2,301**	**11,282**	**8,982**	**29,853**

Notes Forming Part of the Consolidated Financial Statements

c) **Investment in joint venture companies (Contd...)**

ii) **Summarised statement of profit and loss for the period ended 31st March, 2019 are as under**

(Rs. in Lakhs)

	Welsteel Enterprises Private Limited ('WEPL')	Welspun Aunta-Simaria Project Private Limited ('WASPPL')	Corbello Trading Private Limited ('CTPL')	Chikhali - Tarsod Highways Private Limited ('CTHPL')	RGY Roads Private Limited ('RGY')	MBL (GSY) Road Limited ('GSY')	MBL (CGRG) Road Limited ('CGRG')	Total
Revenue from operations	-	16,452	-	24,010	-	64,787	58,428	**163,677**
Other income	-	112	-	18	-	982	791	**1,903**
Total Income	**-**	**16,564**	**-**	**24,028**	**-**	**65,768**	**59,219**	**165,579**
Sub-contracting costs	-	16,374	-	23,950	-	59,026	53,742	**153,092**
Employee benefits expense	-	-	-	-	-	-	-	**-**
Finance costs	-	185	0	6	0	1,709	1,193	**3,092**
Depreciation and amortisation expense	-	-	-	-	-	-	-	**-**
Other expenses	0	79	1	73	1	5,761	4,686	**10,601**
Total Expenses	**0**	**16,637**	**1**	**24,030**	**1**	**66,495**	**59,620**	**166,785**
Profit/ (loss) before tax	(0)	(73)	(1)	(2)	(1)	(727)	(402)	**(1,205)**
Tax expenses	-	31	-	(4)	0	260	210	**498**
Profit / (loss) for the period	**(0)**	**(104)**	**(1)**	**2**	**(1)**	**(987)**	**(611)**	**(1,703)**
Add : Other comprehensive income for the year	-	-	-	-	-	-	-	**-**
Total comprehensive income for the year	**(0)**	**(104)**	**(1)**	**2**	**(1)**	**(987)**	**(611)**	**(1,703)**
Proportion of the Company's ownership	49.00%	74.00%	49.00%	73.99%	49.00%	73.94%	73.94%	
Group share of profit/ (loss) for the year	(0)	(77)	(1)	2	(1)	(730)	(452)	**(1,259)**
Group share of other comprehensive income for the year	-	-	-	-	-	-	-	**-**
Summarised statement of profit and loss for the period ended 31st March, 2018 are as under								
Revenue from operations	-	353	-	-	-	19,926	10,692	**30,971**
Other income	-	-	-	0	2	26	29	**57**
Total Income	**-**	**353**	**-**	**0**	**2**	**19,952**	**10,721**	**31,028**
Sub-contracting costs	-	349	-	-	-	-	-	**349**
Employee benefits expense	-	-	-	-	-	1	1	**2**
Finance costs	-	12	0	130	-	54	39	**235**
Depreciation and amortisation expense	-	-	-	-	-	-	-	**-**
Other expenses	-	4	1	21	1	19,926	10,691	**30,643**
Total Expenses	**-**	**365**	**1**	**151**	**1**	**19,981**	**10,731**	**31,229**
Profit /(loss) before tax	**-**	**(12)**	**(1)**	**(151)**	**1**	**(29)**	**(11)**	**(201)**

Notes Forming Part of the Consolidated Financial Statements

c) **Investment in joint venture companies (Contd...)**

	Welsteel Enterprises Private Limited ('WEPL')	Welspun Aunta-Simaria Project Private Limited ('WASPPL')	Corbello Trading Private Limited ('CTPL')	Chikhali - Tarsod Highways Private Limited ('CTHPL')	RGY Roads Private Limited ('RGY')	MBL (GSY) Road Limited ('GSY')	MBL (CGRG) Road Limited ('CGRG')	Total
Tax expenses	-	-	-	-	-	7	8	**14**
Profit / (loss) for the year	-	(12)	(1)	(151)	1	(35)	(18)	**(215)**
Add: Other comprehensive income for the year	-	-	-	-	-	-	-	**-**
Total comprehensive income for the year	-	(12)	(1)	(151)	1	(35)	(18)	**(215)**
Proportion of the Company's ownership		74.00%	49.00%	73.99%	49.00%	73.94%	73.94%	
Group share of profit/ (loss) for the year	-	(9)	(0)	(112)	1	(26)	(14)	**(159)**
Group share of other comprehensive income for the year	-	-	-	-	-	-	-	**-**

iii) There are no contingent liabilities in respect of joint venture companies

iv) There are no commitments in respect of joint venture companies other than as disclosed in Note 43 (c)

v) Significant judgement - classification of joint arrangement

The Shareholder Agreement ('SHA') in relation to WEPL, WASPPL, CTPL, CTHPL, RGY, GSY, CGRG requires unanimous consent from all parties for all relevant activities (e.g. change of composition of board approval / removal of KMP, transaction with any related party, capital expenditure in excess of rupees one lakh etc.). As per SHA, for board composition two directors shall be nominated by JV partner from the list of names suggested by Welspun Enterprises Limited ('Welspun') and one director shall be nominated by the Welspun. However, chairman of the board shall be nominated by Welspun. Joint venture entity shall not act in general meeting without prior written consent of Welspun on any matter except for issuance and transfer of shares impacting change in shareholding. JV partner shall exercise voting rights in general meeting through its nominated representative as directed by Welspun.

Thus, based on 49% holding in share capital (except WASPPL where holding is 74%) read with contractual terms between JV partners, the group has determined that entity should be classified as jointly controlled entity (Joint venture).

vi) The group has pledged below mentioned shares :-

Entities	No of shares
Welspun Aunta-Simaria Project Private Limited	5,100
RGY Roads Private Limited	4,900
MBL (GSY) Road Limited	24,495
MBL (CGRG) Road Limited	24,495
Corbello Trading Private Limited	4,895
Chikhali - Tarsod Highways Private Limited	4,895

Notes forming part of the consolidated financial statements

50 Non-controlling Interests (NCI)

(Rs. in Lakhs)

	Grenoble Infrastructure Private Limited	Welspun Sattanathapuram Nagapattinam Road Private Limited **** $
Summarised balance sheet as at 31st March, 2019		
Non-current assets	0	9,381
Current assets	1	2,086
Non-current liabilities	-	-
Current liabilities	(0)	(9,442)
Instrument entirely equity in nature	-	(2,000)
Net Assets	**1**	**24**
Net assets attributable to NCI	**0**	**7**
Summarised statement of profit or loss for the year ended 31st March, 2019		
Revenue	-	9,379
Other income	-	23
Subcontracting, civil and repair works	-	(9,358)
Finance costs	-	(0)
Other expenses	(0)	(21)
Profit /(loss) for the year	**(0)**	**23**
Total comprehensive income	**(0)**	**23**
Total comprehensive income allocated to NCI	**(0)**	**7**
Summarised cash flow information as at 31st March, 2019		
Cash flow from operating activities	(0)	(522)
Cash flow from investing activities	(0)	-
Cash flow from financing activities	1	2,084
Net increase / (decrease) in cash and cash equivalents	**1**	**1,562**

51 A) Segment Information

The Company for evaluating group performance and for allocating resources based on analysis of various performance indicators, has identified three operative segments on the basis of nature of business activities and other quantitative criteria specified in the Ind AS 108 :

i) Operating segments

a) Infrastructure
b) Trading
c) Oil and gas

ii) Segment revenue and results

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

iii) Segment assets and liabilities

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, intangible assets (BOT), service concession receivables, trade receivables and other operating assets. Segment liabilities primarily include borrowings, trade payables and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets/ liabilities.

Notes forming part of the consolidated financial statements

(Rs. in Lakhs)

	31st March, 2019	31st March, 2018
Segment revenue		
- Infrastructure	178,660	106,713
- Trading	-	-
Total	**178,660**	**106,713**
Less : Inter segment revenue	-	-
Total sales/ income from operations	**178,660**	**106,713**
Segment result		
- Infrastructure	25,302	12,194
- Trading	-	-
- Oil and gas	-	(1,127)
Unallocable corporate	(6,704)	(4,896)
Total	**18,598**	**6,171**
Add : other income	6,931	10,966
Profit before finance costs, tax and exceptional items	**25,529**	**17,137**
Add / (Less) :		
Finance costs	(5,366)	(3,318)
Share of loss from associate and joint venture companies	(1,450)	(285)
Exceptional items (Refer note 45)	1,985	(1,961)
Profit before tax	**20,698**	**11,573**
Less : Tax expense		
Current tax	7,766	5,297
Earlier year tax	-	57
Deferred tax	256	(724)
	8,022	**4,630**
Profit after tax	**12,676**	**6,943**

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Segment assets		
- Infrastructure	163,788	77,391
- Trading	-	-
- Oil and gas	5,726	5,726
Unallocable corporate	119,780	137,012
Total (A)	**289,294**	**220,129**
Segment liabilities		
- Infrastructure	77,237	29,587
- Trading	-	-
Unallocable corporate	66,688	56,674
Total (B)	**143,925**	**86,261**
Total equity (A - B)	**145,369**	**133,868**

a) Segment assets excludes current and non-current investments, deferred tax assets, advance payment of income tax, etc.

Notes forming part of the consolidated financial statements

b) Segment liabilities excludes borrowings (including current borrowings) and current maturities of long term borrowing, deferred tax liability, accrued interest, non-controlling interests, etc.

(Rs. in Lakhs)

Other segment information	As at 31st March, 2019	As at 31st March, 2018
a) Non-current assets *		
Infrastructure	20,056	9,068
Trading	-	-
Oil and gas	-	-
Unallocable corporate	2,767	3,026
Total	**22,823**	**12,094**
b) Capital expenditure		
Infrastructure	10,011	314
Trading	-	-
Oil and gas	-	-
Unallocable corporate	-	-
Total	**10,011**	**314**
c) Depreciation and amortisation expense		
Infrastructure	1,149	4,604
Trading	-	-
Oil and gas	-	-
Unallocable Corporate	-	-
Total	**1,149**	**4,604**

* Non-current assets excludes financial assets, deferred tax assets and investment in associate and joint venture companies

B) Information about major customers

There are four (31st March, 2018 : two) customers accounting for more than 10% of revenue, amounting to Rs. 145,171 lakhs (31st March, 2018 Rs. 90,009 lakhs)

52 Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006 ('The Act') are given as follows :-

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
a) Principal amount payable to the suppliers under the Act		
- For capital goods		-
- For others	29	-
b) Principal amount due to the suppliers under the Act	-	-
c) Interest accrued and due to the suppliers under the Act, on the above amount	-	-
d) Payment made to suppliers other than interest beyond the appointed day, during the year	-	-
e) Interest paid to suppliers under the Act	-	-
f) Interest due and payable to suppliers undet the Act, for payment already made	-	-
g) Interest accrued and remaining unpaid at the end of the year under the Act	-	-
h) The amount of further interest remaining due and payable even in the succeeding years for the purpose of disallowances under Section 23 of the Act	-	-

Note : The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available to the Company.

Notes forming part of the consolidated financial statements

53 A) Disclosure pertaining to Ind AS 115 "Revenue from Contracts with Customers"

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Contract revenue for the year	171,230	102,396
Contract cost incurred including recognised profits/ (losses) upto	319,226	148,205
Advances received (Contract Liabilities) as at	9,300	-
Retention money withheld by customers as at	1,312	1,299
Gross amount due from customers for contract work as at #	84,831	61,950
Gross amount due to customers for contract work as at	-	4,527

Rs. 30,739 lakhs (31st March, 2018 Rs. 52,210 lakhs) amount included above represents service concession receivables to be billed over the concession period.

B) Contract Balances

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Trade receivables	28,069	3,400
Contract assets	33,704	9,806
Contract liabilities	9,300	4,527

a) Trade receivables are non-interest bearing and are generally on terms as per agreements.

b) **Explanation for increase in Contract assets/ Contract liabilities**

(i) Revenue earned from construction activities, but yet to be billed to customers, is initially recognised as contract assets and reclassified to trade receivables when the right to consideration becomes unconditional. The significant increase in Contract assets in March, 2019 is on account of new contracts awarded during the year and unbilled revenue.

(ii) A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer and an excess of billing over revenue i.e. unearned revenue. The increase in Contract liabilities in March, 2019 is on account of mobilisation advance received as per the terms of the contract.

(iii) Amount of revenue recognised from :-

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Amounts included in Contract liabilities at the beginning of the year	4,527	-

Notes forming part of the consolidated financial statements

54 Collateral / security pledged

a) Group - excluding associate and joint venture companies

The carrying amount of assets pledged as security for current and non-current borrowings availed (Fund based - 31st March, 2019: Rs. 44,404 lakhs (31st March, 2018 : Rs. 45,811 lakhs) and Non-fund based - 31st March, 2019 : Rs. 62,573 lakhs (31st March, 2018 : Rs. 24,789 lakhs)) of the group are as under:

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Property, plant and equipment (including Capital work-in-progress)	12,939	7,465
Inventories	73	71
Other current and non-current assets excluding investments and tax	110,186	116,788
Total assets pledged	**123,197**	**124,324**

b) Associate and Joint venture companies (to the extent of group's share)

The carrying amount of assets pledged as security for current and non-current borrowings availed (Fund based - 31st March 2019: Rs. 44,404 lakhs (31st March 2018 : Rs. 45,811 lakhs) and Non Fund based - 31st March 2019 : Rs. 62,573 lakhs (31st March 2018, : Rs. 24,789 lakhs)) of the group are as under:

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2019
Property, plant and equipment (including Capital work-in-progress)	-	423
Other current and non-current assets excluding investments and tax	111,147	28,421
Total assets pledged	**111,147**	**28,844**

55 Proposed dividends on equity shares

(Rs. in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Dividend proposed for 31st March, 2019 Rs. 2.00 per share (31st March, 2018 Rs. 1.50 per share)	2,962	2,213
Dividend distribution tax on above	609	455

Proposed dividends on equity shares are subject to approval of shareholders at the annual general meeting and are not recognised as a liability (including dividend distribution tax theron) as at reporting date.

56 The Directorate General of Hydrocarbons have served termination notice on the ground that the designated operator in respect of the Block M/s Naftogaz India Pvt Ltd -"NIPL" had allegedly committed misrepresentation by falsely representing itself as the subsidiary of Naftogaz, Ukraine which has 10 % stake in the Block. Adani Group Companies-"Adani"-(55%) and Welspun Natural Resources Private Limited-"Welspun" (35%) together holding 90 % stake in the Block, have contested this notice. The Group had made representations to the Government expressing its willingness to carry out the activities and to consider the Block as valid and live. The Government has rejected the proposal and cited that the termination was valid. The Group has contested the same before high court. The high court was of the view that we shall pursue the remedies available under the contract. Accordingly the Group has initiated dispute resolution mechanism with the authority.

Notes forming part of the consolidated financial statements

57 a) Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities as required by Ind AS 7 "Statement of Cash Flows" is as under:

(Rs. in Lakhs)

	Long term borrowings (Including current maturities)	Short term borrowings - Bank	Equity share capital	Securities Premium
As at 31st March, 2018	44,554	1,429	14,753	92,138
Cash inflow	6,821	15,986	-	-
Cash outflow	(7,683)	(1,429)	-	-
Non cash changes - interest accrued	(274)	-	-	-
Non cash changes - other changes (Refer note b below)	-	(197)	55	711
As at 31st March, 2019	**43,418**	**15,790**	**14,808**	**92,849**

b) Non- cash investing and financing activities for the current year

i) Other Non-cash changes in short term borrowings are related to amortisation of processing fees

ii) Other Non-cash changes in equity share capital and securities premium are on account of equity shares alloted pursuant to exercise of stock option (Refer note 44)

iii) Conversion of loan to investment in joint venture companies during the year is Rs. 7,440 lakhs

Notes Forming Part of the Consolidated Financial Statements

58 Additional information pursuant to para 2 of General instructions for the preparation of Consolidated Financial Statements

(Rs. in Lakhs)

	31st March, 2019							
	Net Asset / (Net Liability) ie total assets minus total liabilities		Share in Profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	% of consolidated net assets	Amount	% of consolidated profit/ (loss)	Amount	% of consolidated other comprehensive income	Amount	% of total consolidated comprehensive income	Amount
Parent								
Welspun Enterprises Limited	110.0%	159,928	121.2%	15,369	97.2%	(32)	121.3%	15,338
Subsidiaries								
Dewas Waterprojects Works Private Limited	1.3%	1,820	-3.5%	(442)	-	-	-3.5%	(442)
(Formerly known as Anjar Water Solutions Private Limited)								
ARSS Bus Terminal Private Limited	0.6%	898	0.0%	(2)	-	-	0.0%	(2)
MSK Projects (Kim Mandvi Corridor) Private Limited	0.4%	621	-0.8%	(101)	-	-	-0.8%	(101)
MSK Projects (Himmatnagar Bypass) Private Limited	0.7%	957	2.1%	269	4.1%	(1)	2.1%	267
Welspun Build-tech Private Limited	1.2%	1,708	0.0%	(1)	-	-	0.0%	(1)
DME Infra Private Limited	0.0%	1	0.0%	(0)	-	-	0.0%	(0)
Welspun Delhi Meerut Expressway Private Limited	6.6%	9,597	-6.6%	(842)	-	-	-6.7%	(842)
Welspun Natural Resources Private Limited	7.2%	10,505	-14.1%	(1,788)	-	-	-14.1%	(1,788)
Welspun Road Infra Private Limited	0.2%	310	0.0%	-	-	-	0.0%	-
Welspun Amravati Highways Private Limited	0.0%	1	0.0%	(0)	-	-	0.0%	(0)
Grenoble Infrastructure Private Limited	0.0%	1	0.0%	(0)	-	-	0.0%	(0)
Welspun Sattanathapuram Nagapattinam Road Private Limited	1.4%	2,024	0.2%	23	-	-	0.2%	23

Notes Forming Part of the Consolidated Financial Statements

58 Additional information pursuant to para 2 of General instructions for the preparation of Consolidated Financial Statements (Contd...)

(Rs. in Lakhs)

	31st March, 2019							
	Net Asset / (Net Liability) ie total assets minus total liabilities		Share in Profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	% of consolidated net assets	Amount	% of consolidated profit/ (loss)	Amount	% of consolidated other comprehensive income	Amount	% of total consolidated comprehensive income	Amount
Associate								
Adani Welspun Exploration Limited	23.7%	34,517	-1.5%	(191)	(0)	1	-1.5%	(191)
Joint venture companies								
Welsteel Enterprises Private Limited	0.0%	5	0.0%	(0)	-	-	0.0%	(0)
Welspun Aunta-Simaria Project Private Limited	-0.1%	(100)	-0.6%	(77)	-	-	-0.6%	(77)
Corbello Trading Private Limited	0.0%	0	0.0%	(1)	-	-	0.0%	(1)
Chikhali - Tarsod Highways Private Limited	0.0%	(36)	0.0%	2	-	-	0.0%	2
RGY Roads Private Limited	0.0%	1	0.0%	(1)	-	-	0.0%	(1)
MBL (GSY) Road Limited	-0.5%	(752)	-5.8%	(730)	-	-	-5.8%	(730)
MBL (CGRG) Road Limited	-0.3%	(461)	-3.6%	(452)	-	-	-3.6%	(452)

Note :

Net assets/ share of profit or loss of subsidiaries, associate and joint venture companies are considered based on the respective audited/ unaudited standalone / consolidated financial statements without considering elimination/ consolidated adjustments

Notes forming part of the consolidated financial statements

59 Figures for the previous year are re-classified/ re-arranged/ re-grouped, wherever necessary to be in conformity with the figures of the current year's classification/ disclosure.

As per our report of even date
For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

For and on behalf of the Board

Balkrishan Goenka
Chairman
DIN 00270175

Sandeep Garg
Managing Director
DIN 00036419

Sanjay Kothari
Partner
Membership Number 048215

Shriniwas Kargutkar
Chief Financial Officer

Priya Pakhare
Company Secretary

Place : Mumbai
Date : 15th May, 2019

Place : Mumbai
Date : 15th May, 2019

Notes

Notes

Notes

WELSPUN ENTERPRISES
Infrastructure and Energy

Welspun Enterprises Limited

Welspun House, Kamala City, Senapati Marg,
Lower Parel (West), Mumbai - 400 013, India.

Tel: +91-22-66136000/24908000 | Fax: +91-22-2490 8020/2490 8021

www.welspunenterprises.com

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