

Transforming Tomorrow through  
**Collaboration, Innovation,  
Rejuvenation**

Annual Report  
**2023-24**



# Investing in our **People** is investing in our **Future**

What makes a workplace truly exceptional? It's about more than just meeting targets; it's about creating an environment where every individual feels valued and inspired. At Welspun Enterprises, our 'Great Place to Work' certification is a testament of our commitment to our people.

Ranked 37<sup>th</sup> among India's Top 100 Great Mid-size Workplaces and Best in Industry for Construction & Infrastructure, the Great Place to Work certification affirms Welspun Enterprises' status as a leading infrastructure employer. It highlights our dedication to cultivating a high-growth, purpose-driven culture. This honour underscores our commitment to best-in-industry practices that foster an inclusive environment, empowering employees to thrive personally and professionally.

Guided by our LITE principles – Learning, Innovation, Trust & Transparency, and Endurance – enthusiasm and collaborative spirit, we continue to achieve greater heights, and make a lasting impact in the industry.

**Fostering a culture of innovation, respect, and collaboration to build a foundation where every contribution is celebrated, and every voice is heard.**



**Forward-Looking Statement**

This document contains statements about expected future events and financial and operating results of Welspun Enterprises Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There might be a risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Welspun Enterprises Limited Annual Report FY 2023-24.

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 To read this report online and for any other information, log on to: [www.welspunenterprises.com](http://www.welspunenterprises.com)

**A SNAPSHOT OF FY 2023-24**

₹ **3,063.3** Crore

Total Consolidated Revenue

~ ₹ **13,800** Crore\*

Consolidated Order Book on March 31, 2024

**8,43,960**

Lives impacted through CSR

\*Includes ~ ₹3,600 Crore for O&M & asset replacement in MCGM STP project & Bhandup WTP project

# Our vision for the future is one of seamless integration and impactful transformation.

We envision a future where every project we undertake sparks a wave of positive change. Our strategic initiatives are designed to build infrastructure that transform lives and uplift communities. Through cutting-edge technology, impactful partnerships, and a relentless commitment to sustainability, we are progressing toward a brighter, more resilient tomorrow.

**Collaboration** is the cornerstone of our strategy, and the synergy it creates is pivotal to our success. Our acquisition of Welspun Michigan Engineers Limited marks our entry into micro & segment tunnelling, sewer network rehabilitation and other trenchless technologies, paving the way for high-margin and high-growth opportunities. Our alliances with global leaders such as Veolia and Xylem enhance our capabilities in the water segment, while our partnership with SmartOps introduces innovative biological treatment systems to rejuvenate and recycle water bodies. These technological collaborations foster synergy, enabling us to realize projects efficiently and deliver optimal outcomes.

**Innovation** is the driving force behind our quest for operational excellence. By implementing advanced digital project management tools like Power BI and 5D BIM, we ensure real-time monitoring and efficient project execution. Our digital dashboards streamline processes, improve resource allocation, and enhance overall operational efficiency. In the realm of human resources, we harness AI and automation to refine recruitment, sentiment analysis, and HR services, allowing our teams to focus on strategic initiatives. This technological integration not only optimizes our operations but also underpins our vision to delight customers through innovation and achieve sustainable growth.

**Rejuvenation** reflects our commitment to environmental stewardship and community well-being. The Dharavi Wastewater Treatment Facility will transform Mumbai's sewage infrastructure, promoting sanitation and environmental sustainability. The Bhandup water treatment plant project guarantees clean water access for Mumbai's citizens, highlighting our dedication to sustainable development. Using pond ash in road embankments reduces ecological impact, while the installation of solar panels at the Uttar Pradesh Jal Jeevan Mission project and the planting of thousands of trees across our road projects demonstrate our commitment to a greener future. These initiatives exemplify our efforts to give back to society and create a lasting positive impact.

Our commitment to collaborative efforts, creative solutions, and sustainability is exemplified through our dedication to

## TRANSFORMING TOMORROW THROUGH COLLABORATION, INNOVATION, REJUVENATION



# Corporate Information

## WELSPUN ENTERPRISES LIMITED

CIN: L45201GJ1994PLC023920

Website: [www.welspunenterprises.com](http://www.welspunenterprises.com);

Email id: [Companysecretary\\_wel@welspun.com](mailto:Companysecretary_wel@welspun.com)

### BOARD OF DIRECTORS

**Mr. Balkrishan Goenka**  
Chairman (Executive)

**Dr. Anoop Kumar Mittal**  
Independent Director

**Dr. Aruna Sharma**  
Independent Director

**Ms. Dipali Goenka**  
Non-Executive,  
Non-Independent Director  
(resigned w.e.f. July 11, 2024,  
close of business hours)

**Mr. Mohan Tandon**  
Lead Independent Director  
(retired w.e.f. March 31, 2024,  
close of business hours)

**Mr. Raghav Chandra**  
Independent Director

**Mr. Rajesh R. Mandawewala**  
Non-Executive,  
Non-Independent Director

**Mr. S Madhavan**  
Lead Independent Director  
(appointed w.e.f. April 01, 2024)

**Mr. Sandeep Garg**  
Managing Director

**Mr. Sudhir Mital**  
Independent Director  
(resigned w.e.f. July 11, 2024, close  
of business hours)

### KEY MANAGEMENT TEAM

**Mr. Balkrishan Goenka**  
Chairman (Executive)

**Mr. Sandeep Garg**  
Managing Director

**Mr. Asim Chakraborty**  
CEO – Transportation Vertical  
(appointed w.e.f. January 29, 2024)

**Mr. Yogen Lal**  
CEO – Water Vertical

**Mr. Lalit Jain**  
Chief Financial Officer

**Mr. Rajesh Jain**  
Chief Human Resources Officer  
(elevated as CHRO of Welspun  
Living Limited, a Welspun World  
Company, w.e.f. August 01, 2024)

**Ms. Lekha Raghavan**  
Head – Human Resources  
(appointed w.e.f. August 01, 2024)

**Mr. Ratan Lal Kashyap**  
President – Supply Chain  
Management  
(resigned w.e.f. February 19, 2024)

**Mr. Arunav Baruah**  
Head – Supply Chain Management  
(appointed w.e.f. August 01, 2024)

**Mr. Rajesh Chaabra**  
Head – Management Assurance &  
Strategy Risk  
(resigned w.e.f. March 28, 2024)

**Mr. Akhil Jindal**  
\*Director, Group Finance & Strategy  
(resigned w.e.f. January 03, 2024)

**Mr. G R Arun Kumar**  
\*Director, Group Finance & Strategy  
(appointed w.e.f. May 20, 2024)

**Mr. Deepak Chauhan**  
\*Director, Group Legal  
\* Not a member of the Board of Directors

### COMPANY SECRETARY

**Ms. Nidhi Tanna**

### AUDITORS

MGB & Co. LLP,  
Chartered Accountants

### SECURITIES REGISTRAR AND TRANSFER AGENT

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

### STOCK EXCHANGES WHERE THE COMPANY'S SECURITIES ARE LISTED

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

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

### REGISTERED OFFICE

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

### 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

### AUDIT COMMITTEE

**Mr. Mohan Tandon**  
Chairman (Independent Director)  
(retired w.e.f. March 31, 2024,  
close of business hours)

**Mr. S Madhavan**  
Chairman (Independent Director)  
(appointed w.e.f. April 01, 2024)

**Dr. Aruna Sharma**  
Member (Independent Director)

**Mr. Raghav Chandra**  
Member (Independent Director)

### NOMINATION AND REMUNERATION COMMITTEE

**Mr. Mohan Tandon**  
Chairman (Independent Director)  
(retired w.e.f. March 31, 2024,  
close of business hours)

**Mr. S Madhavan**  
Chairman (Independent Director)  
(appointed w.e.f. April 01, 2024)

**Mr. Raghav Chandra**  
Member (Independent Director)

**Dr. Anoop Kumar Mittal**  
Member (Independent Director)

### SHARE TRANSFER AND INVESTOR GRIEVANCE AND STAKEHOLDERS' RELATIONSHIP COMMITTEE

**Dr. Aruna Sharma**  
Chairperson (Independent Director)

**Mr. Raghav Chandra**  
Member (Independent Director)

**Mr. Mohan Tandon**  
Member (Independent Director)  
(retired as director w.e.f. March 31,  
2024, close of business hours)

**Mr. S Madhavan**  
Member (Independent Director)  
(appointed w.e.f. April 01, 2024)

### ENVIRONMENTAL, SOCIAL AND GOVERNANCE & CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

**Dr. Aruna Sharma**  
Chairperson (Independent Director)

**Ms. Dipali Goenka**  
Member (Non-Independent Director)  
(resigned as director w.e.f. July 11,  
2024, close of business hours)

**Mr. Mohan Tandon**  
Member (Independent Director)  
(retired as director w.e.f. March 31,  
2024, close of business hours)

**Mr. Sandeep Garg**  
Member (Managing Director)  
(stepped down as Committee  
member w.e.f. March 31, 2024,  
close of business hours)

**Mr. Sudhir Mital**  
Member (Independent Director)  
(appointed as Member w.e.f.  
April 01, 2024)  
(resigned as director w.e.f. July 11,  
2024, close of business hours)

**Mr. S Madhavan**  
Member (Independent Director)  
(appointed w.e.f. April 01, 2024)

**Dr. Anoop Kumar Mittal**  
Member (Independent Director)  
(appointed w.e.f. July 11, 2024)

### RISK MANAGEMENT AND PROJECT MONITORING COMMITTEE

**Mr. Raghav Chandra**  
Chairman (Independent Director)

**Dr. Anoop Kumar Mittal**  
Member (Independent Director)

**Mr. Sandeep Garg**  
Member (Managing Director)

**Mr. S Madhavan**  
Member (Independent Director)  
(appointed w.e.f. April 01, 2024)

### BANKERS

Axis Bank Limited  
Canara Bank  
Central Bank of India  
IDBI Bank  
IDFC First Bank Limited  
Indian Bank  
IndusInd Bank Limited  
Punjab National Bank  
State Bank of India  
Union Bank of India  
Yes Bank Limited  
Bandhan Bank Limited

# About Welspun Enterprises

## An Infrastructure Developer with a Difference

Welspun Enterprises Limited (hereinafter referred to as 'we', 'us', or, 'our') is an infrastructure development company dedicated to advancing India's ambitious infrastructure agenda with highest standards of quality assurance and value delivery.

We are primarily engaged in water and transportation infrastructure development projects across India. We have also invested in oil and gas field through a JV with Adani Enterprises. Supported by our strong execution capabilities, we have successfully earned and nurtured the trust of our esteemed client base. Our organizational excellence is exemplified by our robust balance sheet, favourable credit ratings, and asset-light business model. Moreover, our high-value project management capabilities ensure quality, safety, and timely completion, which are essential to upholding our unique business model.



### OUR PURPOSE

To propel the country's growth by speed and scale of sustainable infrastructure development, thus empowering lives.



### OUR VISION

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

### STRATEGIC FOCUS AREAS

We have created a robust portfolio of infrastructure projects that target creating long-term value for the stakeholders.



Water transmission and distribution, water treatment, wastewater treatment, and niche technologies vertical



Transportation vertical

### LEGACY OF WELSPUN WORLD

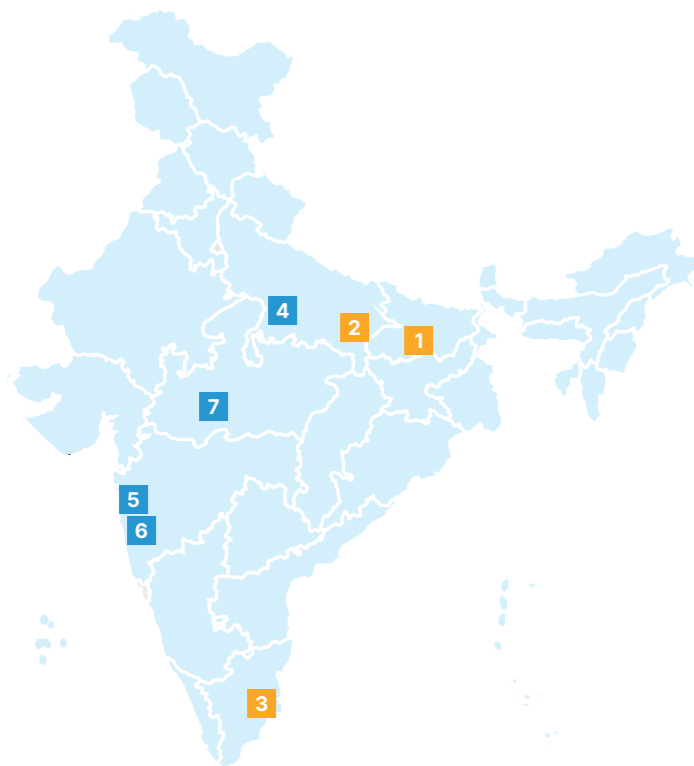
We are a proud member of the Welspun World, one of India's fastest-growing global conglomerates with a diverse range of business verticals. The Group, which generates revenues of USD 5 billion annually, has successfully ventured into various sectors, including line pipes, home textiles, building materials, infrastructure, water, steel, warehousing, new energy, advanced textiles, flooring, and more. With a workforce of over 30,000 employees and global presence in over 50 countries, the Group has enriched its brand value among a diverse customer base.

Nearly four decades of successful market presence have positioned the Group as one of the largest global exporters. Central to its DNA is the "Make in India" philosophy, further enriching the organizational culture of 'Har Ghar Welspun'. With a strong focus on technological and operational excellence and responsible ESG practices, Welspun World has become the partner of choice for marquee players globally, contributing to the creation of a smarter and more sustainable world.



### Current Project Portfolio

An expansive geographical reach exemplifies our robust operational capabilities, which have translated into the reputation and trust we have developed with our prestigious client base.



Map not to scale. For illustrative purpose only.

Project Name	Contract Type	Client
<b>Transportation</b>		
1. Aunta-Simaria	HAM	NHAI
2. Varanasi Aurangabad NH2	EPC	SIVAPTL
3. Sattanathapuram-Nagapattinam	HAM	NHAI
<b>Water</b>		
4. UP State Water and Sanitation Mission	EPC	SWSM
5. Dharavi Wastewater Treatment Facility	EPC	BMC
6. Bhandup Water Treatment Plant	DBO	BMC
7. Dewas Water Supply	BOT	MPSIDC



### Executorial Excellence

Our dedicated approach to project management and execution has resulted in delivering best-in-class infrastructure assets to stakeholders, with a primary focus on ensuring quality and safety.

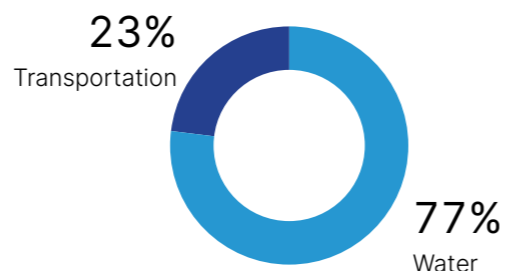


### STRONG REVENUE GROWTH VISIBILITY

~₹12,200 Crore (as on March 31, 2024)

Standalone Order Book\*

\*Excludes ~ ₹1,600 Crore order book of Welspun Michigan Engineers Limited



### CREDIT RATINGS

CRISIL has reaffirmed our credit rating on the back of healthy business risk profile, driven by a healthy order book and improved revenue diversification.



### STRATEGIC PARTNERSHIPS

We have forged strategic partnerships with global technological leaders to strengthen our water project execution capabilities.

#### Welspun Michigan Engineers Limited (WMEL)

We have acquired a 50.1% stake in Welspun Michigan Engineers Limited (formerly known as Michigan Engineers Private Limited), a trenchless technology-based EPC company in the urban water infrastructure segment. The acquisition is aimed towards expanding the water infrastructure business and marks our entry into a high margin and high growth tunnelling, sewer rehabilitation and allied segments.

#### Veolia

We have partnered with Veolia, one of the world's largest technology companies in the water sector, as the technology provider for the Bhandup Water Treatment Plant project.

#### Xylem

We have forged a partnership with Xylem, a global leader in advanced technologies; technology partner for our Dharavi Wastewater Treatment project.

#### SmartOps

WMEL has partnered with SmartOps to introduce modular, scalable, cost-efficient technology in India that converts grey water into a valuable resource. This biological treatment system rejuvenates and recycles water bodies, providing tertiary treated water for commercial and domestic use.

#### HyperTunnel

WMEL has entered into an agreement with hyperTunnel to implement a ground-breaking tunnelling method, revolutionizing underground construction using advanced technologies like AI, Machine Learning, and Swarm Robotics. This approach aims to build tunnels faster, safer, more cost-effectively, and with greater environmental sustainability.

### CHAMPIONING ROAD SAFETY FOR A SAFER TOMORROW



Welsuraksha, WEL's flagship CSR program is dedicated to fostering a culture of road safety and responsibility, continually expanding its reach to equip communities, especially the youth, with the knowledge and skills to prevent accidents and respond swiftly in emergencies.

- First Aid Training:** Empowering drivers with essential skills to manage roadside emergencies, enhancing response times.



- Health Initiatives:** Eye check-up camps for drivers ensure optimal vision, while health camps for migrant labourers focus on prevention and treatment of infections.
- Public Awareness:**
  - FM Radio campaigns to educate the public on responsible driving practices and traffic rules
  - School children awareness sessions to instill the importance of road safety from a young age

1,38,382

Community members impacted

Please refer to Page 40-41 for more details on CSR Programmes.

# Business Model Approach to Value Creation

Our business model emphasizes prudent project acquisition, execution excellence and efficient project management, leveraging an asset-light approach. This enables us to operate across an expansive geography, ensuring flexibility and scalability while maintaining cost-effectiveness and operational efficiency.

## CORE PRINCIPLES

### Partnerships with Capable Partners

Central to our model is the collaboration with reliable and skilled partners for construction and technology

### Superior Project Management

We leverage our advanced project management capabilities to oversee and execute projects efficiently

Our asset-light model positions us to bid on projects with higher engineering complexities and lower competition

## OPERATIONAL FLEXIBILITY

**Geographical Reach:** Our model allows us to operate across multiple regions, expanding our market presence and opportunities

**Minimal Investment in Plant and Equipment:** Lower investment in fixed assets reduces working capital requirements and maintains financial flexibility

## FINANCIAL STABILITY

**De-risked Business:** Lowering risk profile with minimal leverage

**Strong Credit Rating:** Maintaining a robust credit rating is a key outcome of our de-risked business model

Strategic planning and effective resource allocation based on the distinct needs of each project

## OUTCOMES

- **Increased Flexibility:** Ability to pivot and adapt to various market conditions and project demands
- **Sustainable Growth:** Ensuring long-term growth through a balanced and financially sound approach
- **Market Leadership:** Establishing a leadership position in the market by efficiently managing resources and risks



# Strategy

## Execute to Improve

### BID FOR SELECTIVE PROJECTS

We focus on bidding for selective projects that often require higher engineering complexity, ensuring superior quality and execution. Our partnership with selective operating partners to enhance EPC margins and maintaining flexibility in development models optimizes project outcomes and profitability.

#### Key Focus Areas:

- Projects with higher engineering complexity such as Dharavi Wastewater Treatment plant, India's first multi-tiered wastewater treatment facility
- Flexible on development models (HAM/BOT or EPC), as long as return expectations are met

### OPTIMIZING BUSINESS PARTNERSHIPS

Our strategy revolves around deploying a mix of contractors and providing them with robust support for seamless project execution. With a sharp focus on reducing execution risks and minimizing investment in plant and machinery, we aim to optimize project outcomes while ensuring efficiency and cost-effectiveness.

#### Key Focus Areas:

- Minimal investment in Plant & Machinery
- Selective operating partners – Welspun Michigan Engineers Limited, Veolia, Xylem, SmartOps, hyperTunnel
- Collaborating with contractors for seamless project execution

### STABILIZE, MAINTAIN & MONETIZE PROJECTS

After the construction stage, we stabilize the operations of the project and undertake operations & maintenance as required. We also focus on efficiently monetizing completed assets and recycling capital on a value-accretive basis to ensure steady availability for future growth initiatives.

#### Key Focus Areas:

- Ensure stabilization of the project post completion
- Create capacity for lifecycle O&M in Water projects
- Monetize completed assets and recycle capital base on value accretive basis

### CONTINUOUS DIVERSIFICATION

We aim to drive sustainable growth and market leadership through strategic expansion, with a focused approach on differentiated business verticals, alongside exploration of high-potential adjacencies.

#### Key Focus Areas:

- Focus on Water & Wastewater and Transportation segments
- Strong Balance Sheet to support new business ventures



## From the Executive Chairman's Desk



**Dear Stakeholders,**  
**I am delighted to present to you the 30<sup>th</sup> Annual Report of Welspun Enterprises Limited (WEL) for the financial year 2023-24. At the outset, I am proud to inform you that WEL has achieved its highest-ever consolidated revenue since inception. This milestone is a demonstration of perseverance in a challenging operating environment and remaining focussed to our well-developed strategy.**

At Welspun World, we aim for excellence in all our endeavours, guided by Welspun's LITE principles and a supportive culture. As a testament to this ethos, it gives me immense pleasure to share that WEL has been ranked 37<sup>th</sup> among India's Top 100 Great Mid-size Workplaces and recognized as the Best in Industry for Construction & Infrastructure, by Great Place To Work, India.

Your Company has continued its transformative growth journey by acquiring a strategic majority stake in Michigan Engineers Private Limited (renamed to Welspun Michigan Engineers Limited), a trenchless technology-based EPC company in the urban water infrastructure segment. This acquisition and successful integration into the Welspun World family is a testament to the efficient redeployment of capital. I am extremely confident of Welspun Enterprises becoming a leading player in India's water infrastructure sector. Towards this goal, WEL has added another prestigious project to its portfolio - an order worth ₹ 4,124 Crore from Brihanmumbai Municipal Corporation, for the development of a best-in-class 2,000 MLD Water Treatment Plant at Bhandup Complex.

Our projects across transportation and water verticals are gearing towards scheduled

completion. Our HAM road project at Aunta-Simaria, which includes one of the widest extradosed bridge on River Ganga, has surpassed the 80% milestone and is progressing as planned for timely completion. It is an honour to share that the Uttar Pradesh section of the Varanasi-Aurangabad Road project being constructed by your Company was inaugurated and dedicated to the Nation by Hon'ble Prime Minister Shri Narendra Modi, which is a testimony to our execution abilities.

In the promising water segment, WEL has made swift progress in the execution of the Jal Jeevan Mission project in Uttar Pradesh, which is part of the Government's 'Har Ghar Nal Se Jal' scheme, and has delivered water connections to over 50% of the targeted households. The Dharavi Wastewater Treatment Facility (WwTF) project, set to become a landmark infrastructure project in the country, is progressing well, integrating both sustainability and cutting-edge technology.

The exploration & development of oil & gas resources through our Joint Venture Company, Adani Welspun Exploration Limited is progressing well. Having submitted the final EDP for one of the fields, your Company is undertaking operations for appraisal and early monetization of the acreage. I am confident that going forward, this business will be able to generate sustainable value for our stakeholders.

WEL continues to appreciate your trust in the organisation. This trust has been reflected in improved return on capital employed, from 18.3% in FY23 to 24.1% in FY24, on a consolidated basis. In keeping with our consistent track record of sharing profits, the Board has recommended a dividend of ₹ 3/- per equity share, which is 30% of the face value of each share.

Your Company continues to be recognized for its unwavering commitment towards project management, execution, and HSE by esteemed authorities and organizations. I am pleased to share that WEL was honoured with the Top Challenger 2022-23 award at Construction World Global Awards, along with multiple accolades for its focus on safety at the CIDC Vishwakarma Awards, World Safety Organization Awards and OSH India Awards.

In addition to our financial achievements, we have remained steadfast in our commitment to Environmental, Social, and Governance (ESG) initiatives. We have actively engaged in various community development projects and environmental conservation efforts. Through these initiatives, we aim to improve the quality of life within and beyond our project influence areas. We believe in creating shared value for all stakeholders, and our commitment to responsible, sustainable, and ethical business practices remains unwavering. Our highly experienced and independent board members bring in a wealth of valuable insights and guidance to help WEL scale new peaks.

### OUTLOOK

As we move forward into financial year 2024-25, it gives me huge confidence that we are beginning with a healthy order book of over ₹13,800 Crore on a consolidated basis. This robust order book underscores the trust and confidence our clients have in our capability to deliver projects of high quality. It positions us well for sustained growth and provides a solid foundation for the future. Our business strategy continues to remain centred on building a diversified portfolio that not only drives revenues but also margins on the back of our asset-light business model.

Your Company maintains a robust zero-debt balance sheet, steady cash flows, and benefits from strong governmental support aimed at driving sectoral growth. With the Government actively promoting various infrastructure projects in recent years, we are



**As we move forward into financial year 2024-25, it gives me huge confidence that we are beginning with a healthy order book of over ₹13,800 Crore on a consolidated basis. This robust order book underscores the trust and confidence our clients have in our capability to deliver projects of high quality.**

well-positioned to capitalize on these opportunities and strengthen our order book with valuable projects.

I am confident that our strong foundation, experienced leadership, and dedicated workforce will ensure continued profitable growth. We will continue to adapt to changing market dynamics, pursue strategic initiatives that maximize returns and leverage opportunities that align with our business objectives.

### ACKNOWLEDGMENT

I extend my heartfelt gratitude to our shareholders for your unwavering support and trust in our journey. I also express my appreciation to our Board members for their continuous guidance, and to our management team, employees, bankers and business partners for their relentless efforts and contributions to our success. Together, we have achieved significant milestones, and I am optimistic that with your engagement and partnership, we will continue to scale new heights and generate immense value for all our stakeholders.

**B K Goenka**  
 Executive Chairman

# Message from the Lead Independent Director



**It is with great pleasure that I address you for the first time in my capacity as the Lead Independent Director of the Company.**

## Dear Stakeholders,

Following Mr. Mohan Tandon's retirement on March 2024, I have assumed this role. I extend my gratitude to him for his invaluable contributions and support to the Board and the Company for over a decade.

I am pleased to share the highlights of our Company's performance, along with some reflections on the broader business and climate conditions that shaped our journey this year: a period of significant growth.

Fiscal year 2024 was marked by substantial global challenges. Despite these, the government's emphasis on the infrastructure sector positively impacted our Company's performance. I am happy to announce that we achieved our highest-ever standalone and consolidated EBITDA at ₹ 438.92 Crore and ₹ 616.47 Crore, respectively.

Several interesting business opportunities were identified and acted upon by an alert Management. The Independent Directors and the Board of Directors worked collaboratively to make bold, timely and strategic decisions with huge potential payoff. During the year, the Board met seven times to deliberate and review critical matters, including

the financial results, strategic business initiatives, and to finalize the Annual Business Plan, after a thorough discussion and achieving consensus on key issues. These efforts were well-supported by management's active involvement.

## KEY BOARD DECISIONS OF THE YEAR

- Acquisition of a 50.10% stake in Welspun Michigan Engineers Limited (formerly Michigan Engineers Private Limited). This integration strengthens our Company's strategic positioning.
- Streamlining of our Organization Structure, enhancing transparency, eliminating overlap and saving of administrative and operational costs; the Board approved the merger of four non-operational wholly-owned subsidiary companies into the Company. This decision is expected to improve operational efficiencies and minimize legal and compliance obligations.
- Review of the Company's strategy for participating in Sustainable Energy Solutions. Recognizing the capital-intensive nature and longer gestation period as compared to our core business, the Board approved the sale of the Company's 100% stake in Welspun New Energy Limited, a wholly-owned subsidiary, to other group entities.

## KEY BOARD PRIORITIES FOR THE YEAR

- Balancing strategic and operational matters
- Conducting internal audit reviews to balance compliance/controls with value creation
- Reviewing stakeholder inputs and ensuring warranted course correction
- Strengthening information technology, data analytics and cyber security
- Undertaking continuous periodic reviews and guiding management on ESG initiatives

## CLIMATE AND ENVIRONMENT - REINFORCING COMMITMENT

In FY 2023-24, the Company sharpened its focus on environmental, social, and governance (ESG) initiatives. As we all know, Climate Change poses a critical challenge. The Company is committed to mitigating its impact through sustainable policies and practices. Our Company believes that integrating sustainability into our core strategy is essential for long-term value creation.

## FUTURE OUTLOOK

Our Company consistently anticipates future trends and aligns itself with India's dynamic business landscape, embracing opportunities and challenges to foster innovation and sustainability. In strategy meetings, the Board emphasizes on leveraging the Company's strengths, adapting to market changes and exploring new growth avenues. As part of our commitment to securing a strong future outlook and creating an independent leadership bandwidth, the Board approved the elevation of the role of the Chief Operating Officers of the Water and Transportation divisions to Chief Executive Officer of their respective divisions.

## REFLECTIONS ON OUR JOURNEY AND OUR FUTURE

Our Board is very interactive and participative, allowing for open and frank discussions. This enabling environment facilitates the Independent Directors in working cohesively, providing valuable advice and guidance, with the Chairman effectively facilitating these discussions.



**As we look ahead, the Board and I will continue to work closely with Management to build upon the Company's strong foundation, driving sustainable growth and fostering innovation across our business. Our focus will remain on enhancing shareholder value while contributing positively to the communities we serve.**

Beyond the financial health, we, the Independent Directors, are committed to also ensuring that the Company operates as a responsible corporate entity. We remain focused on Environmental, Social and Governance (ESG) matters, strengthening our internal control governance process and enhancing risk management process and building resilience.

As we look ahead, the Board and I will continue to work closely with Management to build upon the Company's strong foundation, driving sustainable growth and fostering innovation across our business. Our focus will remain on enhancing shareholder value while contributing positively to the communities we serve.

I am confident that, together, we will continue to strengthen our position in the infrastructure sector and achieve even greater milestones in the years to come.

Thank you for your trust and confidence.

Warm Regards,

**S. Madhavan**

Lead Independent Director

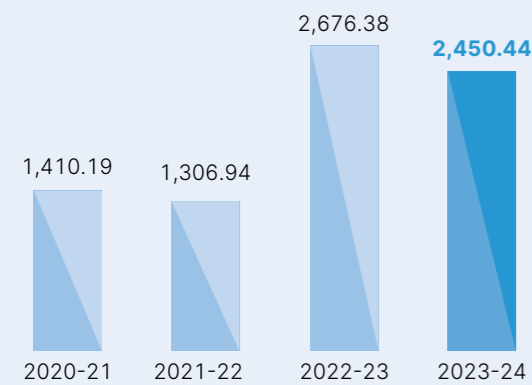
# Key Performance Indicators

## Financial Highlights

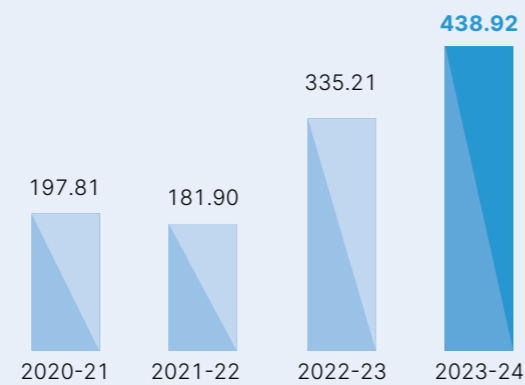
Throughout the year, our time-tested strategies have consistently delivered excellence, supported by a robust business model that steers and sustains our growth trajectory. This strategic resilience has led to increased profitability, affirming our commitment to financial strength and stability.

### PROFIT AND LOSS METRICS

Revenue (₹ Crore)



EBITDA (₹ Crore)

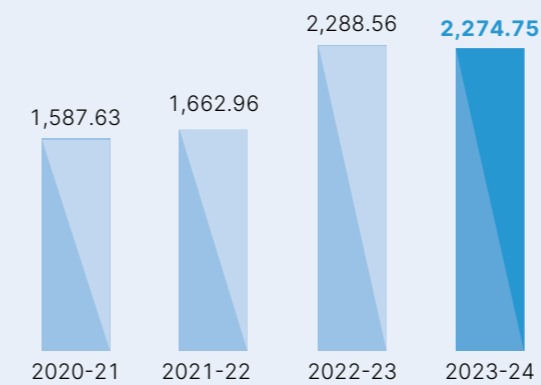


↑ 3-year CAGR: 20.22%

↑ 3-year CAGR: 30.43%

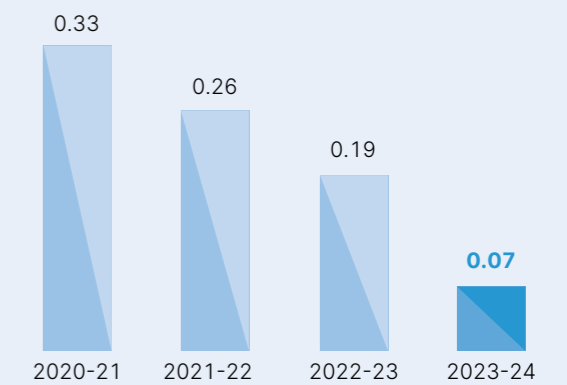
### BALANCE SHEET METRICS

Net Worth (₹ Crore)

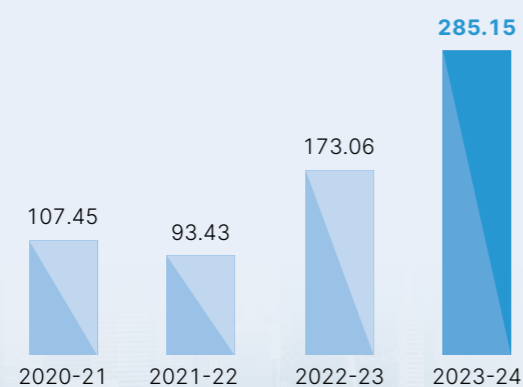


↑ 3-year CAGR: 12.74%

Debt-Equity Ratio (X)

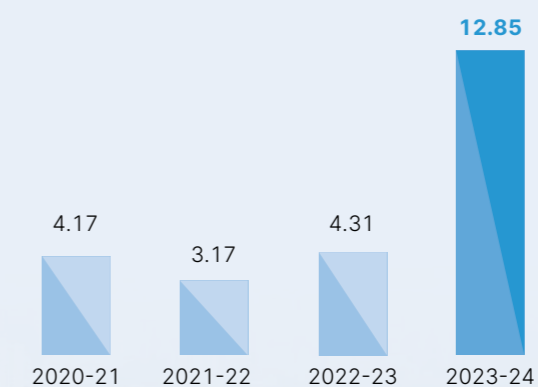


Profit after Tax (₹ Crore)



↑ 3-year CAGR: 38.45%

Interest Coverage Ratio (X)



# Business Segment Review

## Water Infrastructure

Water infrastructure is a dynamic and ever-evolving sector with newer technologies being developed across its segments. With increasing population, the impact of climate change, depletion of surface water sources, and the imperative need for water conservation and treatment, there is a constant drive to develop new technologies for greater sustainability in this field.



▶ 418 MLD Wastewater Treatment Facility, Dharavi, Mumbai

We have made significant strides and expanded our footprint in India's water and wastewater sector. Currently, we are actively involved in several prestigious projects, including the Rural Water Supply Project under the Government of India's Jal Jeevan Mission in Uttar Pradesh, covering over 2,500 villages, the 418 MLD Wastewater Treatment Facility (WwTF) project in Dharavi, Mumbai and the 2,000 MLD Bhandup Water Treatment Plant in Mumbai. Additionally, through Welspun Michigan Engineers Limited, we have further strengthened our presence in the urban water infrastructure and tunnelling solutions segment.

**₹ 9,408 Crore**

Order book of water business as on March 31, 2024

**₹ 867 Crore**

Revenue generated from water infrastructure business in FY 2023-24

### STRATEGIC INVESTMENT IN WELSPUN MICHIGAN ENGINEERS LIMITED (W MEL)

During FY 2023-24, we acquired a 50.1% stake in Welspun Michigan Engineers Limited (formerly known as Michigan Engineers Private Limited), a trenchless technology-based EPC company in the urban water infrastructure segment. This strategic investment aligns with our vision to accelerate the growth of our water infrastructure business and enter the high-margin, high-growth areas of micro-tunnelling, segment tunnelling, sewer rehabilitation and other trenchless technologies.



For over 50 years, Michigan Engineers Private Limited has led the market in urban solutions, specializing in underground construction and infrastructure. With a focus on trenchless technologies, their expertise in sewerage networks and storm water drains across major Indian cities has minimized disruption and environmental impact while delivering efficient projects.

#### Compelling advantages of this strategic move:

- Strengthens WEL's project portfolio
- Leverages synergies
- Expand project capabilities
- Capitalizes on favourable market trends



#### Services offered by W MEL:

- Large diameter tunnelling
- Greywater pumping stations
- Micro tunnelling for pipelines
- Drill, blasting & dredging
- Pipeline rehabilitation
- Bridge construction

### Key Highlights for FY 2023-24

**~ ₹ 4,124 Crore**

Secured new order to Design, Build and Operate a 2,000 MLD Water Treatment Plant at Bhandup, Mumbai. The facility will be one of the largest in the world in terms of capacity

**~50%**

Targeted households delivered water connections, as part of Uttar Pradesh Jal Jeevan Mission project

### Advanced digital project management tools

Implemented Power BI and 5D BIM for better collaboration, data analysis, and monitoring project progress in real time

### Digital dashboards

Developed comprehensive dashboards for monitoring SCM progress, construction and project financials

**Projects Under Execution**

**RURAL WATER SUPPLY SCHEMES FOR STATE WATER AND SANITATION MISSION, UTTAR PRADESH**

We have undertaken the Rural Water Supply project in Uttar Pradesh, under the Jal Jeevan Mission. The project includes surveying, design, DPR preparation, construction, commissioning, and O&M for 10 years. It addresses Rural Water Supply Projects, ensuring clean water access for communities across the state.

**Key Highlights**

**₹ 2,900 Crore**

Contract value (excluding O&M and taxes)

**2,544**

Villages to be impacted

**~40 lakh rural population**

Rural population to be benefitted post project completion

**1,000+**

Elevated service reservoirs being constructed

**15,000+ km**

Pipelines being laid down

**6 Lakh+**

House service connections being installed

**Progress**

**~50%**

Targeted household connections have been completed



**418 MLD WASTEWATER TREATMENT FACILITY, DHARAVI, MUMBAI**

Welspun Enterprises is spearheading the Design, Build, Operation, and Maintenance of the 418 MLD Dharavi Wastewater Treatment Facility (WwTF). This includes the establishment of a 209 MLD tertiary treatment facility under the Mumbai Sewage Disposal Project, Stage II. This initiative will significantly enhance Mumbai's sewage treatment infrastructure, ensuring improved environmental sustainability and contributing to the city's overall cleanliness and sanitation efforts.



**Key Highlights**

**₹ 4,884 Crore**

Contract value

**Global first**

One of the world's first multi-storeyed facility of this capacity

**5D BIM technology**

Deployed for better project and cost control

**Technology Partner - Xylem**

Global leader in advanced water technologies & solutions

**Progress**

- Received various clearances in record time
- Construction has commenced in full swing to ensure timely completion

### 2,000 MLD WATER TREATMENT PLANT (WTP), BHANDUP, MUMBAI

The Bhandup WTP project signifies a pivotal milestone for Welspun Enterprises. Our commitment to technology and innovation is set to materialize into a world-class, sustainable water treatment plant, where WEL will leverage advanced treatment processes and technologies to maximize resource utilization and develop sustainable infrastructure solutions. This project will ensure access to clean water for the citizens of Mumbai while keeping environmental sustainability at the centre focus.

#### Key Highlights

**₹ 4,124 Crore**

Contract value

**2,000 MLD**

Water Treatment Plant

#### One of the largest

drinking water treatment plant in India and Asia, in terms of capacity

#### Technology provider - Veolia

One of the world's largest technology companies in water sector

#### Progress

- Basic engineering is under finalization



## Transportation Infrastructure

Our transportation vertical has seen substantial progress, driven by proficient project management and the adoption of digital technologies to accelerate project timelines. Our execution capabilities and commitment to quality have been key to our consistent success in this vertical.



▶ Aunta-Simaria Road Project, Bihar, featuring one of Asia's widest extradosed cable-stayed bridge



#### ACHIEVEMENTS

Provisional Completion Certificate (PCOD-III) received from NHAI for Mukarba Chowk-Panipat Road Project

Mukarba Chowk - Panipat road selected by Government of New Delhi for VIP movement of G20 Summit delegates

Varanasi – Aurangabad Road Project's UP Section was inaugurated by Hon'ble PM Shri Narendra Modi

Five of Welspun Enterprises' completed projects featured in NHAI e-Coffee Table Book - '75 Milestones of Highway Development'



**Key highlights for 2023-24**

**In-house design and engineering capabilities**

Deployed modern technologies & software and undertook capacity augmentation & upskilling initiatives to strengthen value engineering and optimize costs

**Supply Chain Management**

Emphasized on onboarding local subcontractors and providing them necessary training to improve efficiency

**Cutting-edge digital initiatives**

Strengthened project management, ensured faster execution and reduced costs by:

- Introducing WEL Darpan v2.0, a unified platform to visualize data related to project progress, supply chain, task analysis, quality, HR management, etc.
- Enhancing Stithi 2.0 to enable attendance marking through geo-fenced areas project sites, facilitating easy movement of people within locations
- Launching Pragati, a new and efficient subcontractor Billing Management System for major transactions

**Green and environmental-friendly products**

Utilized pond ash, silica fume and curing compounds for sustainable construction



▶ Use of Pond Ash instead of soil at road projects to minimize impact on bio-diversity

**₹ 2,792 Crore**

Order book of Transportation business as on March 31, 2024

**₹ 1,519 Crore**

Revenue generated from Transportation business in FY 2023-24

**Projects Under Execution:**

**AUNTA-SIMARIA ROAD PROJECT (ASRP)**

Welspun Enterprises is currently engaged in the six-laning project from Aunta in Patna district and Simaria in Begusarai district. This project notably features the construction of one of the widest extradosed bridge over the Ganga River, showcasing our commitment to infrastructure excellence and innovation.



**Key Highlights**

**₹ 1,574 Crore**

Bid project cost (with forecasted escalation)

**Reduction in travel time**

Shortest route to travel from Patna to Northeastern parts of India

**Asia's second widest extradosed cable-stayed bridge**

Being built as part of the project, demonstrating engineering excellence

**Specialized construction products utilized**

High performance concrete used to enhance durability of structures

**8.15 km**

Project length

**Progress**

- ~86% project complete, progressing well towards timely completion

### VARANASI-AURANGABAD ROAD PROJECT (VARP)

We have undertaken the six-laning of the Varanasi–Aurangabad section of NH-2, covering a total length of 192.4 km across Uttar Pradesh and Bihar. This is pivotal in enhancing connectivity between New Delhi and Kolkata, as well as linking key economic hubs with the rest of the country.

#### Key Highlights

**₹ 3,842 Crore**

Contract value

**One Hour**

Reduction in travel time between Varanasi & Aurangabad

**192.4 km**

Project length

#### Progress

- The project is progressing well, as per agreed schedules

**Linking Economic Hubs**

between New Delhi & Kolkata, viz. Kanpur, Varanasi, Aurangabad, and Durgapur

**Minimizing ecological impact**

by replacing natural soil with Pond Ash

**Dedicated to the Nation**

Uttar Pradesh section inaugurated and dedicated to the Nation by Hon'ble PM Shri Narendra Modi



### SATTANATHAPURAM-NAGAPATTINAM ROAD PROJECT (SNRP)

We are actively engaged in the Four-Laning of Sattanathapuram to Nagapattinam section of NH-45A (New NH-332) in Tamil Nadu. This project forms a crucial segment of the East Coast Road connecting Chennai to Kanyakumari.



#### Key highlights

**₹ 2,522 Crore**

Bid Project Cost (with forecasted escalation)

**30 minutes**

Reduction in travel time

**Enhancing connectivity**

Improves access to key ports such as Chennai, Tuticorin, Puducherry, and Cuddalore

**Facilitating tourism**

Enhances access to various educational institutions, pilgrimage centers and heritage sites

#### Progress

- The project is progressing well, as per agreed schedules

**55.8 km**

Project length



## Competitive Edge

# Advancing with Expertise and Experience

Our competitive edge lies in executing high value-added projects with sound project management capabilities. Our approach drives excellence and sets us apart in the market: leveraging our design and engineering capabilities, adhering to the highest quality and safety protocols, delivering best-in-class infrastructure projects and creating long-term impacts on stakeholders' lives. Moreover, our emphasis on digitalization enhances efficiency, further strengthening our market position.

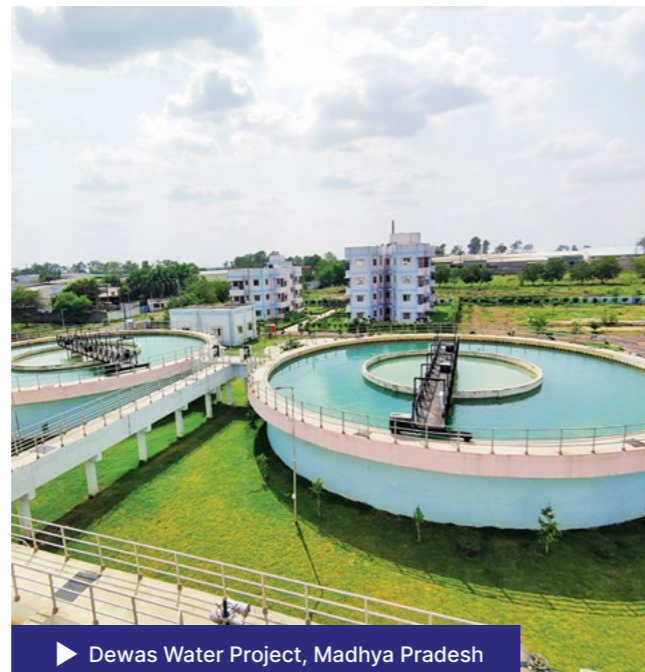
### OUR COMPETITIVE EDGE



### PROJECT MANAGEMENT

We lay great emphasis on Project Management encompassing planning, scheduling and monitoring to ensure timely completion within budget. We are leveraging the power of technology through our digital initiatives to obtain crucial information and ensure preparedness for critical activities. Our digital dashboards and Digital Twin are delivering real-time project insights, elevating them far beyond the conventional standard. This strategy has enhanced project management efficiency and decision-making, while optimizing costs and execution timelines. Our focus on Quality Assurance and Quality Control, Health & Safety and ESG initiatives have helped us minimize risks and environmental impacts, and have created a safe work environment at our construction sites.

- Asset-light business model to develop and nurture relationships with subcontractors, and focus on high-quality and cost-efficient execution for long-term success
- Efficient project monitoring and MIS through digital initiatives such as 5D BIM
- Strategic joint ventures to amplify our capabilities and reach
- Pre-bid tie-ups with industry leaders for specialized project scope
- Appointment of reputed design consultants on Design-Build projects
- Regular training of local subcontractors ensures effective project handling, optimizes costs and ensures timely execution
- Robust vendor and supplier network, well-defined risk management framework, and highly qualified project management teams handle complex projects and exceed customer expectations

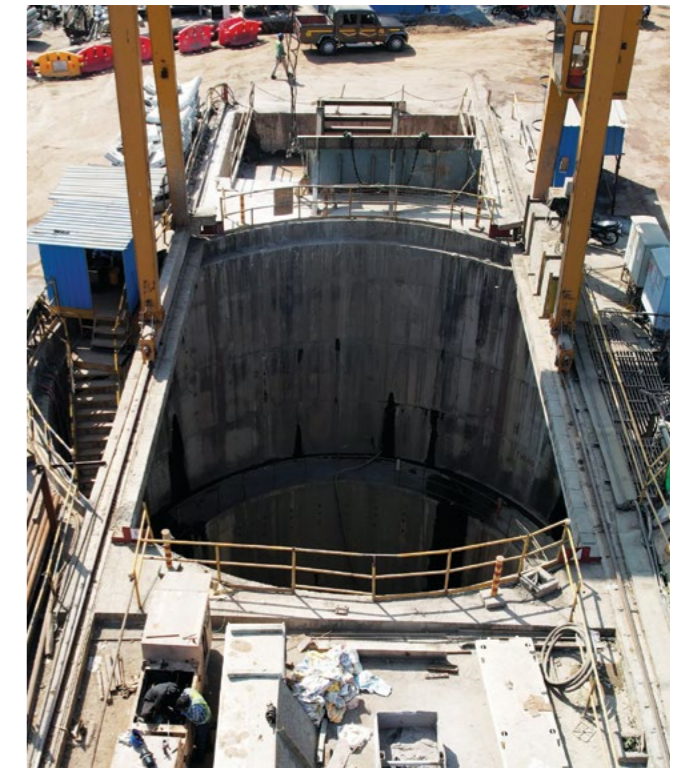


▶ Dewas Water Project, Madhya Pradesh

### DESIGN & ENGINEERING

Welspun Enterprises is dedicated to delivering exceptional design and engineering services through a multi-disciplinary approach that integrates cutting-edge technology and advanced software for analysis, design and detailing. Our in-house design capabilities are significantly strengthened through advanced design software and capacity augmentation. Our focus on end-to-end project execution ensures high-quality outcomes from the initial bidding phase to final commissioning.

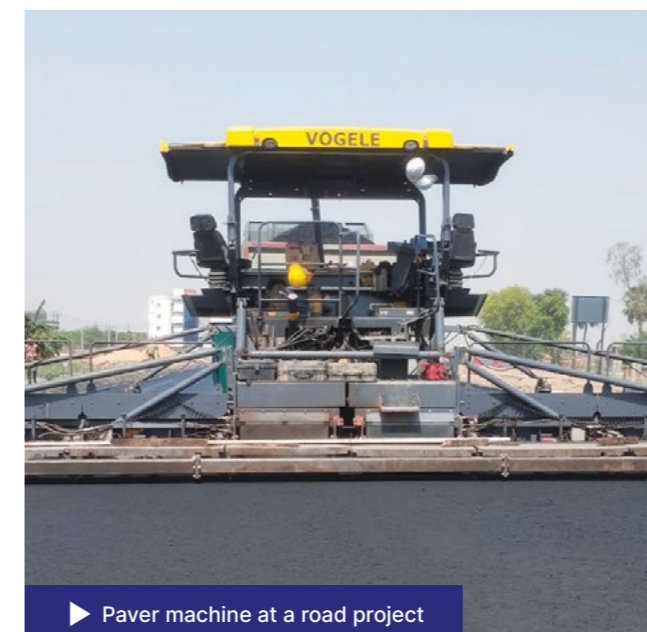
- Comprehensive design and engineering support throughout bidding, execution, and commissioning, backed by an experienced team of engineers and esteemed consultants
- Integration of advanced technologies, including 3D modelling, analysis software (such as CAESAR, STAAD, CFD, etc.), BIM solutions, drones and LiDAR, for precision engineering and superior project delivery
- Innovative engineering solutions and cutting-edge technology enhance project efficiency and accuracy, even in challenging conditions



▶ TBM launch shaft with 12 metre diameter, Dharavi Wastewater Treatment Facility

### QUALITY MANAGEMENT

Quality management is paramount throughout our project life cycle. This ensures infrastructure that withstands the test of time. Our commitment to the highest standards of quality enables us to consistently meet and exceed stakeholder expectations. This dedication is encapsulated in our "Continual Improvement" and "Operational Excellence" philosophy, through which we consistently refine our processes and systems to achieve superior performance. Our focus on skill enhancement ensures that our team remains at the forefront of industry standards, enabling us to deliver projects ahead of schedule while maintaining the highest quality standards.



▶ Paver machine at a road project

- Utilizing pre-start checklists and the "Maker-Checker" concept to achieve safe and high-quality work and minimizing the need for reworks
- Comprehensive evaluation, approval and monitoring of subcontracted services as per technical specifications and standards to ensure consistent quality
- Regular technical and skill upgradation training to enhance workmanship and quality
- Regular, rigorous audits to evaluate processes and analyze outputs, fine-tune processes and elevate quality benchmarks for continuous improvement
- Adoption of eco-friendly practices and materials like Fly Ash and Pond Ash to ensure high-quality, sustainable work

### PRIORITIZING SAFETY

We have developed a positive safety culture to promote HSE discipline, and implement the best safety management systems across our offices and project sites. The health, safety, and well-being of our employees influence every decision we make and form a fundamental golden thread running throughout the organization. This commitment enables us to build a strong HSE culture, integral to all our business processes.



▶ Personal Protective Equipment training at project site

- Adhering to the 'Making the Difference Safely' strategy to promote a safer and healthier work environment while fostering a positive safety culture
- Focusing on six key safety objectives – Simplicity, Accountability, Family, Excellence, Tech Savvy, and Yield Safely – for continuous improvement and business growth
- An efficient HSE team develops management systems, conducts audits, and provides training to support organizational functions
- Implementing safety training and risk-based skill development to create a secure, injury-free work environment and consistently reduce risks

### ENHANCING DIGITALIZATION

At Welspun Enterprises, enhancing digitalization is key to drive operational efficiency and innovation. By leveraging advanced digital tools and technologies, we streamline processes, improve project management, and deliver superior outcomes across all our projects.

- WEL Darpan and WEL Data Hub provide advanced data visualization and centralized data management, respectively
- Power BI and 5D BIM enhances project collaboration among cross-functional teams and real-time progress tracking
- WEL DMS ensures digital document management with advanced security, and Stithi 2.0 enables attendance marking through Geo-Fenced areas
- WEL MOM organizes, stores, and tracks meetings and action items, while WEL NFA streamlines budgetary and rate approvals with a secure process
- SAP serves as our ERP system, streamlining budgetary control, procurement processes and vendor payments



Environmental,  
Social and  
Governance

ESG

## Environment

# Our Journey towards Sustainability

As the infrastructure sector advances in transforming its operations, companies must integrate Environmental, Social and Governance (ESG) principles into their core strategies and effectively communicate sustainability achievements as a guiding tenet. At Welspun Enterprises Ltd. (WEL), we have embarked on a journey defined by our commitment to ESG principles. This journey began with the establishment of rigorous standards and practices aimed at embedding sustainability into every facet of our operations.



WEL has established systems and processes that enable more responsive and interactive operations. One notable initiative reflecting WEL's commitment is the inclusion of ESG training during induction. This program for new joiners aims to instill values and sensitivity towards environmental impact on a global scale.

One of the most complex challenges the team has addressed is data management at the site level. While we are still in the formative stages of establishing ESG frameworks in our business operations, ensuring seamless and trustworthy data flow is key.

We have expanded our ESG Champions program on-site and integrated these resources with the HSE team, who actively operate on project sites with enhanced access and control over the data. In addition to structurally managing data, the organization has developed an in-house tool specifically customized for data collection and collation.

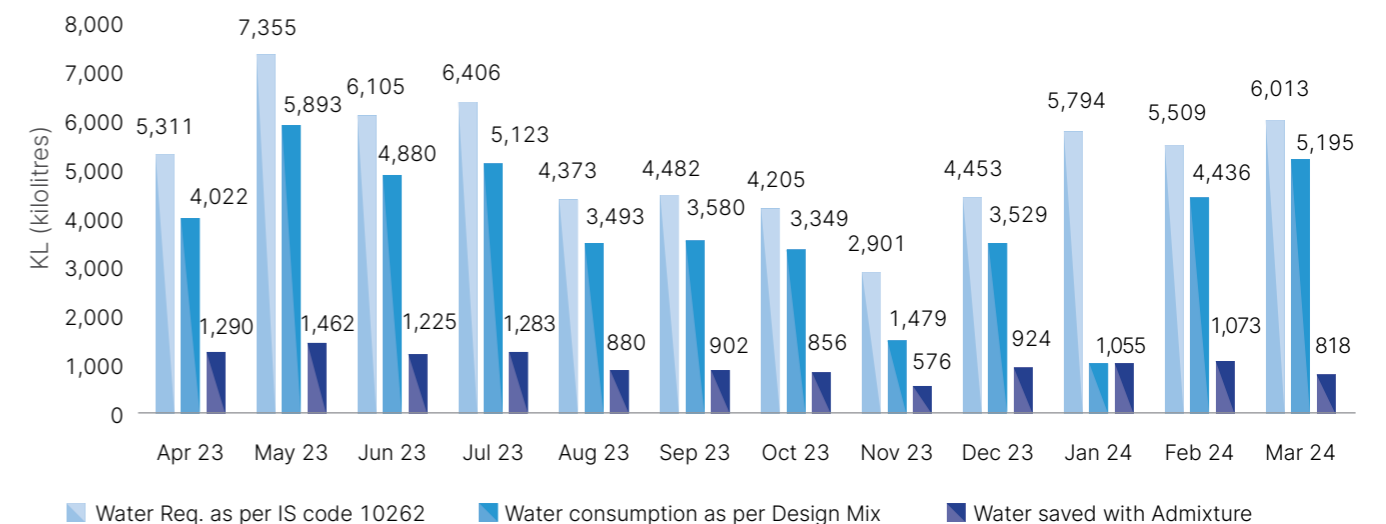
### DRIVING SUSTAINABLE PRACTICES AND INITIATIVES

#### Water conservation via Admixture in concrete design mix

Continuing our efforts in water management for batching plants, we have enhanced our approach by implementing Poly Carboxylic Ether (PCE) based superplasticisers as chemical admixtures. These admixtures significantly enhance the strength and durability of concrete, leading to substantial water savings and contributing to our overall water conservation efforts.

By adopting these innovative materials and techniques, we are improving the quality and durability of our projects while also making a positive impact on the environment.

#### Water Saved based on Adopted Water Content in Approved Design Mix with Admixtures



#### Carbon Credit Feasibility

The Dharavi Wastewater Treatment Facility (WwTF) is a marquee project for WEL, featuring several firsts, including the optimization of land area through a multi-level treatment plant design and the use of 5D technology in its design and execution. Given the substantial amount of sewage treated at the site (418 MLD), our team has undertaken a significant initiative to conduct a thorough quantitative assessment of Carbon Credit feasibility. This effort not only exemplifies our commitment to sustainability but also underscores the prominence of Dharavi as a world-class facility.

The feasibility of the Dharavi WwTF is based on:

- **AMS.I.C. ver 18:** Thermal energy production with or without electricity
- **AMS-III.R.:** Methane recovery

These methodologies are in accordance with the accepted Clean Development Mechanism (CDM) methodologies.

#### Compensatory Plantation

As part of the Dharavi project, we have undertaken a compensatory plantation of 5,823 trees on the outskirts of Mumbai. This initiative ensures that the trees are managed and thrive during the construction phase. We have taken full accountability for the tree plantation, ensuring that by the project's completion, the trees survive and grow to their full potential. This effort aims to appropriately sequester any carbon loss through targeted plantation, with project teams held accountable for the success and growth of these trees.



## Human Resources

# Building an Inclusive People Culture

Our people are our pride and embody the spirit of nation-building. We are committed to nurturing our employees in an environment that is diverse and empowers creativity and innovation. Our diverse footprint across the country reflects our commitment to enriching communities, guided by our unwavering values and passion for sustainable growth. Our goal is to create a better tomorrow for future generations, and we share our employees' sense of pride in their contributions towards building our nation.

1,200+

Total Employees

### GREAT PLACE TO WORK

We have been ranked 37<sup>th</sup> among India's Top 100 Great Mid-size Workplaces for 2024 and have also earned the coveted "Best in Industry: Construction & Infrastructure" and "Best Workplace for Millennials" accolades, bestowed by the Great Place to Work<sup>®</sup> Institute. These milestones are a testament to the hard work, dedication, and positive ethos embodied by each member of our organization, reflecting our commitment towards cultivating a culture of excellence.



### LEARNING – INNOVATION – TRUST – ENDURANCE: OUR COMPASS TOWARDS EXCELLENCE

We live by a set of fundamental core values called LITE, that define who we are and how we operate. These values form the very core of our existence, shaping our every decision and action, and guiding us toward a future of excellence and distinction.



### KEY INITIATIVES UNDERTAKEN

In our journey to build a future-ready organization, we, at WEL, are focused on providing ample opportunities for employees to reach their full potential, leveraging technology for strategic HR management, and championing Diversity, Equity, and Inclusion (DEI).

### CUSTOMIZED LEARNING & DEVELOPMENT JOURNEYS

We offer tailor-made development programmes, E-learning platforms, internal job rotation, and career progression opportunities to help employees chart their career paths in line with their aspirations and the organization's goals.

- **Group Leadership Programme:** Comprehensive training and mentorship for visionary leaders to drive impactful change within teams and organizations
- **Dhruv:** Leadership Excellence Development journeys to build future-ready leaders through self-discovery workshops, individual development plans, and action learning projects
- **Urja:** Individual Excellence Competency development programme focusing on strategic thinking and people management for career advancement

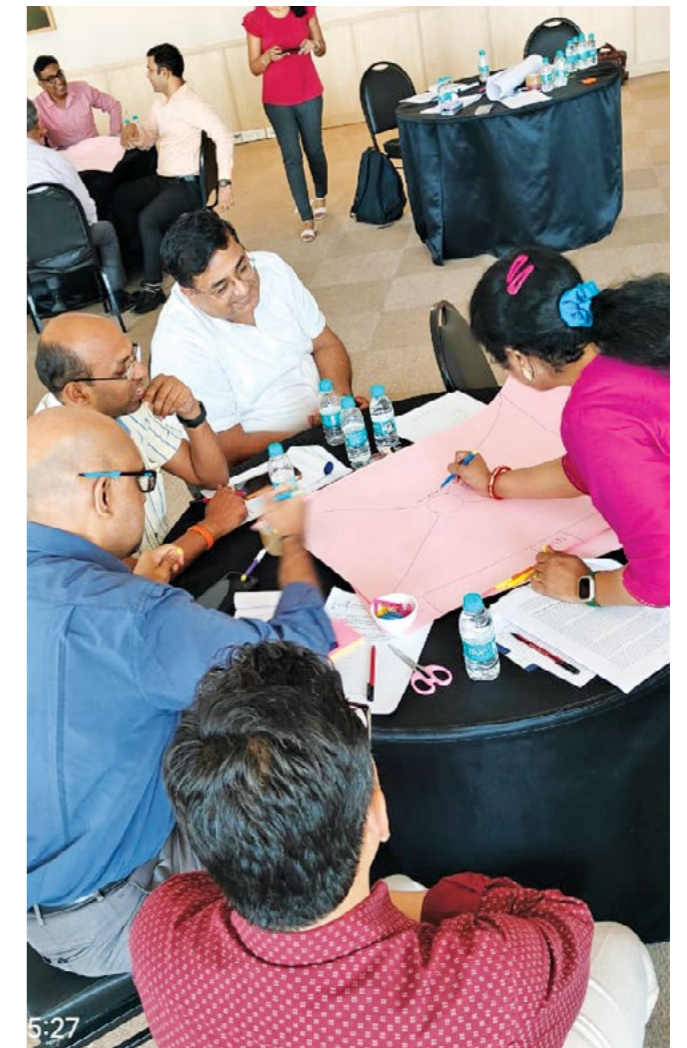
- **Strengthening On-ground Execution:** Onboarded and trained B.Sc. graduates to streamline non-technical aspects, allowing project engineers to focus on value-added activities
- **Project Management & Technical Competency Building:** Customized workshops facilitated by industry subject matter experts
- **Learnovate and WeLearn:** Online workshops and E-learning platforms that aid in holistic professional development

91%

Training coverage

1.75

Training person-days per person



### WELDONE AWARDS AND RECOGNITION PROGRAMME

Our R&R platform, "WELDone", recognizes individuals and teams who uphold our LITE values and demonstrate excellence. This platform helps motivate employees towards optimal performance levels while staying true to the Welspun culture. It includes annual awards and spot awards.



### FOCUS ON TECHNOLOGY AND INNOVATION

Whether it is talent acquisition and onboarding, lifecycle management, employee engagement, real-time data analysis, or the automation of routine HR tasks, Welspun Enterprises has made several processes seamless and robust through technology integration, allowing teams to focus on strategic HR initiatives.

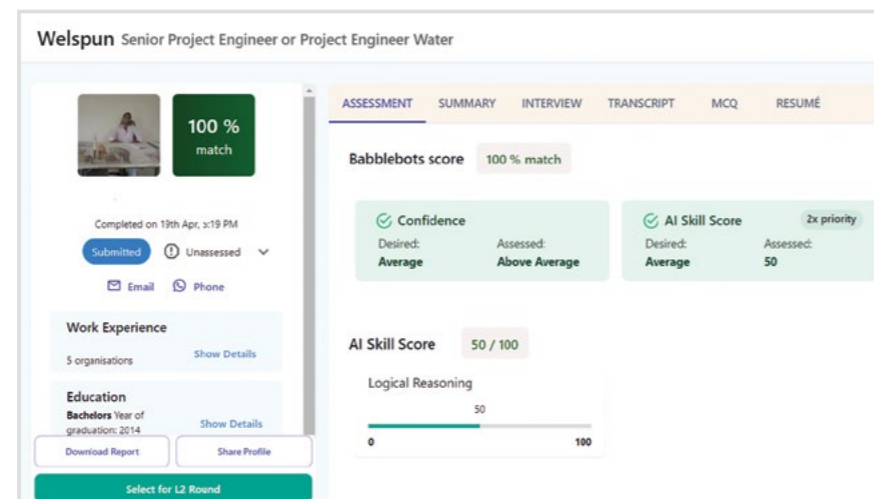
- **Recruitment and Talent Acquisition:** Automated tools and bots assist with candidate sourcing, resume screening, initial interactions with potential candidates, interview scheduling, and processes to assess candidate suitability
- **Surveys and Sentiment Analysis:** An AI chatbot evaluates employee feedback and sentiments from surveys to gain real-time insights and assess satisfaction levels, thereby strengthening a culture of trust and transparency

- **Chatbots for HR Services:** Chatbots equipped with natural language processing assist employees with HR-related queries, provide policy information, and guide them through various HR processes
- **HR Analytics and Reporting:** AI-powered analytics tools process vast amounts of HR data

to generate insights on workforce demographics, turnover rates, and more, facilitating data-driven decision-making

**47%**

Hiring success rate from AI-assisted interview process



### DIVERSITY, EQUITY, INCLUSION (DEI)

We are promoting diversity of thought through varied experiences to accommodate the interests of diverse groups and build an equitable organization.

- Acknowledging the importance of fostering an inclusive workplace, we have conducted an extensive DEI audit to understand our current standing based on the Global Diversity Equity and Inclusion Benchmark (GDEIB). This audit is helping us understand gaps and formulate diversity targets
- We are actively evolving our policies and practices to promote diversity at all levels and create an inclusive culture within our organization

- We are holding regular DEI awareness workshops to enhance understanding and acceptance
- The 'Women of Welspun' community empowers women within Welspun, providing opportunities for skill-building, leadership training, and career advancement
- We have made efforts to induct employees from historically marginalized communities such as LGBTQIA+ and PWD



### EMPLOYEE ENGAGEMENT

Creating a joyful and vibrant workplace is paramount at WEL, and our initiatives are designed to energize teams, foster collaboration, promote wellness, and positively impact society at large.



# Corporate Social Value

## Prioritizing Community Upliftment

We remain committed to improving education, empowerment, environment and health, striving to elevate the quality of life in and around the communities we operate in. Our steadfast dedication to sustainable development ensures that we balance the needs of the present with those of the future in all our endeavors.



WelShiksha offers a Youth Learning Centre equipped with an in-house library, enabling rural youth to prepare for government jobs and central/state university exams from the comfort of their villages through self-study. Additionally, we conduct Spoken English sessions aimed at ITI and college students, enhancing their employability prospects upon graduation/course completion.



**6**  
Youth learning centres established

**250+** Villages covered    **790+** Smart Classrooms

**3,000+** Teachers trained

**1,80,000+** Students reached



WelNetrutva aims to empower rural women by creating sustainable livelihoods within their villages. Through life skills, EDP, and specialized skill training, beneficiaries are equipped to successfully manage village enterprises. We enhance their knowledge with exposure visits and ensure market linkages for continued growth and prosperity.



**370+** Women entrepreneurs supported

**120+** Villages covered

**71,000+** Beneficiaries



The WelSwasthya project aims to provide comprehensive healthcare to underserved rural and remote communities, focusing on preventive care, curative interventions, health education, and regular services through community camps and mobile units to enhance overall health, economic stability, and well-being.



**165+** Villages covered

**3,17,000+** Beneficiaries



WelKrishi facilitates collaboration with farming communities across states to educate farmers, improve crop yields, and provide access to government schemes and support, aiming to enhance productivity.



**1,19,600+** Beneficiaries



### WELSPUN SUPER SPORTS WOMEN PROGRAM

The Welspun Super Sports Women Program empowers female athletes from underprivileged backgrounds to excel in sports and drive positive change. With over 600 medals across 20+ sports disciplines, achieved by 50+ athletes, we are dedicated to nurturing their potential, fostering future leaders, and creating role models for our nation.



**50+** Athletes

**600+** Medals

**20+** Disciplines



WelSuraksha is dedicated to reducing road accidents and enhancing emergency response by providing road safety awareness and certified training programs for communities near highways. Our initiative is targeted to fostering a culture of safety and responsibility, continually expanding its reach to empower more communities with the skills to prevent accidents and respond effectively in emergencies.



**1,38,000+** Community members impacted



Welspun's green initiatives focus on mitigating climate change and preserving the environment for a sustainable future. Our efforts include expanding watersheds, planting trees, organizing beach clean-ups, and leading cleanliness campaigns such as Swachh Bharat. Additionally, we undertake projects like pond deepening and community garden development, revitalizing Dustbin to Govt schools to embrace nature conservation efforts.



**8,300+** Trees Planted



WeVolunteer embodies our organization's commitment to supporting and inspiring employees to contribute to their communities for mutual benefit. This initiative underscores our dedication to nurturing and empowering the communities we are a part of. Through these efforts, we aim to make a positive impact and strengthen relationships within the areas we serve. Our commitment to volunteerism reflects our core values and enhances our role as responsible corporate citizens.



**4,500+** Employees engaged

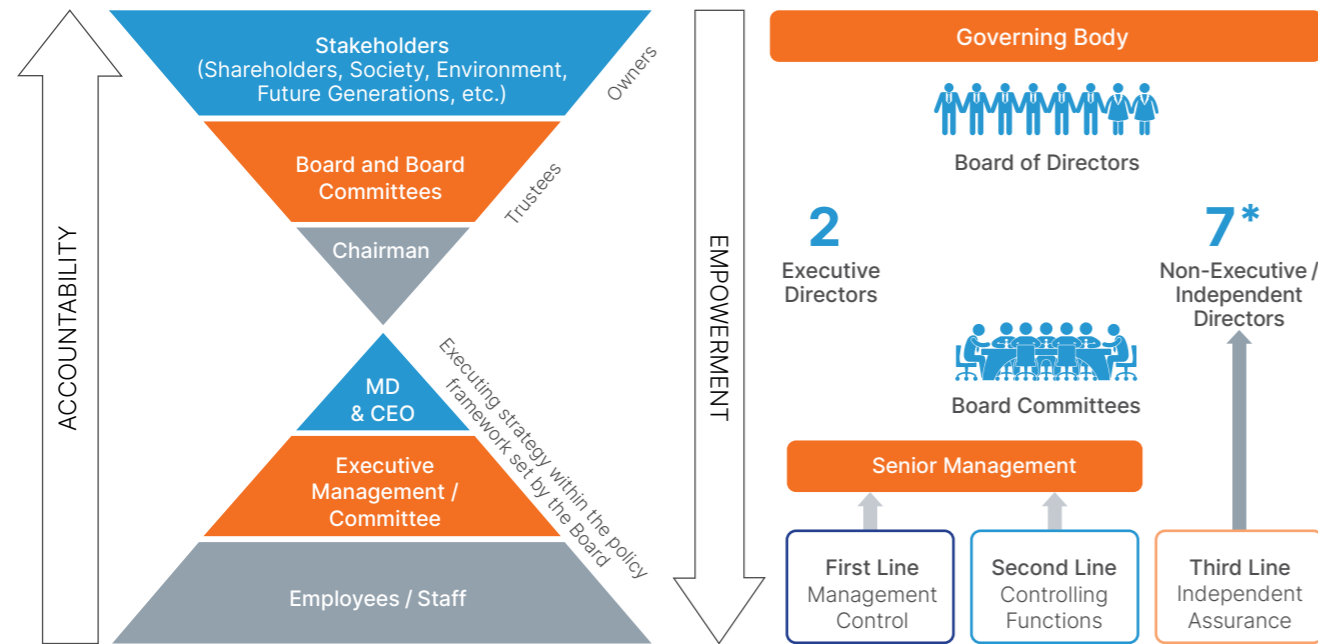
**9,200+** Volunteering hours

# Governance

## Our Organizational Structure

### CORPORATE GOVERNANCE STRUCTURE

Inculcating the three lines of defence culture



\*As on March 31, 2024

### OUR GOVERNING POLICIES

- 1 Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- 2 Related-Party Transaction Policy
- 3 Policy on Board Diversity
- 4 Health, Safety & Environment Policy
- 5 Code of Conduct for Board and Senior Management
- 6 Fraud Prevention Policy
- 7 Policy for Governance of Material and other Subsidiaries
- 8 Whistle Blower Policy and Vigil Mechanism
- 9 Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders
- 10 Nomination and Remuneration Policy
- 11 POSH Policy
- 12 Investment Policy
- 13 CSR Policy
- 14 Policy on Investors' Grievance Redressal Mechanism
- 15 Risk Management Policy
- 16 Records and Archives Management Policy
- 17 Ethics and Compliance Policy
- 18 Policy on Determination of Materiality of Events or Information
- 19 Dividend Distribution Policy

### HIGHLY ENGAGED AND DIVERSE BOARD

9

Board of Directors

7

Number of Board Meetings held in FY 2023-24

89%

Board Attendance in FY 2023-24

64.77 years

Average age of the Board members

4-5 years

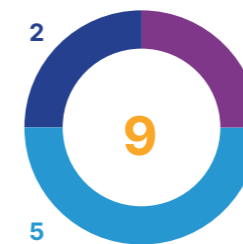
Average tenure of Board of Directors



A dedicated Board Strategy Meeting

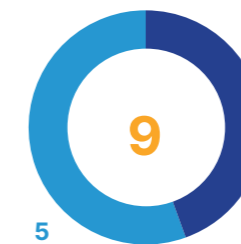
The above details are provided as on March 31, 2024.

#### BOARD INDEPENDENCE



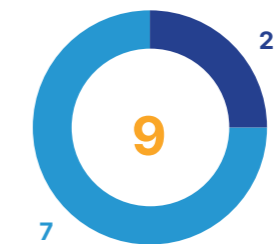
- Non-Executive, Non-Independent Directors
- Independent Directors
- Executive Directors

#### INDUSTRY EXPOSURE



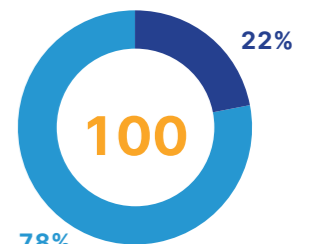
- 20-30 years
- 30-40 years

#### AGE PROFILE



- 50-60 years
- >60 years

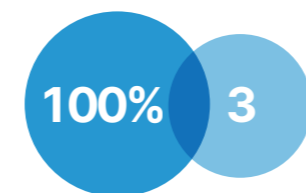
#### DIVERSITY



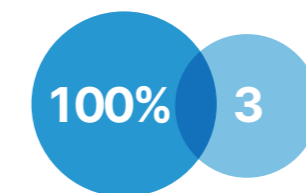
- 50-60 years
- >60 years

### BOARD COMMITTEES

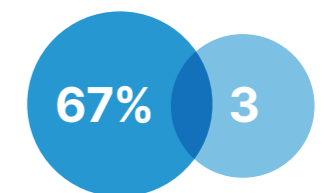
#### Audit Committee



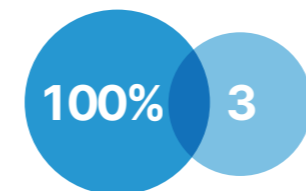
#### Stakeholders' Relationship Committee



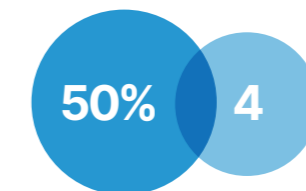
#### Risk Management Committee



#### Nomination & Remuneration Committee



#### Corporate Social Responsibility Committee



- Independence
- Members

**FY 2023-24 HIGHLIGHTS**



**BOARD ROOM INSIGHTS**



**CODE OF CONDUCT GUIDE – NAVIGATING ETHICAL CHOICES**

At Welspun, our Code of Conduct (CoC) Campaign is integral to fostering a culture grounded in ethical practices. Through this initiative, we aim to create a workplace defined by integrity, ensuring that our corporate values are consistently upheld. The campaign reflects our steadfast commitment to maintaining high ethical standards in all our operations.

**Key initiatives include:**

- Comprehensive CoC training for all employees through e-learning modules, workshops, and interactive sessions
- Regular updates via newsletters to keep ethical behavior top-of-mind
- Prominent display of posters and signage across all company locations to reinforce core principles



- A strong feedback system that allows employees to ask questions and anonymously report concerns
- Hosting a CoC Awareness month to engage and educate employees on ethical conduct



**GROUP GOVERNANCE**

At Welspun, we have established a clear and robust governance structure that is integrated throughout the Group. We operate as a cohesive entity within a broader corporate ecosystem.

**EXTENDING POLICIES TO GROUP COMPANIES**

Several of the Company's policies extend to the Group Company level, aligning our objectives throughout the Welspun Group. This enhances oversight and promotes improved governance practices thereby, ensuring transparency, accountability, and adherence to ethical practices.

**DIRECTORS' INDUCTION AND FAMILIARIZATION PROGRAMME**

We are committed to providing a comprehensive induction programme for new Directors and continuous insights for the existing ones, as provided hereunder:

- 1 Presentations by the MD and Senior Management**
- 2 Visits to project sites and meetings with project and functional heads**
- 3 Circulation of the Company's policies, charters, and annual reports**
- 4 Regular updates on statutory changes, market trends, and Company performance at Board and Strategic Meetings**

**KEY GOVERNANCE HIGHLIGHTS DURING THE YEAR**



Amendment to penalty matrix forming part of Code of Conduct for prevention of Insider trading



Appointment of Mr. S Madhavan as a Lead Independent Director w.e.f. April 01, 2024



Elevation in the role of COO to CEOs under transportation and water verticals in line with Company's strategy for growth and succession planning



Re-constitution of various mandatory Board Committees for strengthening independence

**KEY GOVERNANCE MONITORS**



**Board of Directors**

Our diverse and seasoned Board of Directors delivers sharp oversight, strategic counsel, and independent assessment rooted in integrated thinking.

They define the Company's strategic direction, track performance, manage risks, and uphold accountability and policy compliance.

Read more about our Board of Directors at Point No. 15 of Directors' Report.



**Auditors**

Our audit framework comprises Statutory Auditors, Secretarial Auditors, Cost Auditors, and Internal Auditors. The Company also collaborates with external agencies for due diligence and assignment-based reviews.

Read more about our Auditors at Point No. 7 of Directors' Report.



# Awards and Accolades



Top Challenger 2022-23 award, Construction World



Outstanding Contribution in Urban Infra award for Dewas Water Supply project, EPC World



NHAI recognizes all completed road projects in e-Coffee Table Book - '75 Milestones of Highway Development'



Best Employer Brand 2023 award, World HRD Congress



Ranked 37<sup>th</sup> among India's Top 100 Great Mid-size Workplaces; Best in Industry for Construction & Infrastructure, by Great Place To Work



Excellence in Sports CSR, India CSR Leadership Awards 2023



Construction HSE award and Artisans & Supervisors award, CIDC Vishwakarma Awards 2024



Gold 4-Star Road Safety award by World Safety Organization



Excellence in Road Safety - Construction award, OSH India Awards 2023



# Management Discussion and Analysis



FY 2023-24 has been a year of significant progress, underscored by the landmark achievements of securing the contract to construct a 2,000 MLD Water Treatment Plant in Bhandup, Mumbai and the seamless integration of Welspun Michigan Engineers Limited. Driven by strategic diversification and efficient capital deployment, this period saw a 58% surge in EBITDA on a consolidated basis. We have entered FY 2024-25 with our highest-ever consolidated order book of ₹ 13,800 Crore – more than four times our consolidated revenue for FY 2023-24. With a robust order book & bid pipeline across our businesses, a cash-rich balance sheet and an asset-light business model, backed by a competent team of professionals, we are well-positioned to achieve value-accretive growth and further enhance shareholder value in the coming years.

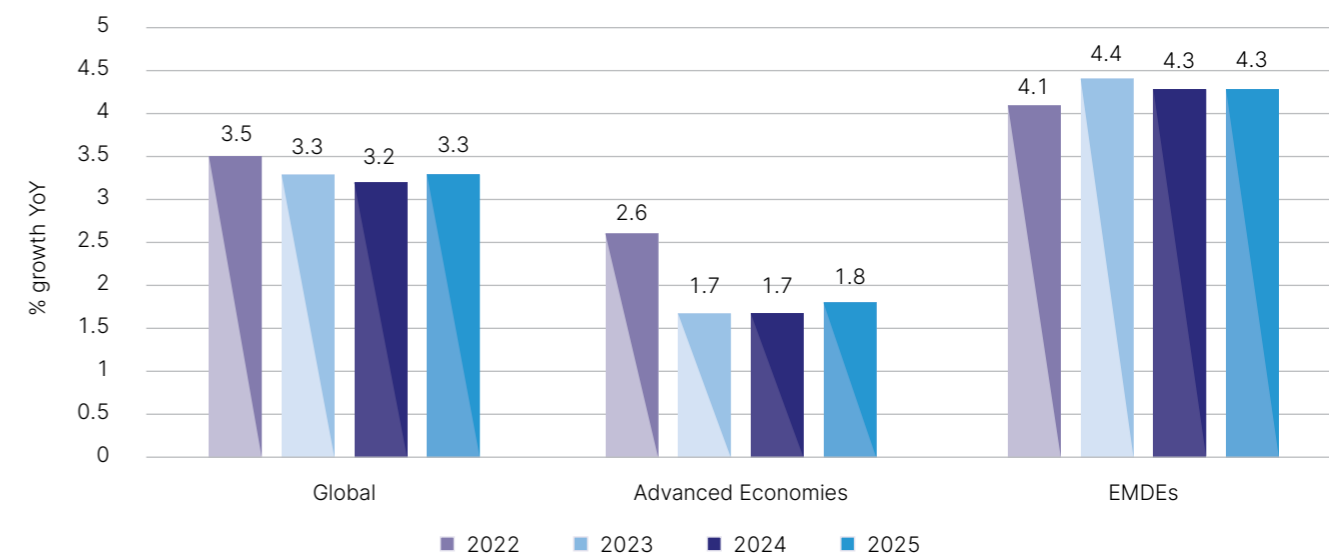


Mr. Sandeep Garg  
Managing Director

## ECONOMIC OVERVIEW

### Global Economy

In 2023, the global economy grew by 3.3%, amidst an uncertain environment with persisting geopolitical tensions and global energy crisis led by various sanctions. This growth reflects inherent resilience which is expected to maintain pace in 2024 and 2025. Advanced economies witnessed robust growth and a declining trend in overall inflation, despite many central banks continuing to maintain tight monetary policy. Supply chain issues resolved globally, leading to decline in inflation from the peaks of 2022. With normalcy returning on the supply side, global economic growth picked some pace, despite central banks raising interest rates to stabilize prices.



Growth in advanced economies is expected at 1.7% in 2024 and 1.8% in 2025. The emerging markets and developing economies (EMDEs) are expected to maintain a growth of 4.3% in both 2024 and 2025. EDMs continue to face pressure from high public debt and unstable inflation rates.

Headline inflation is expected to decline from 6.87% in 2023 to 5.9% in 2024 and 4.4% in 2025. Though global growth is expected to maintain its growth momentum, it faces challenges from rising interest rates and new price spikes due to geopolitical conflicts like the Russia-Ukraine war, the Red Sea crisis and the Israel-Palestine conflict. To resolve global issues like climate change, transition to green energy and debt restructuring, various economies will need to establish a common ground and work for the larger good.

Source: World Economic Outlook-IMF, July 2024

**INDIA ECONOMY**

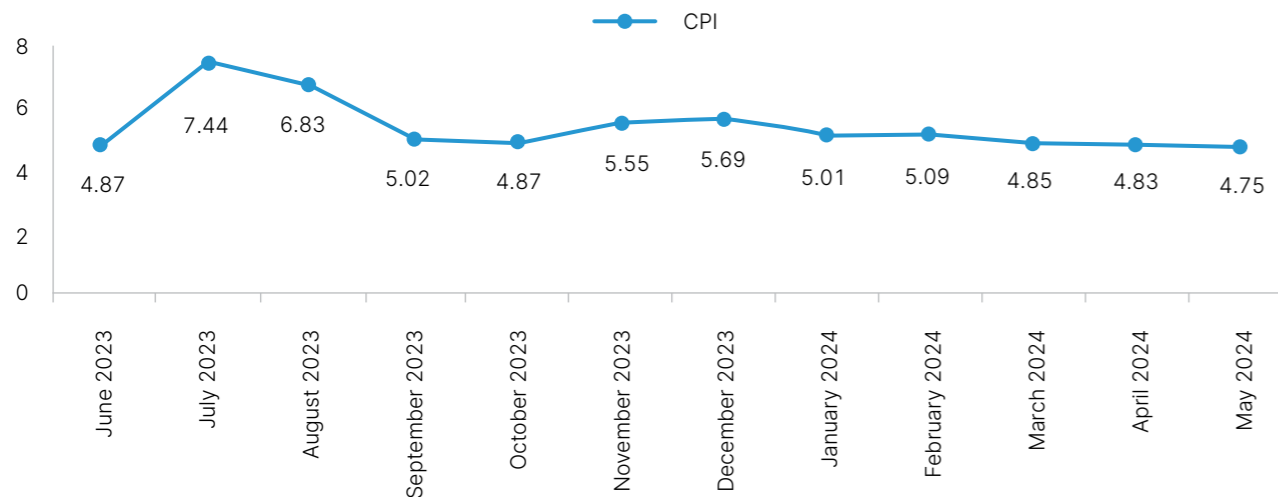
Amidst challenging global economic scenario, India continued to be the fastest growing major economy.

India exhibited strong resilience in FY 2023-24, primarily driven by strong government push for infrastructure, digitalization, ease of doing business, inclusive growth, and improved quality of fiscal spending. India emerged as the fifth-largest economy surpassing UK and is well poised to reach the third spot by 2027 overtaking Japan and Germany.

Due to factors like El Niño, monsoon got delayed in 2023 and rainfall over the country as a whole during monsoon season (June-September) 2023 was 94% of its long period average (LPA). According to provisional estimates by National Statistics Organisation (NSO), the economy grew at 8.2% in FY 2023-24, higher than the 7% growth seen in FY 2022-23. This acceleration in growth is aided by increased investment, robust consumption growth, improved business sentiments and the robust financial positions of banks and corporations.

Inflation remained within the Reserve Bank of India's (RBI) target range led by fiscal tightening. Since September 2023, the general Consumer price index (CPI) has been less than 6% coming in at 3.54% in July 2024.

**INFLATION TREND BASED ON ALL INDIA GENERAL CPI**



RBI has made continuous efforts to maintain the inflation within its target range of 2-6%. The National Sample Survey Office (NSSO) indicates a significant increase in monthly household consumer spending in India with consumption in rural areas growing faster than in urban areas, thereby narrowing the gap. Inflation is expected to be controlled and remain within RBI's target as food prices normalize and government measures like banning exports increase the supply of key commodities.

As per World Bank, the Indian GDP growth is estimated at an average of 6.7% over FY 2024-25 and FY 2025-26. The growth is primarily attributable to robust activity in services and industry, rapid increase in investment and government consumption. In June 2024, India's final manufacturing, services and composite purchasing managers index (PMI) stood at 60.9, higher than the global average of 52.1, indicating robust economic expansion. Financial conditions in India have remained accommodative amidst global challenges.

Investments in upgrading infrastructure and connectivity, including projects like the Bharatmala highway programme, the Sagarmala project for port-led development and the Smart Cities Mission, are transforming the country's landscape and playing a pivotal role in economic advancement. India's journey towards becoming a developed nation by 2047 hinges significantly on improving its infrastructure. Government remains committed to pushing infrastructural development in the country in collaboration with private players. To encourage private participation and to optimize the working capital requirements, the government is looking to promote viability gap funding. For better development of state infrastructure, long-term interest-free loans have been proposed for state governments. To incentivize private and foreign investment in infrastructure projects, it is essential to address the procedural delays and regulatory hurdles associated with land acquisition and litigation issues, and introduce streamlined processes. In the past 4 years, there has been a massive tripling of the capital expenditure outlay which has resulted in a huge multiplier impact on economic growth and employment creation.

Source: Press Information Bureau, National Statistics Office, World Bank's report titled Global Economic Prospects – June 2024, Invest India, World Economic Forum

**INDUSTRY OVERVIEW**

**Infrastructure**

India has embarked on an ambitious journey to revolutionize the infrastructure landscape, aiming to bolster economic growth, enhance connectivity, and improve the quality of life for its citizens. Infrastructure development is crucial to achieve the India 2047 vision for a US\$ 40 trillion economy and be reclassified from a developing economy to a developed economy by 2047. In the past decade, several transformative initiatives have been undertaken with a focus on modernizing transportation networks, upgrading urban amenities, and expanding digital infrastructure. Spanning from highways, railways, metros, airports, to waterways and ropeway systems, government has left no stone unturned to fostering inclusive and sustainable development across the nation.

India has achieved significant milestones in infrastructure development, including the inauguration of the Atal Tunnel, the world's longest highway tunnel situated at a height of over 10,000 feet above sea level, and the construction of the world's highest railway bridge, the Chenab Bridge. Additionally, India has set records by unveiling iconic landmarks like the Statue of Unity – the world's tallest statue and embarked on transformative projects like the Zojila Tunnel, Asia's longest tunnel, for all-weather connectivity in Ladakh. Other monumental marvels include the architectural excellence of the Atal Setu in Mumbai, Bogibeel Bridge over Brahmaputra, Dhola-Sadiya Bridge in the northeast.

The Bharatmala Pariyojana, aimed at optimizing the efficiency of the movement of goods and people across the country, has helped India achieve great strides in economic corridor development and expressways. About 8,000 km of Inter State Corridors and about 7,500 km of Feeder Routes have been identified to improve effectiveness of Economic Corridors, Golden Quadrilateral (GQ) and North-South an East-West (NS-EW). Under Bharatmala Pariyojana, 25 Greenfield high-speed corridors have been envisaged for development, of which, 20 are completed or under various stages of implementation.

A network of 35 Multimodal Logistics Parks (MMLP) is planned to be developed as part of Bharatmala Pariyojana, with a total investment of about ₹ 46,000 Crore, capable of handling around 700 million metric tonnes of cargo. These Multi-Modal Logistics Parks shall serve as regional cargo aggregation and distribution hubs for various industrial and agricultural nodes, consumer hubs and EXIM gateways such as seaports with multi-modal connectivity. In certain cases, the MMLPs are also being developed in tandem with the Inland Waterway Terminals under the Sagarmala Pariyojana to further reduce the cost of inland cargo movement at a much larger scale as compared to conventional road-based movement.

The National Infrastructure Pipeline (NIP) is a first-of-its-kind government initiative to provide world-class infrastructure pan India with the help of all states and union territories and 22 infrastructure ministries. NIP was launched with 6,835 projects, both brownfield and greenfield, and has expanded to capture over 9,288 projects with a total outlay of around ₹ 110 lakh crore over 2020 and 2025. Overall, NIP investments are concentrated in five major sectors – roads, railways, renewable energy, affordable housing and irrigation. NIP is aimed at improving the backbone of economic development with a view to achieve seamless working and productivity in various business sectors and India's ambitious goal to be a US\$ 5 trillion economy by 2025.

Under PM Gati Shakti - National Master Plan for multimodal connectivity, integrated planning and coordinated implementation of infrastructure connectivity projects is being undertaken for all the projects, including Railways and Roadways, having total capital cost of over ₹ 500 Crore. As on February 2024, 5 Expressway projects spanning 2,489 km, were under various stages of development under PM-Gati Shakti Scheme.

Water resources in India are under constant pressure owing to population growth and rapid urbanisation. With the increasing government focus on water supply, more cities are now implementing projects for 24x7 water supply. Many government programmes like AMRUT and the Jal Jeevan Mission aim to provide 24x7 water supply in the country. Several urban local bodies are also undertaking projects related to round-the-clock supply of water.

The sewage and wastewater treatment market in India is still evolving, with 50-60 per cent of the country's wastewater undergoing treatment. The government has launched various programmes, such as the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and Namami Gange, to enhance the country's sewage and wastewater treatment infrastructure. Many new projects are being undertaken to increase sewerage capacity. According to India Infrastructure Research, as of March 2024, more than 460 projects with a combined capacity of around 16,500 mld are planned in the wastewater segment in the coming years in India.

The demand for industrial water in India has witnessed a significant increase. Besides freshwater sources, industries are exploring alternative sources, such as recycled wastewater and desalination, to meet their growing demand. Industries are making concerted efforts to utilise water judiciously to mitigate the risk of future water shortages. The installation of captive zero liquid discharge (ZLD) plants is gaining momentum. Wastewater reuse projects for industrial and non-potable applications have reduced reliance on freshwater.

Digitalisation is emerging as a key solution for achieving water resilience and improving operational efficiency in water management. Many cities are increasingly using technology solutions like SCADA, internet of things (IoT), GIS systems, artificial intelligence, digital twins and satellite surveillance for monitoring, collection and treatment systems. This is expected to facilitate holistic planning of infrastructure and allocation of resources effectively.

**Source:** MoRTH Annual Report 2023-24, Press Information Bureau, Care Research, Indian Infrastructure

## BUDGET 2024-25 HIGHLIGHTS FOR INFRASTRUCTURE SECTOR

Infrastructure has been a vital part of the fast-paced economic development witnessed in India in the past decade. Government is focussed and committed to investing in infrastructure development which is expected to play a crucial role in transforming India to a developed nation from a developing nation. In the Budget, the infrastructure sector was allocated about 20% of the total planned expenditure for FY 2024-25:

- The infrastructure sector was allocated ₹ 11.11 trillion (3.4% of GDP), 11% higher than the previous year's allocation of ₹ 10 trillion, which indicates the government's focus on the road sector and enables the Ministry to meet the completion targets for the Bharatmala and the NIP
- MoRTH was allocated ₹ 2.78 trillion. Up 2.8% than ₹ 2.70 trillion allocated in 2023-24 (BE). As per the revised estimates, MoRTH is likely to spend around ₹ 2.76 trillion in 2023-24

- NHAI allocation increased 3.9% to ₹ 1.68 trillion from ₹ 1.67 trillion in 2023-24. The internal and extra budgetary resources (IEBR) for NHAI in 2024-25 remain zero for the third year in a row
- The Ministry of Jal Shakti (MoJS) received an allocation of ₹ 984 billion, up 2% YoY. Of the total allocation, an outlay of ₹ 699 billion was for the Jal Jeevan Mission/ National Rural Drinking Water Mission and ₹ 72 billion for the Swachh Bharat Mission (Gramin)
- Central government along with states and multilateral development banks will jointly promote urban infrastructure projects, including water supply & sewage treatment projects in 100 large cities
- Railways was allocated ₹ 2,554 billion, up 5% YoY
- Expediting expansion of existing airports and development of new airports under the UDAN scheme
- The Phase IV of PMGSY will be launched to provide all-weather connectivity to 25,000 rural habitations which have become eligible in view of their population increase
- Proposed the creation of twelve industrial parks under the National Industrial Corridor Development Programme
- Under the PM Awas Yojana Urban 2.0, housing needs of 10 million urban poor and middle-class families will be addressed with an investment of ₹ 10 trillion which will include central assistance of ₹ 2.2 trillion in the next 5 years

The increased allocation to the infrastructure sector signifies the importance of infrastructure sector in India's 2047 Vision of a developed nation.

**Source:** MoRTH Annual Report 2023-24, Press Information Bureau, Care Research

## WATER INFRASTRUCTURE

The per capita water availability in India is reducing due to increasing in population burden. According to the Central Water Commission, the average annual per capita water availability for year 2021 and 2031 has been assessed as 1,486 cubic meter and 1,367 cubic meter respectively. Annual per-capita water availability of less than 1,700 cubic meter is considered as water-stressed condition whereas annual per-capita water availability below 1,000 cubic metres is considered as a water scarcity condition.

Atal Mission for Rejuvenation and Urban Transformation (AMRUT) was launched in 2015 in selected 500 cities, covering around 60% of Urban Population, and towns across the country to provide piped water supply and increase



▶ Solar panels at Jal Jeevan Mission project, Uttar Pradesh

the sewerage coverage in these cities. Further AMRUT 2.0 was launched in 2021, focusing on providing functional tap connections in all statutory town and sewerage and septage coverage in 500 AMRUT cities. The number of households in statutory towns as per census 2011 were around 6.70 Crore, and around 49% households were connected with tap connections. There has been increase in urban population due to addition of new statutory towns and increase in population within the existing urban areas. As reported by the States in 2018, around 24 Lakh new/serviced tap connections were added in AMRUT cities taking percentage coverage to around 54.5% in these cities. By the end of 2023, under AMRUT, 1.87 Crore new/serviced tap connections have been provided with 70% urban households having access to piped water supply. In Sewerage sector, in AMRUT cities, there has been a substantial rise in sewerage/septage coverage from 1.47 Crore (around 31%) in 2015 to 2.94 Crore in 2023. Presently, around 42% urban households have access to sewerage/septage facilities. The enhanced supply of safe drinking water has decreased the disease load owing to availability of safe drinking water within the house premises thereby, improving quality of life.

Following a decline in spending on drinking water related schemes from FY 2015-16 to FY 2018-19, expenditures on such initiatives saw an upward trend since FY 2019-20. Jal Jeevan Mission (JJM) was launched in 2019, aimed to ensure access to adequate supply of drinking water for

every rural household by 2024 for an outlay of ₹ 3.6 lakh crore, through Functional Household Tap Connections (FHTCs). Out of a total of 19,26,75,600 target households, approximately 16.8% had tap water connections, as of August 2019. Substantial progress has been made since then, with tap water connections reaching 14,21,22,013 households, which is 73.76% of the total coverage under the mission, as of January 30, 2024.

To ensure optimum utilization of water, Pradhan Mantri Krishi Sinchayee Yojna (PMKSY) has been implemented since FY 2015-16. Under PMKSY-Accelerated Irrigation Benefit Programme (AIBP), 99 ongoing major/medium irrigation projects and 7 phases were prioritized during FY 2016-17, in consultation with States, out of which AIBP works of 58 prioritized projects have been reported to be completed as on February 2024. The extension of PMKSY for the period FY 2021-22 to FY 2025-26 has been approved with an overall outlay of ₹ 93,069 Crore.

The Command Area Development and Water Management (CADWM) Programme has been brought under PMKSY - Har Khet Ko Pani from FY 2015-16 to enhance utilization of irrigation potential created and improve agriculture production on a sustainable basis through Participatory Irrigation Management (PIM). The Bureau of Water Use Efficiency (BWUE) has been set up for promotion, regulation



▶ Aunta-Simaria Road Project, Bihar

and control of efficient use of water in irrigation, industrial and domestic sector.

Supplementing government's aim to provide safe drinking water to all households within their premises, is the water and waste water management segment. Municipal water treatment in various municipalities in the country is witnessing substantial growth. The rapidly diminishing freshwater resources and growing wastewater complexities are expected to drive the demand for water and wastewater treatment technologies in India. There is a surge in demand for clean and safe water led by substantial growth in industrialization and urbanization.

### Tunnelling

Keeping with economic advancements, emerging trend in the water infrastructure is emerging with tunnel construction becoming an integral part of infrastructure development. Rapid development across key infrastructure sectors, including hydropower, irrigation and water, has led to increase in tunnel construction. The introduction of initiatives such as the Pradhan Mantri Krishi Sinchayee Yojana, the Interlinking of Rivers Programme and the Jawaharlal Nehru National Urban Renewal Mission for the

exploitation of water resources have aided the growth of tunnel construction for irrigation, water supply and sewerage. India has over 2,500 km of completed tunnel length with hydropower sector dominating with over 1,200 km completed tunnels, in addition to by irrigation (more than 470 km) and water & sewerage (more than 230 km).

**Source:** Press Information Bureau, Indian Infrastructure, Mordor Intelligence

## TRANSPORT INFRASTRUCTURE

The Transport sector is strategically essential to social and economic development and ensures passenger and freight mobility across the country. It also makes an important contribution to economic growth and job creation. Infrastructure investments and operations in this sector have strong impact on other sectors of the economy.

### Roads & Highways

Within the Transport sector, road transport is the primary mode of transport in India, both in terms of traffic share and contribution to the national economy, and the only mode which has the ability of last mile connectivity. To get

the country in fast forward mode, development of National Highways has been the key focus area.

Over the last decade, the National Highways network has increased by 60% to a total length of 1,46,145 km in 2024. In FY 2023-24, the Ministry of Road Transport and Highways (MoRTH) constructed 12,349 km of national highways, the second highest in its history (MoRTH had constructed a record 13,327 km of national highways in FY 2020-21). The ministry awarded 8,581 national highway (NH) projects in FY 2023-24. The National Highways Authority of India (NHAI) set a new milestone by spending a record amount of ₹ 2.07 lakh crore in FY 2023-24, completing the construction of 6,644 km of roads. Further, the accelerated pace of national highway construction driven by systematic push through corridor-based national highway development approach will enhance the road coverage in future as well.

The quality and width of the roads has seen a marked improvement with high speed of construction. High-Speed Accessed Controlled Corridors have been the focus in the recent past. The length of operational High-Speed corridors has increased by 23x from 93 km in 2014 to 2,138 km in 2024. The MoRTH is set to embark on an ambitious plan to construct 50,000 km of high-speed access-controlled corridors by 2047.

Currently, most road projects are being awarded on Engineering Procurement Construction (EPC) or Hybrid Annuity Mode (HAM) due to various challenges in implementation of BOT projects. The government has taken several initiatives for revival of BOT projects and various schemes like Harmonious Substitution, One Time Fund Infusion, Rationalized Compensation, Premium Deferment and allowing refinancing have been adopted. Going forward, 53 BOT projects for a length of 5,200 km worth ₹ 2.1 lakh crore have been identified and bids for 7 projects with a length of 387 km worth ₹ 27,000 Crore have been invited.

The Ministry's capital expenditure, including private investment, increased 5.7 times, from ₹ 53,000 Crore in 2013-14 to ₹ 3.01 lakh crore in 2023-24, marking the highest ever. Of the ₹ 2,64,526 Crore budgeted, ₹ 2,64,361 Crore (99.94%) has been utilized. Under the Bharatmala Pariyojana, as of March 31, 2024, 26,425 km (76% of 34,800 km planned under phase-I) have been awarded for construction with completion of about 17,411 km. The program is expected to be completed by 2027-28.

The Government has also launched the Parvatmala Pariyojana to improve last-mile connectivity via ropeways, enhancing accessibility and promoting tourism. National Highways Logistics Management Ltd. (NHLML) plans to award 60 km of ropeway projects in FY 2023-24, with India's first urban

ropeway project already under construction in Varanasi. Additionally, 5 ropeway projects covering 8.23 km have been awarded, and bids for 6 projects spanning 27.80 km have been invited.

MoRTH's Vision 2047 for the National Highways sector sets a clear path for the future, aiming to ensure equitable access, enhance efficiency, and strengthen strategic connectivity across India. The plan aspires to provide every citizen with access to a high-speed corridor within 100-150 km, position India among the top 10 G20 countries for high-speed corridor density, and improve infrastructure in underdeveloped regions. Additionally, the vision focuses on elevating passenger convenience with world-class amenities and reducing logistics costs as a share of GDP. The ongoing Master Plan for National Highways, covering 1,46,145 km, aligns with these ambitious goals, paving the way for a robust and integrated highway network by 2047.

**Source:** Press Information Bureau, MoRTH, NHAI

### Metro Rail

Urban rail transit in India, which includes rapid transit, suburban rail, monorail, and tram systems, plays an important role in intracity transportation, especially in cities which are highly populated.

As of March 2024, the cumulative length of 889 km in 17 metro systems is operational in India and over 700 km of metro rail is under construction. Further, around 2,400 km of metro rail is approved / proposed for construction in existing and new cities such as Bhubaneswar, Patna, Indore, Nasik, Chandigarh, Guwahati, Vizag, amongst others. These systems are being implemented based on the population of a city, financial feasibility and demand.

As per Morgan Stanley report dated June 2024, the opportunity in this sector has been estimated at US\$ 58 billion, including US\$ 32 billion in Design and Construction. A good portion of this opportunity will consist of underground metros, due to congested cities, leading to an increase in tunnelling opportunities.

**Source:** Morgan Stanley

### OIL AND GAS

FY 2023-24 saw significant progress in renewable energy commitments globally. During G-20 summit, the world leaders committed to triple global Renewable Energy (RE) capacity by 2030 with respect to 2023. According to IEA, total global installed RE capacity is 3,400 GW currently. Expanding the RE capacity would have potential to reduce 7 billion tonnes of CO2 emission between 2023 and 2030. In addition, Global Biofuels Alliance (GBA), a multi-stakeholder alliance of governments, international organizations and industries, was launched. A unique initiative by India as the G20 Chair, GBA is aimed at bringing

together the biggest consumers and producers of biofuels to drive development and deployment of biofuels.

During the year, crude oil prices were volatile ranging from the lows of US\$ 74.93 per barrel in June 2023 to highs of US\$ 93.54 per barrel in September 2023, a swing of almost 20% for Indian basket. At the end of FY 2023-24, the prices again started heading northward at US\$ 84.49 with year average of US\$ 82.58.

According to Petroleum Planning & Analysis Cell (PPAC), in FY 2023-24, India's total crude oil production (including condensate) stood at 29.4 mmt (million metric tonne) similar to 29.2 mmt in FY 2022-23. Gross natural gas production grew to 36,438 mmscm (million metric standard cubic meters) in FY 2023-24 as compared to 34,450 mmscm in FY 2022-23. Total crude oil processed during March 2024 was 23.4 mmt, 1.6% higher than March 2023. The total amount of crude oil processed in FY 2023-24 was 261.5 mmt, 2.5% higher than in FY 2022-23. India imported 232.5 mmt of crude oil in FY 2023-24, almost similar to 232.7 mmt in FY 2022-23. However, the crude oil import bill dropped 16% to US\$ 132.4 billion in FY 2023-24. Net oil & gas bill was US\$ 121.6 billion in FY 2023-24, down from US\$ 144.2 billion in the previous year. In

FY 2023-24, crude oil imports amounted to US\$ 132.4 billion, LNG imports were US\$ 13.3 billion, and petroleum product exports were US\$ 47.4 billion.

The total consumption of petroleum products rose 4.6% to 233.3 mmt in FY 2023-24, from 223 mmt in FY 2022-23. India was ranked as the world's third-largest oil importing and consuming nation. While the country is short in crude oil production, it has surplus refining capacity which enables export of petroleum products like diesel. Against the consumption of 233.3 mmt, petroleum product production was 276.1 mmt in 2023-24.

India's energy demand is expected to grow at about 3% CAGR by 2040, higher than the global rate of 1%. A quarter of the global energy growth between 2020 and 2040 is envisaged to come from India due to the fast-growing economy and demographic dividend. This will make India the largest source of global demand growth. India's oil and gas industry is poised for sustainable growth driven by urbanization, industrialization, the emergence of a wealthier middle-class keen for mobility and tourism, efforts to achieve greater access to clean cooking, etc.

**Source:** Snapshot of India's oil & gas data, Monthly Ready Reckoner March 2024, PPAC



▶ HDPE Pipe laying under creek by Welspun Michigan Engineers

## COMPANY OVERVIEW

### Company Background

Welspun Enterprises Limited (hereafter referred to as 'WEL' or 'the Company'), a part of Welspun World, is one of India's rapidly expanding infrastructure companies. WEL plays a crucial role in the Indian transportation and water infrastructure sectors and also has an investment in the oil and gas sector through a JV with Adani Enterprises – Adani Welspun Exploration Limited. The Company has recently acquired 50.1% stake in Welspun Michigan Engineers Limited (WMEL), formerly known as Michigan Engineers Private Limited, with an aim to diversify in water and allied business.

The Company has a strong footing in the marketplace given its healthy balance sheet position, asset-light business model and selective bidding strategy. The Company constantly strives to maximize the return generated for its shareholders. WEL is at the forefront to adopt modern technology to increase efficiency in terms of reduced business complexity and improved return on investment. Meticulous planning coupled with on-point execution aids in staying ahead of the competition. WEL concentrates on projects with high value-added project management, thus ensuring the quality, safety and timely completion of its projects. WEL also actively looks for opportunities in adjacencies to its current areas of business.

The Company had invested (including loans) ₹ 364 Crore in the HAM Road portfolio, ₹ 104 Crore in the Road BOT project, ₹ 89 Crore in the Water BOT project, ₹ 448 Crore in the Oil & Gas sector, ₹ 137 Crore in Welspun Michigan

Engineers and ₹ 57 Crore in Other Assets as of March 31, 2024. As a result, the total investment in these projects amounted to ₹ 1,199 Crore as of March 31, 2024.

The Company adopts strict adherence to Health, Safety & Environment (HSE) guidelines, as demonstrated by the fact that the Company successfully bagged multiple awards for Excellence in HSE in prestigious forums such as CIDC Vishwakarma Awards, World Safety Organization Awards and OSH India Awards. The Company is also focusing on ESG initiatives across its businesses and functions.

### Key Business Strategies and Developments

- Strong Order Book:** WEL has continued to build a strong standalone Order Book aggregating to ~ ₹ 12,200 Crore as of March 31, 2024, that provides good revenue visibility. This order book includes ~ ₹ 3,600 Crore for O&M & asset replacement in MCGM STP project & Bhandup Water Treatment Plant (WTP) project. WEL secured Mumbai's Bhandup WTP project worth ₹ 4,123.88 Crore, thereby increasing its share of the water sector order book to 77% of the Company's order book. The transportation sector accounts for 23% of the Company's order book. About ₹ 2,318 Crore of the order book is from SPVs, and the remaining ₹ 9,882 Crore originates from external clients.

As a part of the Company's diversification strategy, WEL acquired 50.1% stake in WMEL to enter the tunnelling and urban water infrastructure segment. The order book of WMEL stands at ~ ₹ 1,600 Crore as of March 31, 2024.

2. **Operational Excellence:** The Company's rigorous project monitoring and supervision throughout the construction phase contributes to completing projects on time and maintaining the profitability. The Company has strong tie-ups with vendors and a strong supply chain network that enables the Company to execute projects in any part of the country. The Company is continuously focused on implementation of digital technologies to enhance project management capabilities, thereby improving productivity.
3. **Achieving Optimum Capital Structure:** Benefiting from strong Group parentage, WEL has a strong balance sheet, with a healthy net cash balance of ₹ 923 Crore at the standalone level as on March 31, 2024. With a long-term credit rating of 'AA-' and a short-term credit rating of 'A1+' from Crisil Ratings, together with the Welspun Group's strong banking relationships, the Company is well equipped to raise funds at a significantly lower cost.
4. **Asset-Light Business Model:** To maximize returns, WEL has adopted an asset-light strategy encompassing shift of non-core assets and capabilities to third parties in the larger ecosystem. This enables the Company to focus on core competencies and

leverage business opportunities. In addition, as part of the asset-light strategy, WEL undertakes asset divestment after completion of construction and stabilization of the project. In the past, WEL has sold its operational road projects to Private Equity players and the Company will continue its strategy of asset monetization. The Company is committed to operational excellence led by minimal investment in plant and machinery, low working capital, continuous asset value unlocking, and low leverage.

5. **Using a Differentiated Strategy:** WEL is on the constant lookout for high-value margin-accretive differentiated projects. With early financial closing and on-time execution of such projects, the Company is able to maximize its returns and lower its financial costs. To lower execution risk, WEL selectively awards its projects to the best-suited sub-contractor.

The Company believes in both organic as well as inorganic growth. As part of its growth strategy, WEL acquired majority stake in WMEL. The acquisition was undertaken with a strategic intent of entering into niche and cutting-edge areas of tunnelling and urban water infrastructure segment.

## Project Updates

1	Aunta-Simaria (Ganga Bridge with Approach Roads)	Road	HAM
	<ul style="list-style-type: none"> <li>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. Includes one of the widest extradosed bridge on Ganga River</li> <li>Bid Project Cost (with forecasted escalation): ₹ 1,574 Crore</li> <li>Status: NHA declared the Appointed Date as August 30, 2018. The project is under execution.</li> </ul>		
2	Sattanathapuram-Nagapattinam (SN)	Road	HAM
	<ul style="list-style-type: none"> <li>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</li> <li>Bid Project Cost (with forecasted escalation): ₹ 2,522 Crore</li> <li>Status: Received Appointed Date on October 5, 2020. The project is under execution.</li> <li>The revised Bid Project Cost is ₹ 1,905 Crore (inclusive of GST) against the original Bid Project Cost of ₹ 2,004 Crore due to the negative change order.</li> <li>The second payment milestone was achieved on November 18, 2023, and payment was received on January 11, 2024.</li> <li>NHA has approved an EOT of 18 Months (till January 17, 2025).</li> </ul>		

3	Six-Laning of Varanasi-Aurangabad NH2 Project	Road	HAM
	<ul style="list-style-type: none"> <li>Project Description: 6-Laning of Varanasi-Aurangabad section of NH-2 from Km 786 to Km 978 (length 192.4 km) in the states of Uttar Pradesh and Bihar. The project is under execution.</li> <li>Original Contract Value: ₹ 2,154 Crore, with a commencement date of September 30, 2021. An additional contract of ₹ 1,688 Crore received in April 2022 and subsequently, the work commenced in June 2022.</li> <li>The Uttar Pradesh section of the project was inaugurated by Hon'ble PM Shri Narendra Modi on February 23, 2024.</li> </ul>		
4	Mukarba Chowk – Panipat (MCP)	Road	HAM
	<ul style="list-style-type: none"> <li>Project taken over via harmonious substitution in June 2020</li> <li>As part of asset monetization, WEL sold 49% stake in the project to Actis. The balance 51% stake shall be divested after NHA approval on committed terms.</li> <li>PCOD-III (100% Toll Length) is achieved w.e.f. February 1, 2024.</li> </ul>		
5	UP State Water and Sanitation Mission, Namami Gange and Rural Water Supply Department (SWSM)	Road	HAM
	<ul style="list-style-type: none"> <li>Project Description: Construction, commissioning, operation and maintenance of Rural Water Supply project for 10 years under the Jal Jeevan Mission by the State Water Sanitation Mission, Uttar Pradesh</li> <li>100% Detailed Project Report (DPRs) approved. Estimated Contract Value of the project is ₹ 2,900 Crore (excluding O&amp;M and GST)</li> <li>The project involves development of end-to-end infrastructure for supply of water to over 2,500 villages</li> <li>Over 3,50,000 homes connected with water supply</li> </ul>		
6	Dharavi Wastewater Treatment Facility	Road	HAM
	<ul style="list-style-type: none"> <li>Project Description: Construction of 418 MLD Wastewater Treatment Facility at Dharavi, Mumbai for Brihanmumbai Municipal Corporation</li> <li>This is the single highest-value order secured by Welspun Enterprises, with a Contract Value of ₹ 4,884 Crore</li> <li>Construction has commenced in full swing to ensure timely completion</li> </ul>		
7	Bhandup WTP	Road	HAM
	<ul style="list-style-type: none"> <li>Project Description: Construction of a 2,000 MLD Water Treatment Plant at Bhandup Complex, Mumbai for Brihanmumbai Municipal Corporation</li> <li>WEL received the LOA on February 29, 2024 and received notice to commence work from July 22, 2024</li> <li>The Total Contract Value for the project is ₹ 4,123.88 Crore (Design Build value – ₹ 2,243.44 Crore and O&amp;M value – ₹ 1,880.44 Crore)</li> <li>The water treatment plant will be one of the largest in the world in terms of capacity.</li> <li>Pre-construction activities are progressing at a good pace</li> </ul>		
8	Dewas Water	Road	HAM
	<ul style="list-style-type: none"> <li>Project Description: The modified project involves the supply of treated water of up to 23 MLD to industrial customers in Dewas, Madhya Pradesh.</li> <li>Project Cost: ₹ 146 Crore</li> <li>Commercial operation commenced on April 30, 2019. FY 2023-24 revenue stands at ₹ 12.38 Crore, with EBITDA of ₹ 6.27 Crore.</li> </ul>		

**OIL & GAS**

Adani Welspun Exploration Limited (AWEL), a joint venture firm in which the Company owns 35% share, is involved in the oil and gas sector. In its current portfolio, the Company has three shallow water acreages along the Western Offshore of India:

Block Name	Location	AWEL Stake (%)	WEL Effective Stake (%)	Status
MB-OSN-2005/2	Mumbai Offshore	100	35	AWEL holds 100% ownership interest in the Block which is presently under Phase-II of exploration. Detailed geo-scientific studies were carried out to process the data and core samples acquired in the discovery well. The analysis has shown a Gas Initially in Place Potential of 826 BCF (billion cubic feet). Further data evaluation studies have been completed. Activities are being prioritized for Early Monetization by carrying out studies that can fast track the project in optimizing lead times for long lead items. An Early Development Plan has been formulated in association with an internationally acclaimed agency and has been submitted to the regulator for review and approval.
GK-OSN-2009/1	Kutch Offshore	25	8.75	AWEL has 25% stake in this block with ONGC (50% stake & Operator) and IOC (25%) being the other consortium members. Declaration of Commerciality (DoC) with an estimated GIIP 356 BCF has been submitted and reviewed by DGH. The revised Field Development Plan (FDP) is under preparation by ONGC, the operator, based on which commercial viability is being ascertained. ONGC is expediting the process of extending the validity of the license with the Government of India (GoI) to carry out further activities in the Block.
B9 Cluster (DSF)	Mumbai Offshore	100	35	AWEL holds 100% ownership interest in the cluster, which is in close proximity to its prospective exploratory block (MB/OSN/2005/2) and ONGC's B-12 area. Based on the results of the successful well drilled by AWEL in the field, a Revised Field Development Plan (RFDP) has been drawn up in association with an internationally acclaimed agency (with an estimated GIIP of 97 BCF). This RFDP has been reviewed and approved by the regulator. The RFDP leverages the planned Early Monetization of Discovery Area of MB Block through shared use of installed surface facilities & pipeline for these two adjacent acreages.

The existing blocks hold substantial hydrocarbon potential, which will be measurable after the FDP is completed and during the development stage of each of these blocks. WEL expects to unlock value from these blocks, as and when favorable opportunities emerge. On March 15, 2021, the Company had declared its first ever gas discovery in the NELP-VII block MB-OSN2005/2.

**FINANCIAL OVERVIEW****Financial and Operational Performance**

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

Particulars	FY 2023-24	FY 2022-23 (Restated)	YOY %
Revenue from Operations	2,450.44	2,676.38	-8.4%
Other Income	102.31	98.63	3.7%
Total Income	2,552.75	2,775.01	-8.0%
EBITDA	438.92	335.21	30.9%
EBITDA margin	17.2%	12.1%	511 bps
PBT	395.80	814.96	-51.4%
PAT	285.15	768.02	-62.9%
PAT margin	11.2%	27.7%	-1651 bps
Cash PAT	297.68	208.15	43%

All figures in ₹ Crore, unless stated otherwise

Note: Cash PAT = PBT before Exceptional Item + Depreciation + Non-cash ESOP expenses – Current tax

Prior figures have been restated wherever necessary.

Balance Sheet Snapshot	₹ in Crore)	
	March 31, 2024	March 31, 2023 (Restated)
Net Worth	2,422.26	2,464.83
Gross Debt	0.00	291.68
- Long-term Debt	-	-
- Short-term Debt	0.00	291.68
Cash and Cash Equivalents #	923.17	1,839.57
Net Debt/ (Cash)	-923.17	-1,547.89
Other Long-term Liabilities	8.01	13.51
Total Net Fixed Asset (incl. CWIP)	15.91	32.47
Net Current Assets (Excl. Cash and Cash Equivalents) (adj.)	296.95	-54.89
Other Long-Term Investments and Assets (adj.)	1,194.25	952.88

# includes current investments and fixed deposits classified in non-current financial assets

**Revenue from Operations:** Revenue from operations decreased by 8.4% to ₹ 2,450.44 Crore in FY 2023-24 from ₹ 2,676.38 Crore in FY 2022-23.

**EBITDA:** EBITDA increased by 30.9% to ₹ 438.92 Crore in FY 2023-24 from ₹ 335.21 Crore in FY 2022-23.

**Profitability:** Profit before tax decreased by 51.4% to ₹ 395.80 Crore in FY 2023-24 from ₹ 814.96 Crore in FY 2022-23. Profit after tax decreased by 62.9% to ₹ 285.15 Crore in FY 2023-24 from ₹ 768.02 Crore in FY 2022-23.

**Net Worth:** Net Worth was at ₹ 2,422.26 Crore in FY 2023-24 as compared to ₹ 2,464.83 Crore in FY 2022-23.

**Significant Financial Ratios**

Ratios	Definitions	March 31, 2024	March 31, 2023	% Change	Reasons for change
Debtors Turnover	Turnover/Average Debtors	4.12	6.08	(32.2%)	Due to reduction in revenue from operations
Inventory Turnover	Turnover/Average Inventory	3.93	5.81	(32.3%)	Due to increase in inventory level for projects
Interest Coverage Ratio	EBIT/Finance Cost	12.85	4.31	198.1%	Due to repayment of debts
Current Ratio	Current Assets/Current Liabilities	2.30	2.00	14.9%	No significant change
Debt Equity Ratio	Gross Debt/Net Worth	0.07	0.19	(61.1%)	Due to repayment of debts
Operating Profit Margin (%)	Operating EBITDA/Turnover	13.7%	8.8%	55.7%	Due to improved EBITDA margin
Net Profit Margin (%)	Net Profit/Turnover	11.6%	28.7%	(59.4%)	Due to exceptional profit in previous year
Return on Equity (ROE)%	Net Profit/Net Worth	11.7%	35.2%	(66.8%)	Due to exceptional profit in previous year

**BUSINESS OUTLOOK**

The Government’s focus on revamping the country’s infrastructure has provided the necessary boost to the sector.

In the water segment, we see opportunities of over ₹ 3 lakh crore across distribution, transmission & treatment, of which ₹66,000 Crore may be bid out in the near term, while the rest may spill over to medium term. WMEL also foresees opportunities of ~₹ 50,000 Crore across tunneling and other adjacencies. The Company is exploring tie-ups with various technology partners who have presence in the water sector. With the use of cutting-edge technologies and the techniques in the projects, the Company will be able to explore newer opportunities, providing sustainable solutions for its customers.

The pace of National Highways construction has seen a consistent increase, driven by a corridor-based development approach. Construction of highways in 2023-24 touched 12,349 km, the second highest achievement ever and marking a 20% increase over the previous year. With reports of the Government revamping the Bharatmala Pariyojana and launching “Vision 2047” for highways development, the Company foresees immense opportunities in the sector. Moreover, the Model Concession Agreement (MCA) for BOT (Toll) projects has recently been amended, and NHA has announced bids worth ~₹ 2 lakh crore (5,000 km) in BOT Toll projects, apart from bids in HAM & EPC worth ₹ 50,000 Crore. These proposed developments are a positive indicator for future activity in the roads sector.

In metro rail, approximately 2,400 km of metro rail is approved or proposed for construction in Tier 1 and Tier 2 cities. As per Morgan Stanley report dated June 2024, the opportunity in this sector has been estimated at US\$ 58 billion, including US\$ 32 billion in Design and Construction, which is an attractive transport adjacency for the Company.

In the future, the Company aims to:

- selectively bid for high-value projects while maintaining its threshold return expectations;
- explore new opportunities in the water & wastewater and transport sectors and also evaluate prospects in adjacencies;
- evaluate risk-reward matrix for inorganic growth possibilities;
- maintain its asset-light strategy while focusing on operational excellence and risk management.

**HUMAN RESOURCES POLICY**

Human Resources is not just considered a valuable asset in WEL, but a partner in the organization’s success. WEL is committed to prioritize employee well-being, and its agile practices & policies are guided by the principles of transparency, integrity and accountability, thus ensuring the best interests of the employees and the organization.

In the journey to build a future-ready organization, WEL is focused on leveraging technology for strategic HR



Management along with championing Diversity, Equity and Inclusion (DEI). Whether it is talent acquisition, life cycle management, reporting or employee engagement, every aspect has been made seamless and robust through technology. Employee engagement is also powered by Artificial Intelligence, in order to provide real-time insights on employee sentiment for quick resolution, reinforcing the culture of trust and transparency. WEL truly believes in the power of diversity and through evolving policies and processes, builds an inclusive workplace, accommodating the interests of diverse groups. WEL is committed to providing equal opportunities to all without any discrimination on the grounds of disability, gender, caste, religion, race, state, background, colour, etc. The organization has made efforts in inducting employees from the historically marginalized communities like LGBTQIA+, PWD, etc. The Company has worked to create harmonious industrial relations and has instituted proactive, inclusive procedures for engaging with a variety of stakeholders.

The ESG (Environmental, Social, and Governance) framework’s implementation & initiatives across the organization underscores the importance of having sustainable stakeholder value creation. Policies like the Prevention of Sexual Harassment (POSH), Code of Conduct, Conflict of Interest & Whistleblower Policy and the Disciplinary Committee help create a workplace where psychological safety and human rights are upheld to the

highest level. Awareness and sensitization workshops are frequently conducted across the organization, to ensure alignment of all employees.

In addition to creating a respectful workplace, the organization also provides ample opportunities for employees to reach their full potential. Tailor-made development programs, easily accessible e-learning platform, internal job rotation and career progression, help employees chart out their career path as per their aspirations in line with the organization’s goals. Through the use of cutting-edge assessment tools & reports, employees are also aided in creating their individual development plans.

As on March 31, 2024, the Company had approximately 1,200+ employees. The Welspun LITE values (Learning, Innovation, Trust, Endurance) are deeply ingrained in every Welspun’ite. The Reward & Recognition (R&R) framework acknowledges employees who have demonstrated the values or have displayed exceptional performance. Such recognition platforms help motivate employees towards optimal performance levels, which staying true to the Welspun culture.

Further, the prudence of our human resource management practice has been recognized with “Great Place to Work” certification where we ranked 37<sup>th</sup> among India’s Top 100 Great Mid-size Workplaces and Best in Industry for Construction & Infrastructure. This recognition has





bolstered our status as a leading infrastructure employer and highlight our dedication to cultivating a growth and purpose-driven human resource culture.

**INTERNAL CONTROLS**

The Company has devised a robust internal control framework in accordance with the nature and size of the firm, and magnitude and complexity of the industry it operates in. Well strategized internal controls ensure strict adherence to rules and regulations, safeguarding of assets, timely preparation of reliable financial statements, accurate and complete account keeping, and prevention and detection of fraud and errors. The Company has put in place strong policies and procedures to ensure that it conducts business with integrity amidst the dynamic corporate environment. WEL thrives to ensure continuous assessment of the efficacy of various policies.

The Corporate Audit Services team conducts independent internal audits covering key business operations, corporate divisions and support functions. The important audit observations are reported to the Board's Audit Committee on a quarterly basis, coupled with status update on the management's adoption of the proposed remedial measures and agreed-upon actions. The Audit Committee is also responsible to examine the internal audit plan of the Corporate Audit Services department annually.

During the year, the internal controls were evaluated by the Statutory Auditors and the Corporate Audit Services team. No reportable substantial deficiencies in their design or operation were discovered. The evaluation included document review, inquiries, testing, and any other methods deemed appropriate under the circumstances.

**RISK AND MITIGATION**

**Project Execution Risk**

Throughout the project's execution phase, the Company is exposed to inherent risks. These include land acquisition and Right-of-Way (ROW) issues, availability of resources, environmental clearances, Employee / workmen safety, working in difficult / harsh weather conditions, and other concerns are among the many project's challenges.

**Mitigation:** As part of our risk management framework risk reviews of projects are regularly conducted along with identification of appropriate mitigation measures. A team of third-party quality, EHS, and governance professionals regularly visit our project sites and an audit is performed on each project to ensure employee safety, regulatory compliance, and environmental compliance.

**Input Price Risk**

Commodity prices could be volatile amid increasing demand from emerging economies such as India and China. The price for raw materials such as steel, cement, and bitumen could increase as a result of increased demand.

**Mitigation:** In the development projects with WEL, any escalation received from the client is passed on to the Company by the SPV, and a similar mechanism is used with sub-contractors. In EPC projects, the Company makes adequate provision for escalation during bidding and also in its contractual terms. It also steps in for the procurement of key materials to support its sub-contractors as necessary to mitigate the impact of material price movements.

**Risk related to Project Terms**

In order to complete projects, the Company works with a variety of stakeholders, and the terms agreed upon with these parties could impact the Company's performance and cash flow.

**Mitigation:** To mitigate this risk, robust internal processes, continuous arrangements with vendors and subcontractors, project and business level working capital monitoring policies, and pre-bid reviews are conducted. On a case-by-case basis, project teams also keep required documentation and follow redress methods with customers, vendors, and subcontractors to address issues and disputes.

**IT Risk**

The Company is taking several digital initiatives to improve its operational efficiency and aid in decision-making. The risk of targeted attacks, ransomware threats, and phishing have highlighted the significance of safeguarding the Company's information technology infrastructure and data.

**Mitigation:** The Company's IT department is well-equipped to adopt robust enterprise-wide cybersecurity procedures. A 24x7 Security Operations Center (SOC) is in place wherein all the critical servers and networking devices are monitored by an external party. The Company has deployed solutions like anti-virus, firewalls, whitelisting, access control, SSL, SSO Network, and data encryption. A Disaster Recovery and Business Continuity Plan is in place for business-critical systems like SAP.

**Climate Risk**

The impact of global warming and climate change and related events like heat waves and changes in weather patterns may affect the Company's construction activities. Extremely high daytime temperatures pose a danger to the health and safety of workmen and employees and impact their productivity.

**Mitigation:** The Company ensures strict adherence to all applicable environmental and safety compliances including Occupational hazard mitigation measures at all project sites. For EPC projects, at the bidding stage itself, high precipitation / flooding periods are assessed and factored into the project execution plan. This helps to avoid heavy or at-risk work during those periods. For dealing with periods of extremely high temperature, measures are taken to reschedule the work-rest cycle, adopt additional measures for shelters, ensure hydration of the workforce, conduct awareness sessions and issue regular advisories to apprise the workforce of risks, reporting issues and measures to be taken.

# Directors' Report

To,  
The Members,  
**Welspun Enterprises Limited**

Your Directors have pleasure in presenting the 30<sup>th</sup> Annual Report of the Company along with the Audited Financial Statements for the financial year ("FY") ended March 31, 2024.

## 1. FINANCIAL RESULTS

Particulars	(₹ in Crore)			
	Standalone		Consolidated	
	FY 2023-24	FY 2022-23 (Re-stated)	FY 2023-24	FY 2022-23
Revenue from operations	2,450.44	2,676.38	2,872.28	2,758.19
Other income	102.31	98.63	191.03	143.45
<b>Total Revenue</b>	<b>2,552.75</b>	<b>2,775.01</b>	<b>3,063.31</b>	<b>2,901.64</b>
<b>EBITDA</b>	<b>438.92</b>	<b>335.21</b>	<b>616.47</b>	<b>391.09</b>
EBITDA Margin (%)	17.19	12.08	20.12	13.48
Finance Cost	33.41	75.52	109.79	118.76
<b>Earnings before Depreciation, Exceptional Item and Tax</b>	<b>405.51</b>	<b>259.69</b>	<b>506.68</b>	<b>272.33</b>
Depreciation/Amortisation	9.71	9.59	27.56	13.10
Exceptional Items*	-	564.86	-	482.99
Share of Profit/(loss) from associates and joint ventures companies	-	-	(0.58)	(0.79)
<b>Profit Before Tax from continuing operations</b>	<b>395.80</b>	<b>814.96</b>	<b>478.54</b>	<b>741.43</b>
Tax expenses	110.65	46.94	129.70	57.01
<b>Net Profit for the year from continuing operations</b>	<b>285.15</b>	<b>768.02</b>	<b>348.84</b>	<b>684.42</b>
Net Profit/(loss) from discontinued operations	-	-	(29.44)	41.64
<b>Profit for the year</b>	<b>285.15</b>	<b>768.02</b>	<b>319.40</b>	<b>726.06</b>
<b>Earnings Per Share</b>				
Basic (₹)	20.78	51.21	21.51	48.19
Diluted (₹)	20.54	51.09	21.25	48.08

\*Exceptional item includes gain on sale of 6 projects to Actis Highways during FY 2022-23.

The financial statements have been prepared in accordance with the applicable Indian Accounting Standards. Your Company's efficient execution of projects resulted in a 31% growth in standalone EBITDA for the FY 2023-24 as compared to FY 2022-23. Your Company has achieved its highest standalone and consolidated EBITDA with ₹438.92 Crore and ₹616.47 Crore respectively. The FY 2023-24 was marked by a 4% growth in revenue from operations and a 58% increase in EBITDA on a consolidated basis. This consolidated performance is an outcome of strategic diversification, with successful acquisition and integration of Welspun Michigan Engineers Limited (formerly known as Michigan Engineers Private Limited) and efficient deployment of capital that followed from your Company's asset sale in FY 2022-23. Our commitment to creating value for our shareholders remains unwavering.

## 2. PERFORMANCE HIGHLIGHTS FOR THE YEAR AND OUTLOOK

### (a) Performance highlights for the financial year ended March 31, 2024 are as under

Product	(₹ in Crore)			
	Standalone		Consolidated	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Revenue from Engineering, Procurement & Construction and other operating income	2,450.44	2,676.38	2,859.94	2,745.74
Revenue from BOT Business	-	-	12.34	12.45

### (b) Since the last report the following developments took place

#### KEY ANNUAL ACHIEVEMENTS

- Secured PCOD-III from NHAI for the Mukarba Chowk Panipat Road Project (MCPRP), a BOT model project in Delhi and Haryana.
- Secured a landmark project worth ₹4,925 Crore (including GST) for the development of a new 2,000 MLD Water Treatment Plant at Bhandup Complex from Brihanmumbai Municipal Corporation.
- Your Company was bestowed with 2 national accolades at the 15<sup>th</sup> CIDC Vishwakarma Awards, Construction HSE Award for EPC work at Varanasi Aurangabad Road Project and Artisans and Supervision Award for UP JJM Mission.
- Five of the completed road projects were highlighted in the NHAI's e-Coffee Table Book – 75 Milestones.

#### TRANSPORTATION VERTICAL

In alignment with the government's plan for significant investments and a strong growth trajectory in the road and highway sector, along with substantial allocations under the National Infrastructure Pipeline (NIP), your Company has continued to demonstrate sustainable development and high-quality engineering in the transportation vertical. A few details about this are provided below:

- Inauguration by Hon'ble PM:** The Uttar Pradesh Section of the Varanasi-Aurangabad Road Project was inaugurated by Hon'ble Prime Minister Shri Narendra Modi on February 23, 2024, highlighting our contribution to national infrastructure development.

The EPC work of Varanasi Aurangabad NH-2 is progressing well and the Company is on track to complete the project as per agreed schedule.

- Featured Projects in NHAI e-Coffee Table Book:** Five of your Company's completed projects: Delhi Meerut Expressway - India's First 14 Lane Expressway, Chikkhali-Tarsod Highway on NH-53, Four Laning of Roorkee-Chhutmalpur- Galgalheri Section of NH 73 and Chhutmalpur-Ganeshpur Section of NH-72A, Galgalheri-Saharanpur-Yamunanagar Section of NH-73, and Eight Laning of a Section of NH-44 (Old NH-1) from Mukarba Chowk to Panipat, were highlighted in the **NHAI's e-Coffee Table Book – 75 Milestones of**

**Highway Development**, unveiled on NHAI Annual Day, celebrating excellence in infrastructure development.

- Award-Winning Highway Project:** Your Company's Chikhli-Tarsod Highway Project earned the prestigious ASSOCHAM 'Unique Highway Project of the Year' award, presented by Hon'ble Minister Shri Nitin Gadkari, underscoring our innovative approach to highway construction.
- G20 Summit VIP Route Recognition:** The Mukarba Chowk-Panipat road was selected by the Government of Delhi for the VIP movement of G20 Summit delegates. Our team's dedication to the road's beautification and maintenance was praised by the Officials.
- Provisional Commercial Operation Date (PCOD-III):** On February 04, 2024, NHAI issued Provisional Commercial Operation Date (PCOD-III) for the Mukarba Chowk Panipat Road Project (MCPRP), a BOT model project in Delhi and Haryana. Your Company has commenced toll collection for the extended road length, marking a significant milestone.
- Progress on major projects:** Construction of one of the widest extradosed bridge on Ganga River from Aunta-Simaria section of NH-31 in Bihar has gathered pace in execution and we anticipate this to continue as we target the completion. The bridge work is completed by more than 90%. The balance works are primarily road and approach which we target to complete in FY25. Your Company's HAM road project of Sattanathapuram Nagapattinam is progressing at a pace slower than the Company's plan. Your Company has interacted with clients on both non availability of pond ash and earth materials and delays in approval of mines for Earth extraction. Your Company remain confident to deliver the project on targeted timelines.
- Strengthening Transportation Vertical:** Your Company has undertaken several initiatives to strengthen its transportation vertical business, including implementing advanced design software, strengthen the supply chain management team, and supporting contractor's cash flow. Your Company has also introduced WEL Darpan V2.0 for interactive project data visualization, launched Project Hawk for live drone monitoring with AI tracking.
- Robust Bid Pipeline:** As of April 2024, NHAI's bid pipeline is robust, standing at ₹ 108,000 Crore with project distribution being diverse across HAM (42%), BOT (25%), and EPC (33%). NHAI's pipeline includes various tenders under Bharatmala, NH (O), and NHDP.

Your Company will be focusing on the upcoming road projects on selective opportunities from NHA's bid pipeline, including BOT Toll, EPC and HAM projects, along with state government projects and tunnelling in the transportation sector. To explore the adjacency, your Company bid for metro project however the same was not awarded.

#### WATER VERTICAL

In alignment with government initiatives, for developing water supply systems, sewage treatment plants, and sanitation facilities in India, particularly in urban areas, such as Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Smart Cities Mission, Jal Jeevan Mission, and Swachh Bharat Mission which focuses on enhancing water infrastructure, your Company has continued to demonstrate sustainable development and high-quality engineering in the water vertical. A few details about this are provided below:

- **Pioneering Water Projects:** On February 29, 2024, your Company secured a landmark project worth ₹4,925 Crore (including GST) for the development of a new 2,000 MLD Water Treatment Plant at Bhandup Complex from Brihanmumbai Municipal Corporation. This is the largest drinking water treatment plant in India and Asia, leveraging advanced technology in partnership with Veolia, France.
- **Prestigious Award Recognition:** Your Company received the EPC World award for "Outstanding Contribution in Urban Infrastructure (Water Project)" for our Dewas Industrial Area Water Supply Project, presented by Hon'ble Union Minister, Shri Nitin Gadkari.
- **Waste Water Treatment:** Earlier in FY 2022-23, your Company bagged a contract from Brihanmumbai Municipal Corporation amounting to ₹4,885 Cr (including GST) for the design, build, operation, and maintenance of a 418 MLD Waste Water Treatment Facility and a 209 MLD Tertiary Treatment Plant at Dharavi, Mumbai. Leveraging advanced multi-tier construction technology with a strong emphasis on sustainability, this project will boast a record-low footprint for its treatment capacity.

The construction is progressing rapidly to ensure timely completion, once the plant is operational, it will supply 209 MLD of tertiary treated waste water for industrial,

construction, and gardening purposes, significantly reducing stress on fresh water resources.

- **Rural Water Supply Initiatives:** Your Company is executing water supply schemes for over 2,500 villages across 5 districts of Uttar Pradesh viz. Sant Ravidas Nagar, Jaunpur, Ambedkar Nagar, Ayodhya, and Bulandshahr, amounting to ₹4,263 Crore (including GST) under the Jal Jeevan Mission. Majority work for the same is scheduled for completion by FY 2025, and shall benefit approximately 4 million rural residents, aligning with Welspun World's vision of "Har Ghar se Har Dil Tak Welspun".
- **Strengthening Water Vertical:** Your Company has undertaken several initiatives to strengthen its water vertical business, including implementing advanced technologies, such as a digital dashboard, Power BI, and 5D BIM, to enhance project monitoring, supply chain performance, and real-time tracking. These efforts aim to strengthen project management capabilities and effectively execute complex and technology-driven water infrastructure projects.
- **Robust Bid Pipeline:** Government of India and various State Governments have introduced policies promoting reuse of treated waste water for industrial and allied purposes to alleviate the stress on fresh water giving rise to implementation of tertiary level waste water treatment facilities on advance technologies.

Given these developments, your Company envisions consistent and sustainable growth opportunities within the water vertical across its facets and will actively explore large scale projects. Your Company remains committed to pursuing projects that stands out in terms of scale, complexity and technological innovation. Strategically focused on these opportunities, your Company anticipates that projects exceeding ₹90,000 Crore will enter the bidding stage in FY25.

#### OIL & GAS

- Investments in Oil & Gas blocks through Adani Welspun Exploration Ltd (AWEL), a 65:35 JV between Adani Group & your Company.
- Currently 3 assets – 2 in Mumbai Offshore and 1 in Kutch Offshore.
- AWEL has submitted EDP to the regulator for Block MB-OSN-2005/2 i.e. Mumbai

Block, subject to the approval of EDP by the Government. Our endeavour is to commence gas production by FY 2026-27.

AWEL has awarded the contract for well Design & Engineering and also finalized FEED Consultant. In line with your Company's prudent approach, we will commit future capital only upon clear visibility of commercial viability.

#### STRATEGY

##### 1) Transportation Vertical:

Explore opportunities within state-level infrastructure projects. Beyond traditional roadworks, your Company is also targeting potential ventures in the broader transportation sector, particularly in tunnelling projects spanning Metros, Highways, and other critical areas within the transportation sector.

##### 2) Water Vertical:

Water infrastructure is a dynamic and ever evolving sector with newer technologies being developed across its segments. With increasing population, the impact of climate change, depletion of surface water sources, and the imperative need for water conservation and treatment, there is a constant drive to develop new technologies for greater sustainability in this field. As a result, there are ongoing opportunities in every facet of water infrastructure, including Water Resource Management (comprising Dams, Barrages, Canals, Tunnels, Lift Irrigation, and Micro Irrigation), Water Supply Schemes (encompassing Treatment, Transmission, Reservoirs, Distribution, and 24/7 management), and Waste Water Management (including waste water collection, Treatment, Disposal, Recycling, and Reuse). The primary focus of your Company is to explore opportunities under:

- Lift and Micro Irrigation projects.
- Water Transmission and Treatment projects.
- Waste water treatment projects, including the recycling and reuse of treated water.

### 3. RETURN TO SHAREHOLDERS

Following is the snapshot of the dividend track record of your Company for previous financial years is given below:

Financial Year	Total Dividend (in %)	Cash Outflow including Tax (₹ in Crore)
2023-24 (Proposed)	30	41.52
2022-23*	85	134.96
2021-22	15	22.34
2020-21	15	29.74
2019-20	20	34.56

\*Includes special dividend of ₹7.50/- per equity share to the Shareholders for an aggregate amount of ₹112.48 Crore.

In respect of dividend declared during the previous years, ₹0.88 Crore remained unclaimed as on March 31, 2024.

The Board has appointed Ms. Nidhi Tanna, 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](http://www.welspunenterprises.com)

In accordance with the Distribution Policy - Return to the Shareholders of the Company, the Board endeavours 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. For the FY 2023-24, the Board of Directors has recommended a final dividend of ₹3/- per equity share of the face value of ₹10/- each at the rate of 30% on the equity shares, subject to shareholders' approval, amounting to ₹41.52 Crore, which represents 11.90% of profit after tax from continuing operations on a consolidated basis.

The final dividend shall be paid within a period of 30 (Thirty) days from the date of the 30<sup>th</sup> Annual General Meeting ("AGM"), subject to the approval of the shareholders. In view of the changes made under the Income-Tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Members. Your Company shall, accordingly, make the payment of the Final Dividend after deduction of tax at source.

In terms of the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the **SEBI Listing Regulations**"), the Company has formulated a Dividend Distribution Policy.

The policy is available on the Company's website at [https://www.welspunenterprises.com/admin/uploads/investordata/policies/policies\\_1690355922.pdf](https://www.welspunenterprises.com/admin/uploads/investordata/policies/policies_1690355922.pdf)

During the year, no amount was transferred to general reserve.

#### 4. FINANCIAL LIQUIDITY

Consolidated cash and cash equivalent as on March 31, 2024, stood at ₹252.30 Crore *vis-à-vis* ₹327.40 Crore in the previous year. The Company's working capital management is robust and involves a well organised process, which facilitates continuous monitoring and control over receivables, inventories and other parameters.

#### 5. INTERNAL CONTROLS AND INTERNAL AUDIT

Your Company maintains a strong internal control system which is commensurate with the size, scale and complexity of its operations. It prioritises reinforcing financial and operational controls to enhance transparency, accountability and efficiency in its processes.

We adhere to a comprehensive internal control framework that significantly impacts the reliability of our financial reporting. This includes periodic control testing to ensure both design and operational effectiveness, the implementation of necessary remedial measures, and continuous monitoring by our Senior Management and the Audit Committee of the Board.

Regular internal audits are a cornerstone of our control system. These audits help identify and rectify any design deficiencies or operational inefficiencies, with improvement measures promptly recommended. The Audit Committee of the Board reviews the adequacy of these controls quarterly and/or regularly, assessing specific processes to enhance systems and outcomes.

At the start of each financial year, your Company rolls out a risk-based annual audit plan. This plan, is approved by the Audit Committee, consisting solely of Independent Directors, who aims to evaluate the efficacy and adequacy of our internal control systems, ensure compliance with policies and accounting procedures, and verify adherence to laws and regulations.

Our internal audits are conducted by an independent external audit firm composed of qualified accountants and industry experts. Based on their reports, we take corrective actions as needed. Significant audit observations, if any, and the corresponding corrective actions are presented to the Audit Committee of the Board, ensuring continuous improvement and vigilance in our internal control systems. During the year under review, no material observation has been made by the Internal Auditor or Statutory Auditors of the Company in relation to the efficiency and effectiveness of such controls.

Your Company has also implemented SAP-GRC, a cutting-edge access controls module to enhance our ability to monitor user access risks, streamline processes, and reduce costs, while safeguarding the Company's reputation and financial health.

#### 6. SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

Pursuant to the provisions of Section 129(3) of the Act read with Rule 5 and 8 of the Companies (Accounts) Rules, 2014, a statement containing salient features of financial statements of subsidiaries in Form AOC-1 is attached herewith as **Annexure 1**.

The shareholders may also note that during the financial year under review:

- a) Your Company had acquired 50.10% equity shares of Welspun Michigan Engineers Limited ("WMEL") (formerly known as Michigan Engineers Private Limited) on August 21, 2023, WMEL become a subsidiary of your Company w.e.f. August 21, 2023.

WMEL is positioned as a prominent EPC company in India with specialisation in niche business of Tunnelling and Pipeline Rehabilitation in the water & waste water segment with diversified projects in Mumbai, Delhi, Kolkata, Gujarat and Odisha. It has executed variety of urban specialty infrastructure projects including Marine, Bridges, Sewage and Drainage involving mechanized tunnelling solutions, pumping stations, lake taps etc. Its current order book consists of Tunneling (62%), Pumping Station (13%), Rehabilitation (13%), Bridge (10%) and Marine works (2%).

- b) After evaluating your Company's strategy for participating in the Sustainable Energy Solutions and the associated business model, it was analysed that pursuing this sector as a developer would be capital intensive in nature and involve a longer gestation period as compared to its core business. Consequently, your Board at its meeting held on November 27, 2023, decided that your Company shall not pursue the Sustainable Energy Solutions/New Energy business and approved to transfer its entire shareholding in Welspun New Energy Limited ("WNEL"), a wholly-subsidiary, to the Promoter Group entities w.e.f. November 27, 2023.
- c) Mounting Renewable Power Limited became indirect subsidiary of your Company, through WNEL, w.e.f. September 02, 2023, and ceased to be indirect subsidiary pursuant to the transfer of its' entire shareholding held in WNEL w.e.f. November 27, 2023.
- d) Voluntary Liquidation of Welspun Natural Resources Private Limited (wholly owned subsidiary of the Company), as per the provisions of Section 59 of

the Insolvency and Bankruptcy Code, 2016, was approved by the National Company Law Tribunal ("NCLT"), Ahmedabad Bench, Gujarat, vide its' Order dated February 12, 2024.

- e) The Board of Directors of your Company had at its' meeting held on April 21, 2023, approved the Scheme of Amalgamation of wholly owned subsidiaries, viz. Welspun-Kaveri Infraprojects Private Limited, Welspun Infraconstruct Private Limited, Corbello Trading Private Limited and RGY Roads Private Limited (collectively referred as "Transferor Companies") with Welspun Enterprises Limited ("Transferee Company"). The Scheme was filed with NCLT, Ahmedabad Bench, Gujarat, on June 21, 2023. The certified copy of the order was received by your Company on February 12, 2024, with Scheme becoming effective from February 14, 2024.

Financial statements of the subsidiaries/joint venture companies are hosted on the website of the Company at <https://www.welspunenterprises.com/annual-report.php>

The policy on Material Subsidiary as approved by the Board is uploaded on the website of the Company at [https://www.welspunenterprises.com/admin/uploads/investordata/policies/policies\\_1690356313.pdf](https://www.welspunenterprises.com/admin/uploads/investordata/policies/policies_1690356313.pdf)

#### Consolidated Financial Statements

The Consolidated Financial Statements have been prepared in compliance with the IndAS notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The said Consolidated Financial Statements forms part of this Annual Report.

The separate audited financial statements in respect of each of the subsidiary companies are open for inspection and are also available on the website of Company at <https://www.welspunenterprises.com/annual-report.php>

The Company shall provide, free of cost, a copy of the Financial Statements of its Subsidiary Companies to the Members upon their request.

#### 7. AUDITORS AND AUDITORS' REPORT

##### a) Statutory Auditors

The Members had at the 26<sup>th</sup> AGM of the Company held on June 30, 2020, approved the re-appointment of MGB & Co. LLP, Chartered Accountants (Firm Registration Number: 101169W/W-100035) as the Statutory Auditors of the Company for a second term of 5 (five) consecutive years to hold office from conclusion of the 26<sup>th</sup> AGM until the conclusion of 31<sup>st</sup> AGM.

The Board of Directors at their meeting held on May 21, 2024, basis the recommendation of the Audit Committee approved payment of ₹0.51 Crore (excluding applicable taxes and out-of-pocket expenses) as a remuneration to MGB & Co. LLP, Chartered Accountants, Statutory Auditors, for the period commencing from the conclusion of the 30<sup>th</sup> AGM until the conclusion of 31<sup>st</sup> AGM, subject to the approval of the shareholders at the ensuing AGM of the Company.

MGB & Co. LLP seamlessly blends modern agility with time-tested business values. They have a dynamic team averaging which is guided by a Senior Management with over 500 years of combined experience and operate from six key locations across India as well as an office in Dubai, supporting 400+ team members. Over the past 45+ years, they have built strong relationships with 1200+ public and private entities globally. They offer diverse services including Assurance, Governance & Risk Management, Legal & Secretarial Compliance, Direct Taxation, Indirect Taxation, Customs & EXIM Services, Corporate Finance, Asset Management, IT Risk & Cyber Security, Business Support Services, Insolvency & Business Restructuring Support, Valuations, CSR & Sustainability, reflect their commitment to staying at the forefront of industry needs.

The Auditor's Report on the financial statements of the Company for the FY ended March 31, 2024, forms part of this Annual Report. The said report was issued by the Statutory Auditors with an unmodified opinion and does not contain any qualifications, reservations or adverse remarks. Auditor's Report is self-explanatory and therefore, does not require further comments and explanation. During the year under review, the Auditors have not reported any fraud under Section 143(12) of the Act and therefore disclosure of details under Section 134(3)(ca) of the Act is not applicable. The Audit Committee reviews the independence and objectivity of the Auditors and the effectiveness of the Audit process. Further, MGB & Co. LLP hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

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 FY 2023-24 is ₹0.70 Crore.

##### b) Internal Auditors

Pursuant to Section 138(1) of the Companies Act, 2013, (the "Act") read with the Companies (Accounts) Rules, 2014, your Company is

required to appoint an internal auditor to conduct internal audit of the functions and activities of your Company.

Your Board of Directors based on the recommendation of the Audit Committee, had approved the appointment of Suresh Surana & Associates, LLP, Chartered Accountants (LLP Identity No. AAB-7509) to conduct the internal audit of your Company for the FY 2023-24.

Pursuant to the provisions of Section 138 of the Act, read with the Companies (Accounts) Rules, 2014, and based on the recommendation of the Audit Committee, the Board of Directors approved appointment of Suresh Surana & Associates, LLP, Chartered Accountants (LLP Identity No. AAB-7509) as the internal auditor for the FY 2024-25 at a remuneration of ₹0.19 Crore (excluding applicable taxes and out-of-pocket expenses).

Suresh Surana & Associates LLP, an Indian member of RSM International since 1996, is among India's top 6 audit, tax, and consulting firms, with over 3,000 personnel and offices in 12 cities. Offering services in Internal Audits, Risk Advisory, Corporate Tax, IT Systems Assurance, and Operations Consulting, the firm is backed by a multidisciplinary team of 550+ CAs and 350+ Engineers/MBAs. RSM India promotes a strong learning culture, follows ISO-certified processes, and undergoes regular global inspections and peer reviews. It is also empaneled with key regulators like CAG, Cert-In, and PCAOB.

### c) Cost Auditors

Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014, your Company is required to maintain cost records as specified by the Central Government. Accordingly, the Company has maintained cost accounts and records in the prescribed manner. The records maintained by your Company under Section 148 of the Act are required to be audited by a Cost Accountant.

Your Board based on the recommendation of the Audit Committee, approved the appointment of M/s. Kiran J. Mehta & Co., Cost Accountants (Firm Registration No. 000025), as the Cost Auditors of the Company to conduct audit of the cost records of your Company for the FY 2023-24. The Company has received a certificate from M/s. Kiran J. Mehta & Co., confirming their consent and that they are not disqualified from being appointed as the Cost Auditors of the Company. Your Board based on the recommendation of the

Audit Committee, approved the appointment of M/s. Kiran J. Mehta & Co., Cost Accountants as the Cost Auditors for the FY 2024-25. A remuneration of ₹0.03 Crore (excluding applicable taxes and out-of-pocket expenses), has been fixed for the Cost Auditors for the FY 2024-25, subject to the ratification of such fees by the Members at the ensuing AGM.

M/s. Kiran J Mehta & Co., a partnership firm of Cost Accountants, is functioning for last three decades. It started in the year 1977 as a proprietorship concern by Mr. Kiran J Mehta. Mr. Mehta was awarded Certificate of Merit in the intermediate as well as the final examinations of ICWAI at the national level. The firm has its head office at Ahmedabad and a Branch at Vadodara.

M/s. Kiran J. Mehta & Co., have confirmed that the cost records for the FY ended March 31, 2024, are free from any disqualifications as specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Act. They have further confirmed their independent status.

The Cost Audit Report for the FY 2022-23, was e-filed with Ministry of Corporate Affairs, Government of India on August 28, 2023 and for the FY 2023-24 was e-filed on August 27, 2024.

### d) Secretarial Auditors

The Board had appointed M/s. Mihen Halani & Associates, Company Secretaries as Secretarial Auditors of the Company to conduct audit of the secretarial records of the Company for the FY 2023-24. The Secretarial Audit Report in Form MR-3 is annexed herewith as **Annexure 2** to this Annual Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Pursuant to the provisions of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and based on the recommendation of the Audit Committee, the Board of Directors approved appointed M/s. Mihen Halani & Associates, Company Secretaries as the Secretarial Auditors of the Company for the FY 2024-25 at a remuneration of ₹0.02 Crore (excluding applicable taxes and out-of-pocket expenses).

Pursuant to the provisions of Regulation 24A of the SEBI Listing Regulations read with SEBI Circulars, the Company has undertaken an audit for the FY 2023-24 for all applicable compliances as per SEBI Listing Regulations and circulars/guidelines issued thereunder.

### e) Details in respect of frauds reported by auditors other than those which are reportable to the Central Government

During the year under review, neither the Statutory Auditors, the Internal Auditors, the Cost Auditors nor the Secretarial Auditor have reported to the Audit Committee or the Board, under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees.

## 8. SHARE CAPITAL, DEBT STRUCTURE AND ITS LISTING

### i) Authorised Capital

During the year under review, there was no change in the authorised capital of the Company. Your Company has neither issued any shares with differential rights as to dividends, voting or otherwise nor issued any sweat equity shares during the year under review.

Further, no employee has been issued stock options, during the year, equal to or exceeding 1% of the issued capital of the Company at the time of grant. The issuance of equity shares pursuant to exercise of stock options does not affect the profit and loss account of the Company.

Sr. No.	Particulars	WEL ESOP Scheme-2017*	WEL ESOP Scheme-2022#	WEL ESOP Scheme Trust 2022
a)	Options granted	Nil	Nil	Nil
b)	Options vested	Nil	30,754	1,00,000
c)	Options exercised	Nil*	30,754	1,00,000
d)	Total number of shares arising as a result of exercise of options	Nil	30,754	1,00,000 <sup>§</sup>
e)	Options lapsed	Nil	4,30,551	Nil
f)	Exercise Price (in ₹)	Nil	97.55	88.00
g)	Variation of terms of options	There have been no variations in the terms of the options		
h)	Money realized by exercise of options	N.A.	30,00,053	88,00,000
i)	Total number of options in force	Nil	92,262	3,00,000
j)	Employee wise details of options granted to:			
	1. Key Managerial Personnel/Senior Management	Nil	4,61,305 were granted to: Mr. Neeraj Gupta Mr. Ajay Hans	4,00,000 were granted to: Mr. Aditya Harlalka
	2. 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			
	3. 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		Nil	
k)	Diluted EPS pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard 20 (in ₹)	N.A.	51.09	51.09
l)	Weighted-average exercise price (in ₹)	Nil	97.55	88.00
m)	Weighted-average fair values of options: as per Black Scholes Valuation model (in ₹)	No grants during the year		

\*1,50,000 under the WEL ESOP Scheme 2017 were vested on July 28, 2022, exercised on March 31, 2023 and were allotted on April 17, 2023. As on date there are no remaining options pending to be granted or vested or exercised under this Scheme. Hence, this Scheme stands closed.

<sup>#</sup>Out of the 4,61,305 ESOPs granted, 4,30,551 options were lapsed due to employee resignations and 30,754 options were exercised by an employee. As a result, there are no remaining options under this ESOP Scheme. Hence, this Scheme stands closed as on date.

<sup>§</sup>There was no change in the issued/paid up capital of the Company pursuant to exercise of options as the same were transferred to the grantee from the equity shares held by Welspun Enterprises Employees Welfare Trust.

Disclosure as required under Part-F of Schedule I of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, are available on the website of the Company at <https://www.welspunenterprises.com/shareholder-information.php>

M/s. Mihen Halani & Associates, Company Secretaries, Secretarial Auditors of the Company have issued a certificate with respect to the implementation of WEL ESOP Scheme-2017, WEL ESOP Scheme-2022, WEL ESOP Scheme Trust 2022, (hereinafter collectively referred to as "Welspun ESOP Schemes") and a copy of the same shall be available for inspection at the registered office of the Company. The members can also obtain the same by writing to us at [Companysecretary\\_wel@Welspun.com](mailto:Companysecretary_wel@Welspun.com) and pls underline the same.

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

Your 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.

#### vi) Issue of debentures

During the year under review, your Company has not issued/allotted any debentures. However, in the year 2021, your Company had raised and listed ₹375 Crore Non-Convertible Debentures ("NCDs") on the stock exchange, of which ₹100 Crore NCDs was redeemed on December 01, 2022. The balance ₹175 Crore NCDs was redeemed on May 27, 2023 and remaining ₹100 Crore NCDs was redeemed on June 1, 2023. Consequently, as of March 31, 2024, there are no listed NCDs outstanding on the stock exchange. It may be noted that your Company had made timely interest/principal payments on the aforementioned NCDs and fulfilled the necessary disclosure requirements with the stock exchanges.

#### vii) Listing with the stock exchanges

Your Company's equity shares are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") (hereinafter collectively referred to as "Stock Exchanges").

## 9. 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 Regulations 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

To mitigate unintended challenges on account of freezing of folios, SEBI vide its Circular No. SEBI/HO/MIRSD/POD101/P/CIR/2023/181 dated November 17, 2023, has done away with the provision with respect to freezing of folios not having PAN, KYC, and Nomination details. Shareholders may also refer to relevant FAQs published by SEBI on its website and can be viewed at the following link at [https://www.sebi.gov.in/sebi\\_data/faqfiles/jan-2024/1704433843359.pdf](https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf)

SEBI with effect from April 1, 2019, has barred physical transfer of shares of listed companies and mandated transfers only in demat mode. SEBI in continuation of its efforts to enhance ease of dealing in securities market by investors has mandated the listed entities to issue securities for the following investor service requests only in dematerialised

form: issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission, and transmission.

Further, SEBI has also simplified the process for transmission of shares and issue of duplicate share certificates to make it more efficient and investor friendly. The manner and process of making application as per the aforesaid revised framework and operational guidelines thereto are available on the website of the Registrar and Share Transfer Agent ("RTA") at <https://linkintime.co.in/home.html>

Transactions involving issue of share certificates, namely, issuance of duplicate share certificates, split, re-materialisation, consolidation, and renewal of share certificates, etc. are approved by the Share Transfer, Investor Grievance and Stakeholders' Relationship Committee of the Board of Directors of the Company. After due verification, the requests for dematerialisation of shares are processed by RTA and confirmation thereof is given to the respective Depositories i.e., National Securities Depository Limited ("NSDL") and Central Depository Services Limited ("CDSL") within the prescribed time limit.

The Company on a yearly basis files with the Stock Exchanges:

- compliance certificate duly signed by both, the Compliance Officer of the Company and the authorised representative of the RTA certifying that all activities in relation to share transfer facility is maintained by Link Intime India Private Limited, a SEBI approved Category-I, RTA registered with SEBI vide Registration No.: INR000004058.
- a certificate of compliance from a Company Secretary in practice confirming issue of Letter of Confirmation within a period of 30 days of lodgement of investor service requests as prescribed in Regulation 40(9) of the SEBI Listing Regulations read with the SEBI Notification No. SEBI/LAD-NRO/GN/2022/66 dated January 24, 2022, and SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023, (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force).

During the year, all the requests received from the shareholders by the Company or its RTA were addressed in accordance with the timelines as

prescribed by the statutory authorities, from time to time.

## 10. FINANCE

### a) Credit Rating

The Company has received credit rating from CRISIL Ratings Limited ("CRISIL"). They have reviewed and re-affirmed the following ratings:

Facility	Rating	Action by CRISIL
Long Term Rating	CRISIL AA-/Stable	Re-affirmed
Short Term Rating	CRISIL A1+	Re-affirmed

The ratings reflects your Company's diversified business risk profile, established brand, strong market position in the infrastructure sector, with growth prospects remaining robust due to its focus on project excellence, timely execution, asset light model and delivering value through quality infrastructure.

### b) Deposits

During the year under review, the Company has neither accepted nor renewed deposits from the public falling within the ambit of Section 73 and 74 of the Act, read together with the Companies (Acceptance of Deposits) Rules, 2014. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act or the details of deposits which are not in compliance with Chapter V of the Act is not applicable. Further, no amount on account of principal or interest on deposit was outstanding as at the end of the year under report.

The requisite return for the FY 2023-24 with respect to amount(s) not considered as deposits has been filed. The Company does not have any unclaimed deposits as on the date of this report.

## 11. EXTRACT OF THE ANNUAL RETURN

In accordance with Section 92(3) read with Section 134(3)(a) of the Act and the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company as of March 31, 2024, in e-Form MGT-7, is available on the Company's website at <https://www.welspunenterprises.com/company-disclosure.php>

The Annual Return will be submitted to the Registrar of Companies within the timelines prescribed under the Act.

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

### I. ENERGY CONSERVATION

Your Company is continuously engaged in the process of energy conservation through ongoing improvements in operational and maintenance practice. Given below are some of the initiatives undertaken by your Company that highlights our continuous effort to enhance energy efficiency in FY 2023-24.

#### a) The steps taken or impact on conservation of energy:

- **Enhancing Data Accessibility and Sustainability Initiatives:** During the FY 2023-24, energy conservation projects were launched, emphasizing sustainability and efficiency to showcase the Company's commitment to informed energy decisions, proactive environmental stewardship, cost reduction, and data availability from project sites was also bolstered for operational growth.
- **Comprehensive Operational Monitoring and Streamlined Communication:** 10 key data indicators are monitored from 42 points across sites and offices, ensuring detailed operational insights. With 32 single points of contact maintained throughout the year, communication processes are streamlined. This structured approach highlights your Company's commitment to operational excellence, enabling proactive responses and optimized performance.
- **Developing the WEL Data HUB for Enhanced ESG Reporting:** The ESG team in collaboration with the IT department, is developing the WEL Data HUB - a platform dedicated to ESG documentation. This project includes creating an internal dashboard and data capturing tool to improve transparency, accuracy, and efficiency in ESG reporting.

#### b) The steps taken by the Company for utilising alternate sources of energy:

- **Expanding Sustainability Focus to Scope 3 Emissions:** During FY 2023-24, sustainability initiatives were expanded by including Scope 3 emissions measurement alongside Scope 1 and 2 as a commitment to the environmental

responsibility and to align with global efforts to reduce carbon footprints.

- **Prioritizing Energy Efficiency:** During the FY 2023-24, to support sustainability objectives thereby reducing environmental impact and operational costs while ensuring optimal performance, your Company implemented several measures such as:

- procuring energy efficiency air conditioning units with BEE 3 Star and 5 Star ratings;
- using LED lights at site offices where feasible;
- wherever possible conducting audio-video meetings in place of physical meetings; and
- replacing plastic bottles with glass bottles.

- **Exploring Carbon Sequestration in Waste Water Treatment:** The Dharavi Waste Water Treatment Facility project includes a thorough assessment for carbon sequestration opportunities. A feasibility report guides the Company's strategic decision to pursue carbon credits, aligning with its sustainability goals and enhancing environmental and financial outcomes.

#### c) The capital investment on energy conservation equipment:

The same is provided in BRSR Section forming part of this Annual Report.

### II. TECHNOLOGY ABSORPTION

Your Company continues to drive innovation within the infrastructure sector by developing cutting-edge in-house tools. By strategically absorbing advanced technologies, your Company enhances its capabilities in project execution and sustainability. Given below are some examples of successful in-house software development and execution, along with efforts in global collaboration with technology partners:

#### a) The efforts made towards technology absorption and benefits derived thereof:

- **Project "WEL-Darpan" and "JAL Darpan":** Our digital initiatives include the analytics platform projects "WEL-Darpan" and "JAL Darpan". These platforms provide

role-based views, enabling stakeholders to access unified information, reducing gaps, and facilitating timely decision-making.

- **Nirmal Dhara Project:** This project is an end-to-end monitoring tool specifically designed for our Sewage Treatment Plant (STP) projects.

- **Centralized Document Management System:** We have implemented a centralized Document Management System, offering a secure repository for company-wide document storage and maintenance.

- **Data Hub:** Our centralized data acquisition system with Data Hub to aggregate data from various project sites, enhancing data management and accessibility.

- **EMSP - Online Project Schedule Monitoring:** The EMSP tool is used for online project schedule monitoring, ensuring efficient tracking of project timelines.

- **MDM Tool:** This tool ensures error-free management of master data, maintaining data integrity and accuracy.

- **STHITI Application:** We introduced the STHITI application, leveraging Welspun IP, to streamline employee attendance marking. This tool allows employees to mark their attendance directly at their actual workplace area.

- **SAP Implementation:** SAP serves as our core application for real-time management and monitoring of sourcing, finance, and accounts.

- **SAP-GRC Implementation:** The SAP GRC module has been implemented to monitor user access risks, reduce process complexity, and cut costs, thereby protecting our organization's reputation and financial well-being.

- **AI/ML-Based MS Copilot Tool:** We are currently developing an AI/ML-based MS Copilot tool to enhance our day-to-day operations, leveraging advanced technologies for improved efficiency.

#### b) In case of imported technology (imported during the last three years reckoned from the beginning of the FY): Not Applicable

#### c) Expenditure incurred on Research and Development: Nil

### III. FOREIGN EXCHANGE EARNINGS AND OUTGO

**The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:** During the FY 2023-24, there were no foreign exchange earnings and outgo.

### 13. CORPORATE SOCIAL RESPONSIBILITY

The CSR initiatives of your Company is enshrined in the three E's which have become guiding principles of the CSR initiatives: Education, Empowerment (of Women) and Environment & Health. During the FY 2023-24, your Company has spent ₹3.50 Crore towards CSR expenditure, as outlined in Schedule VII of the Act and according to the CSR Annual Action Plan approved by the CSR Committee and the Board of Directors, from time to time. This expenditure was managed through Welspun Foundation for Health and Knowledge ("WFHK"). Additionally, WFHK also utilized ₹1.28 Crore from the unspent amount carried over from the FY 2021-22.

The CSR Committee confirms that the implementation and monitoring of the CSR Policy was done in compliance with the CSR objectives and policy of the Company.

The annual report on the CSR activities undertaken during the FY ended March 31, 2024, in accordance with Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules") as set out in **Annexure 3** to this Report. During the year, no revision was made to the CSR Policy of the Company.

The CSR Policy is hosted on the website of the Company at [https://www.welspunenterprises.com/admin/uploads/investordata/policies/policies\\_1713252425.pdf](https://www.welspunenterprises.com/admin/uploads/investordata/policies/policies_1713252425.pdf)

### 14. DETAILS OF ESTABLISHMENT OF CODE OF CONDUCT FOR REGULATING, MONITORING AND REPORTING OF TRADING BY INSIDERS

Your Company's has a Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders ("PIT Policy") for designated persons, connected persons and the insiders as defined under the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"). The PIT Policy ensures appropriate measures to prevent unfair practices. The Audit Committee reviews the Institutional Mechanism for the prevention of insider trading. Additionally, periodic training sessions are organized for creating awareness amongst the insiders about the PIT Policy and PIT Regulations.

The PIT Policy is hosted on the website of the Company at [https://www.welspunenterprises.com/admin/uploads/investordata/policies/policies\\_1710239102.pdf](https://www.welspunenterprises.com/admin/uploads/investordata/policies/policies_1710239102.pdf)

## 15. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Company actively strives to adopt best practices to ensure the effective functioning of the Board. It emphasises the importance of having a truly diverse Board whose collective wisdom and strength can be leveraged to create greater stakeholder value, protect their interests, and uphold better corporate governance standards. Your Company's Board comprises eminent professionals with proven competence and integrity. They bring in vast experience & expertise, strategic guidance and strong leadership qualities.

Your Company's Board comprises of a mix of executive and non-executive directors with considerable experience and expertise across a wide range of fields such as policy shaping & industry advocacy, strategy & business management, finance & accounts, ESG, brand building. The details of the directors and their meetings held during the FY under review is given in the Corporate Governance Report, which forms part of the Annual Report.

### a) Changes in Directors and Key Managerial Personnel ("KMP")

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

- Appointment of Mr. Lalit Jain as Chief Financial Officer**

Mr. Lalit Jain was appointed as the Interim Chief Financial Officer and Key Managerial Personnel of the Company w.e.f. February 01, 2023. He was re-designated as Chief Financial Officer of the Company w.e.f. May 19, 2023.

- Re-appointment of Dr. Aruna Sharma as a Non-Executive Independent Director**

The Board of Directors basis the recommendation of the Nomination and Remuneration Committee ("N&RC") of the Board and considering the positive outcome of performance evaluation and significant contributions made by Dr. Aruna Sharma (DIN: 06515361) during her initial term as an Independent Director, re-appointed her for a second consecutive term of 5 (five) consecutive years from January 29, 2024, upto January 28, 2029, who shall not be liable to retire by rotation. The said re-appointment was subsequently approved by the Members

at the 29<sup>th</sup> AGM of the Company held on September 22, 2023.

- Re-appointment of Mr. Raghav Chandra as a Non-Executive Independent Director**

The Board of Directors basis the recommendation of the N&RC of the Board and considering the positive outcome of performance evaluation and significant contributions made by Mr. Raghav Chandra (DIN: 00057760) during his initial term as an Independent Director, re-appointed him for a second consecutive term of 5 (five) consecutive years from May 15, 2024, upto May 14, 2029, who shall not be liable to retire by rotation. The said re-appointment was subsequently approved by the Members at the 29<sup>th</sup> AGM of the Company held on September 22, 2023.

- Appointment of Mr. S Madhavan as a Non-Executive Independent Director**

During the FY under review, the Board of Directors of the Company basis the recommendation of the N&RC of the Board and based on the evaluation of the balance of skills, knowledge, experience and expertise considered and approved the appointment of Mr. S Madhavan (DIN: 06451889) as an Additional Director (Non-Executive, Independent) for a period of 4 (four) consecutive years commencing from April 01, 2024, upto March 31, 2028, who shall not be liable to retire by rotation.

The appointment of Mr. Madhavan was subsequently approved by the Members of the Company at the Extra-Ordinary General Meeting of the Company held on March 29, 2024.

- Retirement of Mr. Mohan Tandon from the position of Non-Executive Independent Director**

Mr. Mohan Tandon (DIN: 00026460) retired from the position of Non-Executive Independent Director of the Company, pursuant to completion of his term, w.e.f. March 31, 2024, (close of business hours). He confirmed that there were no other material reasons apart from as stated above.

- Resignation tendered by Mr. Sudhir Mital from the position of Non-Executive Independent Director and Ms. Dipali Goenka from the position of Non-Executive, Non-Independent Director**

Mr. Sudhir Mital (DIN: 08314675) tendered his resignation from the position of Non-Executive

Independent Director of the Company, w.e.f. July 11, 2024, (close of business hours), due to personal reasons and other commitments and desire to pursue areas of personal interest. He confirmed that there were no other material reasons apart from as stated above.

Ms. Dipali Goenka (DIN: 00007199) tendered her resignation from the position of Non-Executive, Non-Independent Director of the Company, w.e.f. July 11, 2024 (close of business hours) due to increasing commitments to the textile business and ESG & CSR of Welspun Group. She confirmed that there were no other material reasons apart from as stated above.

- Retirement by rotation and subsequent re-appointment**

In accordance with the provisions of the Section 152 of the Act, and the Articles of Association of the Company, Mr. Rajesh Mandawewala (DIN: 00007179) is retiring by rotation at the forthcoming AGM being eligible offers himself for re-appointment.

The Board recommends re-appointment of Mr. Mandawewala for the consideration of the Members of the Company at the forthcoming AGM. The relevant details including profile of Mr. Mandawewala is included in the Notice of the forthcoming AGM being sent to the Members along with the Annual Report.

### b) Remuneration policy and criteria for selection of candidates for appointment as Directors, KMPs and Senior Management

The Company has in place a policy for remuneration of Directors, KMPs and Senior Management as well as a well-defined criterion for the selection of candidates for appointment to the said positions, which has been approved by the Board. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to the Executive and Non-Executive Directors (by way of sitting fees and commission), KMPs and Senior Management. The criteria for the selection of candidates for the above positions cover various factors and attributes, which are considered by the N&RC and the Board of Directors while selecting candidates.

The policy on remuneration of Directors, KMPs and Senior Management is hosted on the website of the Company at [https://www.welspunenterprises.com/admin/uploads/investordata/policies/policies\\_1690356370.pdf](https://www.welspunenterprises.com/admin/uploads/investordata/policies/policies_1690356370.pdf)

### c) Managerial Remuneration

The remuneration to the Executive Directors includes the fixed pay and the variable pay or commission. The variable pay is determined by the N&RC after factoring in the individual performance, i.e. KPIs achieved and the Company's performance. There is no clawback provision in the remuneration paid to the Executive Directors of the Company. In terms of applicable laws, there is no mandatory stock ownerships requirement for the Executive Directors. Further, Stock Options granted to the Executive Directors are governed by various ESOP Schemes and Performance Share Plans of the Company as approved by Members from time-to-time.

N&RC is responsible for administrating the stock and performance incentives plans of the Company and determines the eligibility of all the employees including the Executive Directors. Particulars of the remuneration payable to the executive directors of the Company for the year under report is as under:

Particulars	₹ in Crore)	
	Mr. Balkrishan Goenka Chairman (Executive)	Mr. Sandeep Garg, Managing Director <sup>5</sup>
Salary	7.50	4.00
Perquisites	Nil	Nil
Commission <sup>#</sup>	2%	Nil
Variable Pay	Nil	1.00
Service Contract/ Term of appointment	May 31, 2025	May 31, 2025
Notice Period (as per Company policy)	3 Months	3 Months
Severance Fees	Nil	Nil
Stock Options	Nil	Nil

<sup>#</sup>the Company has provided for commission, at the rate of 2% of consolidated profits, in the financial statement of the Company.

<sup>5</sup>excludes ₹2.50 Crore (fixed + variable) paid for the FY 23-24 from Adani Welspun Exploration Limited ("Associate Company")

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.

Mr. Balkrishan Goenka, Chairman (Executive) of the Company, who was in receipt of remuneration of ₹7.50 Crore 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 a consolidated basis amounting to ₹6.49 Crore for the FY 2023-24, was not in receipt of any remuneration or commission from the subsidiary companies.

Apart from sitting fees for meetings, the Board approved payment of special remuneration to the Independent Directors amounting to ₹0.20 Crore to each Independent Directors totalling to ₹1.00 Crore for their continued support, guidance and contribution to the Company for many years in particular to successful divestment of Highway Projects to Actis, which was subsequently approved by the Members vide special resolution passed at the 29<sup>th</sup> AGM of the Company held on September 22, 2023.

Further, the Board approved payment of remuneration amounting to ₹0.27 Crore (including tax) to Mr. Mohan Tandon, former Lead Independent Director of your Company, in recognition of his retirement from the Board effective March 31, 2024 (close of business hours) appreciating his contribution and support towards your Company throughout his long tenure of over a decade, which was subsequently approved by the Members vide special resolution passed at the Extra-Ordinary General Meeting of the Company held on March 29, 2024.

#### d) Declaration by Independent Director(s)

The Independent Directors on the Board of your Company have given declaration that they meet the criteria of independence as provided under Section 149(6) of the Act and the SEBI Listing Regulations, at the beginning of the year 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 fulfil the conditions prescribed under the Act and the SEBI Listing Regulations, and they are independent of the management. The independent directors on the Board of your Company are registered with the Indian Institute of Corporate Affairs ("IICA"), Manesar, Gurgaon as notified by the Central Government under Section 150(1) of the Act and rules as applicable have cleared online proficiency self-assessment test within the time prescribed by the IICA. Further, in the opinion of the Board the independent directors, possess requisite skills, expertise, experience and integrity. For details on the required skills, expertise, experience, please refer to the

disclosure made in the Corporate Governance Report forming part of Annual Report.

Test of independence based on criteria given in SEC (USA) Rule 4200, it is affirmed that the Independent Directors:

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

Except as stated above, no remuneration or perquisites were paid, and no service contracts were entered into with the Non-Executive Directors (including Independent Directors) of the

Company for FY 2023-24. The details of sitting fees paid to the Non-Executive Independent Directors are provided below:

		(₹ in Crore)
Sl. No.	Name of the Non-Executive Independent Directors	Sitting Fees
1	Mr. Mohan Tandon	0.17
2	Dr. Aruna Sharma	0.13
3	Mr. Raghav Chandra	0.18
4	Dr. Anoop Kumar Mittal	0.12
5	Mr. Sudhir Mital	0.09

The above mentioned sitting fees paid to the Non-Executive Independent Directors was in line with the N&RC Policy of the Company. The sitting fees paid to the directors was within the limits prescribed under the Act, for payment of sitting fees and therefore, prior approval of the Members as stipulated under Regulation 17(6) of the SEBI Listing Regulations was not required.

#### e) Formal Annual Evaluation

##### Background

In terms of requirements of the Act read with the rules issued thereunder and the SEBI Listing Regulations, the Board carried-out the annual performance evaluation of the Board of Directors as a whole, Committees of the Board and Individual Directors.

The performance evaluation of the Board, its committees and individual directors was conducted by the entire Board (excluding the Director being evaluated) on the basis of a structured questionnaire which was prepared after taking into consideration inputs received from the Directors covering various aspects of the Board's functioning viz. adequacy of the composition of the Board and its Committees, time spent by each of the directors; accomplishment of specific responsibilities and expertise; conflict of interest; integrity of the Director; active participation and contribution during discussions, governance and ESG parameters. The questionnaire along with Criteria for Board evaluation is duly approved by N&RC based on the guidance note issued by the SEBI and is reviewed periodically and updated in-line with the change in the business and regulatory framework. Performance evaluation is facilitated by the Chairman of the Board who is supported by the Chairman of N&RC.

##### Mode of evaluation

Assessment is conducted through a structured questionnaire. Each question contains a scale of "0" to "3". The Company has developed an

in-house digital platform to facilitate confidential responses to a structured questionnaire. All the directors participated in the evaluation process.

For the FY 2023-24 the annual performance evaluation was carried out by the Independent Directors, N&RC and the Board, which included evaluation of the Board, Independent Directors, Non-Independent Directors, Executive Directors, Chairman, Committees of the Board. Further, assessment with respect to the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties was also conducted.

The following process was followed to assimilate and process the feedback:

- A separate meeting of Independent Directors was conveyed to evaluate the performance of Non-Independent Directors, the Committees of the Board, the Board as a whole and Chairman of the Company;
- The N&RC further evaluated the performance of all the directors, the Committees of the Board, the Board as a whole and Chairman of the Company and discussed the suggestions /recommendation received from the Independent Directors.
  - The entire Board discussed the findings of the evaluation with the Independent Directors and N&RC and also evaluated the performance of the Individual Directors including the Executive & Non-Executive, the Board as a whole and all Committees of the Board; and
  - As an outcome of the above process, feedbacks were shared with the Company for consideration and individually with the Director, wherever required.

The Board Evaluation discussion was focused on how to make the Board more effective as a collective body in the context of the business and the external environment in which the Company functions. The Board was from time-to-time apprised of relevant business issues and related opportunities and risks. The Board discussed various aspects of its functioning and that of its Committees such as structure, composition, meetings, functions and interaction with management and what needs to be done to further augment the effectiveness of the Board's functioning.

The Board's overall assessment indicated that it was operating cohesively, including its various Committees. These Committees were performing effectively, regularly reporting to the Board on their activities and progress during the reporting period. The Board also noted that the actions identified in previous questionnaire-based evaluations had been implemented.

During the FY 2023-24, the key actions suggested from the previous year's evaluation were implemented, including conducting of Meeting(s) of the Committee prior to Board and Audit Committee Meetings where financial results are discussed, holding discussion on the Managing Director's goal setting and presenting an analysis on the attrition of Senior Management.


The Directors were satisfied with the overall corporate governance standards, Board performance and effectiveness. The results are summarized below:

Particulars	Key parameters	No. of evaluation parameters	Score (%)
Board of Directors	<ul style="list-style-type: none"> <li>Board structure and composition</li> <li>Board meeting practices (agenda, frequency, duration)</li> <li>Functions of the Board (strategic direction, ESG, etc.)</li> <li>Quantity, quality and timeliness of information</li> <li>Board culture and effectiveness</li> <li>Functioning of Board Committees</li> <li>Risk Management</li> <li>Director induction and development programs</li> </ul>	20	98.15
Board Committee	<ul style="list-style-type: none"> <li>Composition, roles &amp; responsibilities and effectiveness of the committee</li> <li>Meeting structure and information flow</li> <li>Contributions to Board decisions</li> </ul>	10-17 for each Committee	97.89 (average of consolidated score of each committee)
Independent Directors ("IDs")	<ul style="list-style-type: none"> <li>Independence from company (no conflict of interest)</li> <li>Independent views and judgement</li> <li>Objective contribution to the Board deliberations</li> </ul>	8	95.93 (average of consolidated score of all IDs)
Chairperson	<ul style="list-style-type: none"> <li>Promoting effective decision-making</li> <li>Encouraging high quality of constructive debate</li> <li>Open-minded and listening to the members</li> <li>Effectively dealing with dissent and work constructively towards consensus</li> <li>Shareholders' interest supreme while taking decisions</li> </ul>	9	100
Executive Directors	<ul style="list-style-type: none"> <li>Relevant expertise and commitment</li> <li>Performance <i>vis-à-vis</i> business budget, peers</li> <li>Capabilities to deal with challenging situations</li> <li>Established leadership position</li> <li>Development of expertise and general competence of people</li> </ul>	9	97.92 (average of consolidated score of all the Executive Directors)
Non-Executive Non-Independent Directors	<ul style="list-style-type: none"> <li>Contribution to the Board discussions with his/her expertise and experience</li> <li>Depth of understanding about the business model and the industry</li> <li>Skills and experience in emerging issues such as cyber security and ESG</li> </ul>	7	97.28 (average of consolidated score of all the Non-Executive Non-Independent Directors)

Based on the above results, the key focus areas for FY 2024-25 including revisiting the technical aspect of the board evaluation questionnaire, organising a strategy meeting of Board of Directors aligned with

the long-term vision and mission of the Company and providing regular updates on the progress of decisions made during the strategy meeting and further to also discuss the diversification issues, new businesses, opportunities for growth which could bring synergies in the line of business.

#### f) Familiarization program for Independent Directors

 **34**  
Programmes

 **403**  
Hours

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, governance standards and practices of the Company. The familiarization program also seeks to update the directors on their roles, responsibilities, rights and duties under the Act and other statutes.

Your Company has in place an structured induction and familiarisation programme for its Directors. Upon appointment, Directors receive a Letter of Appointment setting out in-detail, the terms of appointment, duties, responsibilities, obligations, Code of Conduct to regulate, monitor and report trading by Designated Persons for Prevention of Insider Trading and Code of Conduct applicable to all Directors and Senior Management. They are also updated on all business related issues and new initiatives.

Regular presentations and updates on relevant statutory changes encompassing economic outlook, market trends, peer trends, changes in laws where Company is operating along with performance and strategic initiatives of the Company are made to the Directors at regular Board and Strategic Meetings of the Company.

The policy along with brief details on the Company's familiarization program is hosted on the website of the Company at [https://www.welspunenterprises.com/admin/uploads/investordata/policies/policies\\_1709621592.pdf](https://www.welspunenterprises.com/admin/uploads/investordata/policies/policies_1709621592.pdf)

#### g) Policy on directors' appointment, remuneration and other details

The salient features of the Company's "N&RC Policy" on directors' appointment, remuneration and other matters provided in Section 178(3) of the Act, has been disclosed in the Corporate Governance Report forming part of the Annual Report.

#### h) Number of meetings of the Board

The Board met 7 times during the FY 2023-24, 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 Act and the SEBI Listing Regulations.

#### i) Committee of the Board of Directors

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities as mandated by applicable regulations; which concern the Company and need a closer review. Majority of the Members constituting the Committees are Independent Directors and each Committee is guided by its Charter or terms of reference, which provide for the composition, scope, objective, powers & duties and responsibilities. The Chairperson of the respective Committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the Meeting of all Committees are placed before the Board for review and the signed minutes are circulated to the Board as required under Secretarial Standard I.

The relevant information *inter alia* including date of the meetings, attendance of directors with respect to Audit Committee, the N&RC, the Stakeholders' Relationship, Share Transfer and Investor Grievance Committee, Environment, Social and Governance and Corporate Social Responsibility Committee, Risk Management Committee and meetings of those Committees held during the year is given in the Corporate Governance Report forming part of Annual Report.

#### j) Shareholding of the directors of the Company as on March 31, 2024

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.

## 16. VIGIL MECHANISM/WHISTLE BLOWER POLICY

Over the years, your Company has built a reputation for conducting business with integrity, maintaining a zero-tolerance policy towards unethical behaviour, thereby fostering a positive work environment and enhancing credibility among stakeholders.

Your Company has formulated a Policy on Whistle Blower and Vigil Mechanism ("WB Policy") that provides adequate safeguards against unfair treatment to its employees and various stakeholders and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. It also assures them of the process that will be observed to address the reported violation, further the protected Disclosures and other communication can be made in writing by an e-mail addressed to the Head Ethics and/or Chairman of the Audit Committee. The Policy also lays down the procedures to be followed for tracking complaints, giving feedback, conducting investigations and taking disciplinary actions. It also provides assurances and guidelines on confidentiality of the reporting process and protection from reprisal to complainants. The Audit Committee oversees the functioning of this policy and no personnel have been denied access to the Audit Committee of the Board.

Protected disclosures can be made by a whistle-blower through several channels to report actual or suspected frauds and violation of the Company's Code of Conduct. The WB Policy also provides a mechanism to encourage and protect genuine whistleblowing amongst the Vendors.

22 (twenty-two) whistle-blower complaints were received during the FY 2023-24 and suitable action has been taken in accordance with the WB policy.

Further, your Company conducts awareness sessions on the Company's Code of Conduct, Prevention of Sexual Harassment ("POSH") and whistle-blowing rights by conducting Company-wide trainings for all its employees to ensure compliance and a well regulated environment that helps us achieve our organisational objectives. Additionally, e-learning modules have also been developed to keep employees informed of these policies.

The Policy on Whistle Blower and Vigil Mechanism is hosted on the website of the Company at [https://www.welspunenterprises.com/admin/uploads/investerdta/policies/policies\\_1713252646.pdf](https://www.welspunenterprises.com/admin/uploads/investerdta/policies/policies_1713252646.pdf)

## 17. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Pursuant to Section 186(11)(a) of the Act, your 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.

## 18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

In accordance with the requirements of the Act and the SEBI Listing Regulations, your Company has framed a Policy on Related Party Transactions ("RPT") which is hosted on the website of the Company at [https://www.welspunenterprises.com/admin/uploads/investerdta/policies/policies\\_1690356600.pdf](https://www.welspunenterprises.com/admin/uploads/investerdta/policies/policies_1690356600.pdf)

All RPTs are placed before the Audit Committee for review, approval and recommendation to the Board for its approval, wherever required. Prior omnibus approval of the Audit Committee and the Board is obtained for all the transactions which are foreseen, repetitive in nature. A statement giving details of all RPTs is placed before the Audit Committee for their noting every quarter.

The Board of Directors of your Company have approved the criteria to grant omnibus approval on RPTs by the Audit Committee within the overall framework of the RPT Policy. All members of the Audit Committee are Independent Directors.

None of the Directors and the KMPs have any pecuniary relationships or transactions *vis-à-vis* the Company. The Directors draw attention of the Members to Note No. 53 of the standalone financial statements setting out the disclosure on RPTs for the FY 2023-24.

Pursuant to Regulation 23(9) of the SEBI Listing Regulations, your Company has filed the reports on RPTs with the Stock Exchanges within the statutory timelines.

## 19. PARTICULARS OF EMPLOYEES

There are 14 (fourteen) employees who were in receipt of remuneration of not less than ₹1,02,00,000 (Rupees One Crore and Two Lakh Only), if employed for the full year and no employee who was in receipt of remuneration of not less than ₹8,50,000 (Rupees Eight Lakh and Fifty Thousand Only) per month if employed for part of the year. Disclosures concerning the remuneration and other details as required in terms of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in **Annexure 4** to this Report. Your Directors affirm that the remuneration is as per the remuneration policy of the Company.

Further, details of employee remuneration as required under provisions of Section 197(12) of the Act read with Rule 5(2) and 5(3) of the aforesaid rules is available for inspection at the Registered Office of

your Company during working hours. As per second proviso to Section 136(1) of the Act and second proviso of Rule 5 of the aforesaid rules the Annual Report has been sent to the Members excluding the aforesaid exhibit. Any Member interested in obtaining copy of such information may write to the Company Secretary & Compliance Officer at [Companysecretary\\_wel@welspun.com](mailto:Companysecretary_wel@welspun.com) and underline the same.

## 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 Regulations is annexed to the Corporate Governance Report forming part of this Annual Report.

## 21. ENHANCING STAKEHOLDER VALUE

Your Company consistently strive to meet the expectations of our investors through sound business decisions and strong governance practices. Integrity and transparency are central to our relationship with our investors. Your Company is dedicated to delivering value by achieving high levels of operational performance, maintaining cost competitiveness, and pursuing excellence in all areas of our operations. We value the strong relationship we have built with our investors, which is based on understanding of their needs and our commitment to generate value for them.

Your Company firmly believes that its success in the marketplace and strong reputation are key drivers of shareholder value. Our close relationships with clients and understanding of their challenges and expectations guide the development of existing new projects. By anticipating clients' needs early and addressing them effectively, we ensure a strong commercial foundation. Your Company is continually strengthening this foundation by working on its strategy of asset light model and providing best in class infrastructure to India at large. Through business development and execution of growth opportunities, your Company is dedicated to creating value for all stakeholders, ensuring that our corporate actions contribute positively to the economic, social, and environmental aspects of the triple bottom line.

## 22. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Your Company strongly believes that resilient and inclusive growth is only possible on strong pillars of environmental and social responsibility balanced with good governance and communicating its ESG performance in a transparent manner and in line with global standards to our stakeholders. The report

is a testimony to our continuous efforts towards embracing and implementing balanced approach to ESG parameters in our business operations and forms part of this Annual Report.

The Business Responsibility & Sustainability Report ("BRSR") Core is a sub-set of BRSR, consisting of a set of Key Performance Indicators ("KPIs")/metrics under 9 (nine) ESG attributes/principles of the National Guidelines on Responsible Business Conduct ("NGRBC") notified by the Ministry of Corporate Affairs, Government of India.

Further, the financial sections of BRSR are presented in line with the requirements of the Act read with the rules made thereunder, the IndAS, the SEBI Listing Regulations and the requisite Secretarial Standards issued by the Institute of Company Secretaries of India. The non-financial section (Sustainability and Corporate Social Responsibility) is presented in conformance to the UN Sustainable Development Goals and other sector relevant international sustainability disclosure guidelines. The BRSR forms part of this Annual Report.

## 23. CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance requirements as set out by SEBI. The Report on Corporate Governance as stipulated under SEBI Listing Regulations, forms an integral part of this Report. The requisite Compliance Certificate is obtained from M/s. Mihen Halani & Associates, Practicing Company Secretaries regarding compliance of conditions of Corporate Governance as stipulated under Part E of Schedule V of SEBI Listing Regulations, is annexed to the Corporate Governance Report.

## 24. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report ("MDA") Report on the operation of the Company as required under the SEBI Listing Regulations, is provided in a separate section and forms part of this Annual Report.

## 25. RISK MANAGEMENT POLICY

With its fast and continuous expansion in different areas of businesses across India, your Company is exposed to numerous risks which may adversely impact growth and profitability. Prudent business management practices are the only way companies can pursue the strategic objectives of value creation of all stakeholders. With the above in view, your Company has structured risk management policy and process involving relevant personnel and constituted a Risk Management Committee ("RMC") comprising of Independent Directors and Managing

Director. The Policy envisages identification of risks by each business and location, 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 RMC and the relevant senior executives are continuously scanning strategic, business, financial, regulatory, political and operational risks including cyber security & data privacy risks which may adversely impact pursuance of the strategic direction, the Company has embarked upon and the appropriate actions for mitigation of risks are advised, the risk profile is updated on the basis of change in the business environment.

As a part of the Risk Management framework, there are defined risk registers to evaluate risks at various levels and stages of the Company - at the enterprise level and at the project level. The risk registers envisages identification of specific enterprise/project level risks with the probability of occurrence and the impact that these may have on the business objectives and mitigation measures thereof.

For the key business risks identified by the Company please refer to the MDA annexed to this Annual Report.

## 26. RISK ARISING OUT OF LITIGATION, CLAIMS AND UNCERTAIN TAX POSITIONS

The Company is exposed to a variety of different laws, regulations, positions and interpretations thereof which encompasses direct taxation and legal matters. In the normal course of business, provisions and contingencies may arise due to uncertain tax positions and legal matters. Based on the nature of matters, the management applies various parameters when considering evaluation of risk, expert opinions, including how much provision to be made in books of accounts considering the potential exposure of each of the matters in consultation with the Statutory Auditors. The aforesaid potential exposures may change substantially over time as new facts emerge as each matter progresses, hence these are reviewed regularly/periodically. The RMC is appraised on quarterly and/or regular basis any litigation related risks. Reference is drawn to the "Key audit matters" by the auditors in their reports on the above matters.

## 27. 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 FY to which the financial statements relate and the date of the Report.
- There was no revision in financial statements and Board's Report of the Company during the year under review.
- The Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions, and hence the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.
- 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.
- No instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act;
- The Company has a detailed Policy on Prevention of Sexual Harassment ("POSH") in place in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The POSH Policy is gender inclusive, and the framework ensures complete anonymity and confidentiality.

For disclosure of number of complaints filed, disposed-off and pending in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, as on the end of the FY, kindly refer Corporate Governance Report forming part of this Annual Report.

- The Board of Directors affirms that the Company has complied with the applicable provisions of Secretarial Standard 1 and Secretarial Standard 2, "Meetings of the Board of Directors" and "General Meetings", respectively, issued by the Institute of Companies Secretaries of India.
- There were no proceeding initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016.

- The Company has also obtained Special Contingency Insurance Policy under SEBI circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/70 dated May 25, 2022, and Directors and Officers Insurance in line with the requirements of Regulation 25(10) of the SEBI Listing Regulations, the details of the same has been provided in Corporate Governance Report forming part of this Annual Report.

## 28. ENVIRONMENT, HEALTH & SAFETY

At Welspun, our Health, Safety, and Environmental Management System reflects an unwavering commitment to environmental preservation, a positive work environment, and the safety of every individual be it employees, contractors, or visitors. We engage in thorough planning, strict execution, and ongoing surveillance to uphold high standards that lessen environmental impact, champion sustainability, and adhere to all regulatory mandates. Beyond mere compliance, we foster a proactive culture emphasizing risk management, hazard detection, and comprehensive safety training. This approach ensures a workplace where health, safety, and environmental responsibility are paramount, and every individual feels valued and empowered. Through these dedicated efforts, we safeguard our team, contribute positively to the broader community, and uphold our duties as a responsible corporate entity.

The Health, Safety & Environment Policy of the Company is hosted on the website of the Company at [https://www.welspunenterprises.com/admin/uploads/investordata/policies/policies\\_1723529671.pdf](https://www.welspunenterprises.com/admin/uploads/investordata/policies/policies_1723529671.pdf)

## 29. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) and 134(5) of the Act, 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 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 Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) 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.

## 30. ACKNOWLEDGEMENTS

Your Directors express their deep sense of gratitude to all the government authorities, financial institutions, banks, contractors, 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**

**Place:** Mumbai  
**Date:** August 01, 2024

**Balkrishan Goenka**  
Chairman  
DIN: 00270175

**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**

Sr. No. of the subsidiary(ies)	Welspun Projects (Himmatnagar Bypass) Private Limited	Welspun Project (Kim Mandvi Corridor) Private Limited	Welspun Build-Tech Private Limited	ARSS Bus Terminal Private Limited	Dewas Waterworks Private Limited	Grenoble Infrastructure Private Limited	DME Infra Private Limited	Sattanathapuram Road Project Private Limited	Welspun Aunta-Simarria Project Private Limited	Welspun Enterprises Private Limited	Welspun-Kaveri Infra Projects JV (Note 6)	Welspun EDAC JV Private Limited	Welspun Michigan Engineers Limited (Formerly known as Michigan Engineers Private Limited) (Note 7)
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	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											
3	Share capital	0.24	6.73	0.01	18.63	0.01	0.01	0.01	11.34	1.00	0.10	N.A.	1.74
4	Instruments entirely equity in nature	-	21.52	-	-	38.72	-	-	135.76	69.32	-	N.A.	-
5	Reserves and Surplus/Other Equity	3.95	(28.64)	0.10	(11.88)	(33.45)	(0.04)	(0.05)	57.06	29.81	(0.07)	-	216.39
6	Total assets (including Investments)	4.22	0.19	0.11	7.04	99.42	10.20	0.00	469.20	778.90	34.78	175.28	429.79
7	Total Liabilities	0.03	0.58	0.00	0.30	94.14	10.23	0.04	265.04	678.78	34.75	175.28	211.67
8	Investments	-	0.00	-	(0.00)	-	10.20	-	-	-	34.75	-	-
9	Turnover	-	-	-	-	12.37	-	-	304.45	342.91	-	624.54	305.91
10	Profit/(loss) before taxation	0.08	0.06	(0.45)	(0.02)	(4.94)	(0.01)	(0.01)	19.25	9.89	(0.02)	-	53.97
11	Provision for taxation	0.03	-	-	-	(0.04)	-	-	4.74	2.54	-	-	11.61
12	Profit/(loss) after taxation	0.05	0.06	(0.45)	(0.02)	(4.90)	(0.01)	(0.01)	14.51	7.35	(0.02)	-	42.35
13	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-

Sr. No. of the subsidiary(ies)	Welspun Projects (Himmatnagar Bypass) Private Limited	Welspun Project (Kim Mandvi Corridor) Private Limited	Welspun Build-Tech Private Limited	ARSS Bus Terminal Private Limited	Dewas Waterworks Private Limited	Grenoble Infrastructure Private Limited	DME Infra Private Limited	Sattanathapuram Road Project Private Limited	Welspun Aunta-Simarria Project Private Limited	Welspun Enterprises Private Limited	Welspun-Kaveri Infra Projects JV (Note 6)	Welspun EDAC JV Private Limited	Welspun Michigan Engineers Limited (Formerly known as Michigan Engineers Private Limited) (Note 7)
14	% of shareholding	100.00	100.00	100.00	100.00	76.00 (Note 3)	49.00	100.00	70.00 (Note 4)	74.00 (Note 5)	70.00	80.00	50.10

"0.00" denotes amount less than ₹50,000/-

**Notes:**

- Names of subsidiaries which are yet to commence operations: **NA**
- Names of subsidiaries which have been liquidated or sold during the year: **1. Welspun New Energy Limited 2. Mounting Renewable Energy Limited**
- In addition to aforesaid stake, 24% are held through Welspun Project (Kim Mandvi Corridor) Private Limited
- In addition to aforesaid stake, 14.65% are held through Grenoble Infrastructure Private Limited
- In addition to aforesaid stake, 12.74% are held through Welspun Enterprises Private Limited
- This represents Controlled Structured Entity as defined in IndAS 112 "Disclosure of Interests in Other Entities", the financials of which are consolidated with Welspun Enterprises Limited
- The amount reported are from the date of acquisition of subsidiary till March 31, 2024.

## Part "B": Associates and Joint Ventures

## Annexure 2

Name of Associate/Joint Ventures	NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infrafacility Private Limited)	Adani Welspun Exploration Limited
1. Latest audited Balance Sheet Date	31 March 2023	31 March 2024
2. Shares of Associate/Joint Venture held by the Company on the year end	Associate	Associate
No. of Shares	1,23,35,567	46,54,997
Amount of Investment in Associates/Joint Venture <sup>^</sup>	103.58	38.16
Extent of Holding(%)	51.00	35.00
3. Description of how there is significant influence	The Company holds more than 20% voting power of NXT-Infra MCP Highways Private Limited	The Company holds more than 20% voting power of Adani Welspun Exploration Limited
4. Reason why the Associate/Joint Venture is not consolidated	NA	NA
5. Net worth attributable to shareholding as per latest audited Balance Sheet	100.54	486.94
Profit/(loss) for the year		
i. Considered in Consolidation	(3.04)	(0.58)
ii. Not Considered in Consolidation	-	-

<sup>^</sup>Excluding Compulsorily Convertible Debentures and Optionally Convertible Debentures

## Notes:

- Names of Associate or Joint Venture which are yet to commence operations: **NA**
- Names of Associate or Joint Venture which have been liquidated or sold during the year: **NA**

## For and on behalf of the Board

**Balkrishan Goenka**  
Chairman  
DIN : 00270175

**Lalit Jain**  
Chief Financial Officer

**Sandeep Garg**  
Managing Director  
DIN : 00036419

**Nidhi Tanna**  
Company Secretary  
ACS – 30465

**Place:** Mumbai  
**Date:** August 01, 2024

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

**for the Financial Year ended March 31, 2024**

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Welspun Enterprises Limited**  
CIN: L45201GJ1994PLC023920  
Welspun City, Village Versamedi,  
Taluka – Anjar, Gujarat - 370 110, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Welspun Enterprises Limited ("the Company")**. Secretarial Audit was conducted in a manner that provided us with 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, 2024, **(the "Audit Period")** 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, 2024 according to the provisions of:

- The Companies Act, 2013 ("**the Act**") and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made thereunder;
- The Depositories Act, 2018 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: **Not applicable to the Company during the Audit period;**

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

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- 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;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: **Not Applicable to the Company during the Audit Period, and**
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

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

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

- i) the Secretarial Standards issued by the Institute of Company Secretaries of India ("ICSI");
- ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To the best of our knowledge and belief, during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. However, due to business urgency, few non-material related party transactions were ratified by the Audit Committee and the same were in ordinary course of business and arm's length basis.

#### We further report that:

- a) During the year under review, the Board of Directors of the Company was duly constituted with a 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 and Committees that took place during the period under review were carried out in compliance with the provisions of the Act.

- b) Adequate notice was given to all directors to schedule the Board Meetings and Committee Meetings, agenda and notes on agenda were sent at least seven days in advance or with due consents for shorter notice from the directors and adequate system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) All decisions at Board and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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 the Company has taken action (by levying penalty) against the designated person(s) for violation(s) related to the Company's Code of Conduct as per the SEBI (Prohibition of Insider Trading) Regulations, 2015 and reported the violation of such instances during audit period to the stock exchange(s).

We further report that during the audit period, the following event/action has taken place having a bearing on the Company's affairs in pursuance of the above referred laws,

rules, regulations, guidelines, standards, etc. referred to above:

- The Nomination and Remuneration Committee approved the allotment of 1,50,000 fully paid-up equity shares of ₹10/- each under the Company's Employee Stock Option Plan - 2017 and allotment of 30,754 fully paid-up equity shares of ₹10/- each under Employee Stock Option Plan 2022.
- The Board of Directors of the Company at its meeting held on April 21, 2023, had approved the Scheme of Amalgamation of Welspun Infraconstruct Private Limited, Welspun-Kaveri Infraprojects JV Private Limited, Corbello Trading Private Limited and RGY Roads Private Limited ("**Transferor Companies**") with Welspun Enterprises Limited ("**Transferee Company**") and their respective shareholders ("**Scheme**"). The said Scheme was duly approved by National Company Law Tribunal, Ahmedabad Bench ("**NCLT**") vide its' order dated February 06, 2024, a certified copy of which was received by the Company on February 12, 2024, with the Scheme becoming effective from February 14, 2024.
- The Company has completed the buy-back process and has extinguished 1,17,50,000 fully paid-up equity shares on April 17, 2023;
- The Board of Directors of the Company at its meeting held on July 27, 2023, approved the acquisition of 50.10% stake in Welspun Michigan Engineers Limited (formerly known as Welspun Michigan Engineers Private Limited) at a consideration of ₹137.07 Crore through execution of a Share Purchase Agreement and Shareholders' Agreement in relation thereto;
- The Company had declared and paid the final dividend of ₹1/- per equity share (i.e. @10%) for the Financial Year ended March 31, 2023;
- The Company had re-appointed Ms. Aruna Sharma (DIN: 06515361) and Mr. Raghav Chandra (DIN: 00057760) as Independent Directors of the Company for a second consecutive term of five years vide special resolutions passed by the Members at the 29<sup>th</sup> AGM held on September 22, 2023;
- The Company vide special resolution passed by the Members at the 29<sup>th</sup> AGM held on September 22, 2023, had approved conversion of the whole or part of loans or any financial assistance, availed or which may be availed in future by the Company from various Banks and Financial Institutions (hereinafter collectively referred to as the "**Lenders**") consistent with the existing borrowing powers of the Company under Section 180(1)(c) of the Companies Act, 2013, into fully paid-up equity shares of the Company in case of event of default on such terms and conditions as may

be stipulated in the financing documents and subject to applicable law in accordance with the procedure laid down in notification no. RBI/201415/627DBR. BP.BC. No.101/21.04.132/2014-15 dated June 8, 2015 issued by RBI and such other relevant circular, notification of RBI as may be applicable and in compliance with SEBI Regulations including SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- The Company vide special resolution passed by the Members at the 29<sup>th</sup> AGM held on September 22, 2023, approved issue of securities including but not limited to secured/unsecured, redeemable, Non-Convertible Debentures and/or Commercial Papers of an amount upto ₹1,000 crore (Rupees One Thousand Crore only), to be issued on Private Placement basis;
- The Company vide special resolution passed by the Members at the 29<sup>th</sup> AGM held on September 22, 2023, approved payment of remuneration to independent directors amounting to ₹20 Lakh to each and aggregating to ₹1 Crore out of profits of the Company for the financial year 2022-23 in addition to the sitting fees for attending meetings of the Board of Directors and Committee(s) thereof;
- The Company vide special resolution passed by the Members at the 29<sup>th</sup> AGM held on September 22,

2023, approved revision in remuneration of Managing Director;

- The Board of Directors of the Company at its meeting held on November 27, 2023, had approved transfer of its entire shareholding in Welspun New Energy Limited ("**WNEL**"), a wholly-owned subsidiary to the Promoter Group entities at a consideration of ₹1 Lakh.

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 Secretaries

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

**Place:** Mumbai  
**Date:** May 21, 2024

UDIN: F009926F000413551

**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  
Welspun City, Village Versamedi,  
Taluka – Anjar, Gujarat - 370 110, India

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

- 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.
- 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.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

- Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- The Compliance of the provisions of 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.
- 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 Secretaries

**Mihen Halani**  
(Proprietor)  
No: 12015

**Place:** Mumbai  
**Date:** May 21, 2024

FCS No: 9926  
UDIN: F009926F000413551

## Annexure 3

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES FOR THE FY 2023-24

[Pursuant to Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

#### 1) A brief outline of the Company's CSR Policy.

The Company is not only committed to complying with regulations relating to CSR 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 ("WFHK") created by the group;
- Tie-ups with Non-Governmental Organizations/Developmental Agencies/Institutions; and
- Facilitating Government initiatives.

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

#### 2) Composition of ESG & CSR Committee

During the FY 2023-24, 3 (Three) meetings of ESG & CSR Committee were held on July 29, 2023, November 02, 2023, and January 29, 2024, to monitor and review the CSR Annual Action Plan and other matters, the Composition of the ESG & CSR Committee (erstwhile Corporate Social Responsibility Committee) is provided hereunder:

Sr. No.	Name of Members(s)	Designation/Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1	Dr. Aruna Sharma (DIN: 06515361)	Chairperson, Independent Director	3	3
2	Mr. Mohan Tandon* (DIN: 00026460)	Member, Independent Director	3	3
3	Ms. Dipali Goenka# (DIN: 00007199)	Member, Non-Independent Director	3	1
4	Mr. Sandeep Garg^ (DIN: 00036419)	Member, Non-Independent Director	3	3

\*Mr. Mohan Tandon retired from the position of Independent Director of the Company, pursuant to completion of his term, w.e.f. March 31, 2024 (close of business hours). Mr. S Madhavan (DIN 06451889) appointed as an Independent Director of the Company w.e.f. April 01, 2024, has been inducted in the said Committee as member of Committee w.e.f. April 01, 2024.

^Mr. Sandeep Garg ceased to be member of the Committee w.e.f. March 31, 2024 (close of business hours) and Mr. Sudhir Mital, Independent Director of the Company has been inducted as member in the said Committee w.e.f. April 01, 2024.

#Mr. Sudhir Mital and Ms. Dipali Goenka ceased to be the member of the Committee w.e.f. July 11, 2024 (close of business hours) pursuant to resignation tendered by them due to their other pre-commitments and consequent to that the Committee was reconstituted by appointing Mr. Anoop Mittal (DIN: 05177010) as the member of the Committee w.e.f. July 12, 2024.

Ms. Nidhi Tanna - Company Secretary acts as the Secretary to the Committee.

With a view to further strengthen its commitment and enhance Board's oversight over ESG matters, the Board of Directors expanded the scope of the Corporate Social Responsibility ("CSR") Committee to include Environmental, Social & Governance ("ESG") matters and re-named the CSR Committee as "ESG & CSR" Committee.



The role of the ESG & CSR Committee shall be to assist the Board in fulfilling its oversight responsibilities on the matters relating to Environmental, Social & Governance factors (including matters related to CSR). The Board has approved the charter of ESG & CSR Committee to ensure full achievement of the purpose.

The Committee Charter is hosted on the website of the Company at

[https://www.welspunenterprises.com/admin/uploads/investerdta/policies/ESG\\_CSR%20Committee%20Charter.pdf](https://www.welspunenterprises.com/admin/uploads/investerdta/policies/ESG_CSR%20Committee%20Charter.pdf)

**3) Provide the web-link where Composition of ESG & CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company**

The Company's CSR Policy is hosted on the website of the Company, a web-link of which is as under:

Sl. No.	Particulars	Web-link
1	Composition of ESG & CSR Committee	<a href="https://www.welspunenterprises.com/policies.php">https://www.welspunenterprises.com/policies.php</a>
2	CSR Policy	<a href="https://www.welspunenterprises.com/admin/uploads/investerdta/policies/policies_1713252425.pdf">https://www.welspunenterprises.com/admin/uploads/investerdta/policies/policies_1713252425.pdf</a>
3	CSR Projects approved by the Board	<a href="https://www.welspunenterprises.com/esg.php">https://www.welspunenterprises.com/esg.php</a>

**4) Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:**

The Company has voluntarily conducted an impact assessment of its CSR projects for FY 2023-24. The details of executive summary and detailed reports are provided hereunder:

Summary of Impact Assessment Reports is hosted on the website of the Company at: <https://www.welspunenterprises.com/esg.php>

Detailed Impact Assessment Reports are also hosted on the website of the Company at: <https://www.welspunenterprises.com/esg.php>

- 5)** (a) Average net profit/(loss) of the Company as per Section 135(5): **₹172.76 crore**  
 (b) Two per cent of average net profit of the Company as per Section 135(5): **₹3.46 crore**  
 (c) Surplus arising out of the CSR Projects or programs or activities of the previous financial years: **Nil**  
 (d) Amount required to be set-off for the financial year, if any: **Nil**  
 (e) Total CSR Obligation for the financial year [(b)+(c)-(d)]: **₹3.46 crore**
- 6)** (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **₹3.36 Crore**  
 (b) Amount spent in Administrative Overheads: **₹0.14 Crore**  
 (c) Amount spent on Impact Assessment, if applicable: **N.A.**  
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **₹3.50 Crore**  
 (e) CSR amount spent or unspent for the FY:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹3.50 Crore			Nil		

- (f) Excess amount for set-off, if any: Nil

**7)** Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: **Nil**

**8)** Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

If Yes, enter the number of Capital assets created/acquired: **Not applicable**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **Not applicable**

**9)** Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: **Not applicable**

For **and on Behalf of the Board**

**Aruna Sharma**  
 Chairperson of the ESG & CSR Committee  
 DIN : 06515361

**Sandeep Garg**  
 Managing Director  
 DIN : 00036419

**Date:** August 01, 2024

**Place:** Mumbai

## Annexure 4

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT 2013, READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014****a) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2023-24**

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2023-24 is provided in the table below:

Sr. No.	Name of the Director(s)	Designation	Ratio of Remuneration of each Director to median remuneration of employees (including the value of ESOPs and remuneration from associate company respectively)	% increase/ (decrease) in remuneration
1	Mr. Balkrishan Goenka	Chairman (Executive)	1:234	0
2	Mr. Sandeep Garg	Managing Director	1:45	10

It may be noted that "**Median**" means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one. If there is an even number of observations, the median shall be the average of the two middle values.

**b) The percentage increase in remuneration of CFO, Company Secretary or Manager, if any, in the FY 2023-24**

Sr. No.	Name of the KMPs	Designation	% increase in remuneration in FY 2023-24
1	Mr. Lalit Jain	Chief Financial Officer	13
2	Mr. Rajesh Jain	Chief Human Resources Officer, Human Capital & General Affairs	13
3	Ms. Nidhi Tanna	Company Secretary & Compliance Officer	29

**c) The percentage increase in the median remuneration of employees in the FY 2023-24**

In the FY, there was an increase of **8%** in the median remuneration of employees.

**d) The number of permanent employees on the rolls of the Company**

There were 1,260 permanent employees including permanent workers on the rolls of the Company, whereas permanent employees for the Company and its subsidiaries stood at 1,383 employees as on March 31, 2024.

**e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

The average percentile increase made in the salaries of employees other than the managerial personnel and the percentile increase in the managerial remuneration in the last FY 2022-23 was 7.1% and 8.4% respectively. The average percentile increase made in the salaries of employees other than the managerial personnel and the percentile increase in the managerial remuneration for the FY 2023-24 was 8.1% and 8.3% respectively.

The higher percentile rise in managerial remuneration, *vis-a-vis* percentile rise in remuneration to the other employees, reflects the Company's commitment to appropriately compensate the managerial personnel for their vital roles in navigating an increasingly competitive and challenging business environment. This approach aligns with our

performance-driven culture, where the key parameters for determining employee variable compensation are based on EBITDA, revenue from operations, and the achievement of ESG goals.

The remuneration drawn by the Managing Director ("**MD**"), Chief Financial Officer, and Company Secretary, for the FY 2023-24 was ₹13.02 Crore. Additionally, ₹2.50 Crore remuneration (fixed + variable) was paid for the FY 23-24, to the MD from Adani Welspun Exploration Limited ("**AWEL**"), a joint venture company, he being the MD of AWEL.

**f) Affirmation that the remuneration is as per the remuneration policy of the Company**

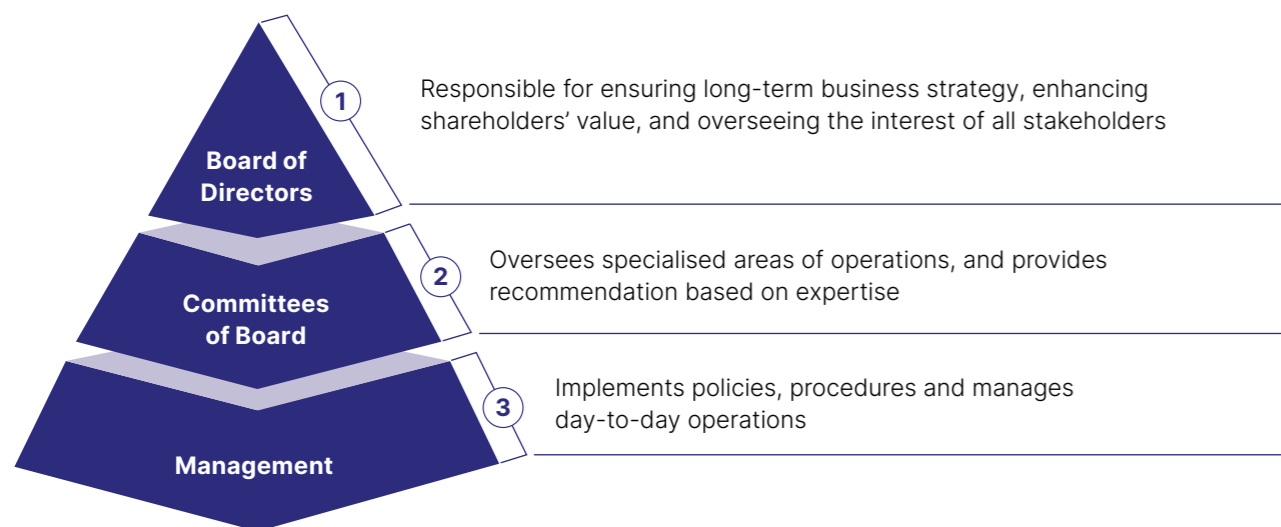
It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company.

# 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 and believes that sound corporate governance is critical to enhancing and retaining investor trust. In order to attain the highest level of good Corporate Governance practice, Board lays strong emphasis on transparency, accountability and integrity.

## II. GOVERNANCE STRUCTURE AND DEFINED ROLES AND RESPONSIBILITIES



## III. BOARD OF DIRECTORS

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

The Chairman of your Company is a Promoter and Executive Director and the number of Non-Executive and Independent Directors are more than half of the total number of Directors.

The Company's Board comprises of the required blend of executive and non-executive Directors with considerable experience and expertise in diverse fields finance, accounts, infrastructure development, experience and exposure in policy shaping & industry advocacy, Environment, Social and Governance ("ESG"), general management and business strategy etc. Except the Chairman and the Independent Directors, all other directors are liable to retire by rotation as per the provisions of the Companies Act, 2013 ("Companies Act").

None of the Director is holding directorship (including any alternate directorships) in more than 10 public limited companies (as specified in section 165 of the Companies Act), more than 7 equity listed entities or acts as an Independent Director in more than 7 equity listed entities or 3 equity listed entities in case he/she serves as a Whole-time Director/ Managing Director in any listed entity (as specified in Regulation 17A of the Listing Regulations). Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (as specified in Regulation 26 of the Listing Regulations), across all the Indian public limited companies in which he/ she is a Director.

The maximum tenure of Independent Directors is in compliance with the Companies Act and the Listing Regulations. All the Independent Directors have confirmed that they meet the criteria as mentioned in Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Companies Act. The Independent Directors provide an annual confirmation that they meet the criteria of Independence. Based on the confirmations/ declarations received from the Independent Directors, the Board is of the opinion that the Independent Directors fulfills the conditions specified in the Listing Regulations and are Independent of the Management. Further, there is no relationship between the directors' inter-se, except between Mr. Balkrishan Goenka and Ms. Dipali Goenka, who are spouse of each other.

### Composition and Attendance of the Board Meetings as on March 31, 2024

Composition of the Board		Total No. of Meetings	Average Attendance
<b>Non-Executive Director</b> Rajesh Mandawewala Dipali Goenka <b>Executive Director</b> Balkrishan Goenka Sandeep Garg	<b>Independent Directors</b> Mohan Tandon Dr. Anoop Kumar Mittal Dr. Aruna Sharma Sudhir Mital Raghav Chandra	7 (7 icons)	88.89% (Donut chart)
		<b>Total No. of Board Members</b> 9 (Donut chart: 5 Non-Executive, 2 Executive, 2 Independent)	<b>Average age of the Board Members</b> 64.77 years (Donut chart)

Chairman   
 Member

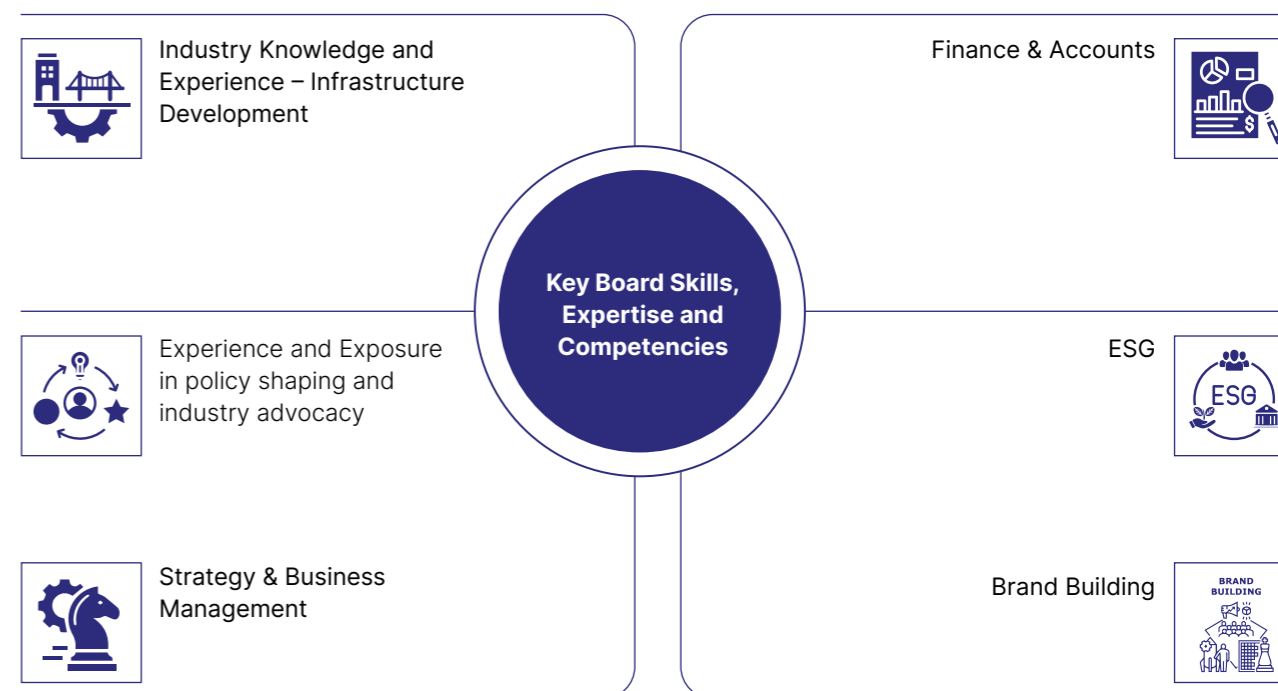
● Non-Executive Director  
 ● Executive Director  
 ● Independent Directors


### Key Board Skills, Expertise and Competencies:

The Board of the Company comprised of qualified members who bring the necessary skills, competencies and expertise to contribute effectively to the Board and its Committees. The Board members are committed to ensuring best in class standards of corporate governance. They have identified core skills, expertise, and competencies, as given below, essential for the Company's business operations, and all of these attributes are well represented within the Board.

However, the absence of a symbol of skills against a director name does not necessarily mean the director does not possess the corresponding qualification or skill.

- The detailed charter of the Board and the policy on Company's familiarization program (for independent directors) are hosted on the website of the Company at <https://www.welspunenterprises.com/policies.php>






**Mr. Balkrishan Goenka**  
DIN: 00270175

<b>Category</b>	C, P, E
<b>Age</b>	57
<b>No. of Other Directorship as last declared to the Company</b>	Pub – 7, Pvt – 1, Other Body Corporate – 9
<b>No. of Committee Position held including other Companies (as last declared to the Company)<sup>^</sup></b>	-
<b>Number of Shares in the Company</b>	84
<b>Attendance at the Last AGM</b>	Yes
<b>Name of the other listed entities where the person is a director**</b>	Welspun Living Limited (Formerly known as Welspun India Limited)* Welspun Corp Limited* Welspun Specialty Solutions Limited (Formerly known as RMG Alloy Steel Limited)*

**Key Board Skills, expertise and competencies**






**Mr. Sandeep Garg**  
DIN: 00036419

<b>Category</b>	E, NI
<b>Age</b>	64
<b>No. of Other Directorship as last declared to the Company</b>	Pub – 3, Pvt – Nil, Other Body Corporate – 1
<b>No. of Committee Position held including other Companies (as last declared to the Company)<sup>^</sup></b>	-
<b>Number of Shares in the Company</b>	25,98,965
<b>Attendance at the Last AGM</b>	Yes
<b>Name of the other listed entities where the person is a director**</b>	-

**Key Board Skills, expertise and competencies**






**Mr. Rajesh Mandawewala**  
DIN: 00007179

<b>Category</b>	P, NE, NI
<b>Age</b>	62
<b>No. of Other Directorship as last declared to the Company</b>	Pub – 9, Pvt – 7, Other Body Corporate – 5
<b>No. of Committee Position held including other Companies (as last declared to the Company)<sup>^</sup></b>	1M
<b>Number of Shares in the Company</b>	120
<b>Attendance at the Last AGM</b>	Yes
<b>Name of the other listed entities where the person is a director**</b>	Welspun Living Limited (Formerly known as Welspun India Limited) <sup>##</sup> Welspun Corp Limited <sup>§</sup> AYM Syntex Limited*

**Key Board Skills, expertise and competencies**






**Mr. Mohan Tandon**  
DIN: 00026460

<b>Category</b>	NE, I
<b>Age</b>	82
<b>No. of Other Directorship as last declared to the Company</b>	Pub – Nil, Pvt – Nil, Other Body Corporate – Nil
<b>No. of Committee Position held including other Companies (as last declared to the Company)<sup>^</sup></b>	1C, 2M
<b>Number of Shares in the Company</b>	-
<b>Attendance at the Last AGM</b>	Yes
<b>Name of the other listed entities where the person is a director**</b>	AYM Syntex Limited* (Ceased to be an Independent Director w.e.f May 28, 2024)

**Key Board Skills, expertise and competencies**







**Ms. Dipali Goenka**  
DIN: 00007199

<b>Category</b>	P, NE, NI
<b>Age</b>	54
<b>No. of Other Directorship as last declared to the Company</b>	Pub – 8, Pvt – 1, Other Body Corporate – 4
<b>No. of Committee Position held including other Companies (as last declared to the Company)<sup>^</sup></b>	2C, 1M
<b>Number of Shares in the Company</b>	-
<b>Attendance at the Last AGM</b>	Yes
<b>Name of the other listed entities where the person is a director**</b>	New Delhi Television Limited* Welspun Living Limited (Formerly known as Welspun India Limited) <sup>®</sup> Welspun Corp Limited <sup>§</sup> (Ceased to be Non - Executive director w.e.f. March 31, 2024)

**Key Board Skills, expertise and competencies**







**Mr. Raghav Chandra**  
DIN: 00057760


<b>Category</b>	NE, I
<b>Age</b>	65
<b>No. of Other Directorship as last declared to the Company</b>	Pub – 3, Pvt – 3, Other Body Corporate – 1
<b>No. of Committee Position held including other Companies (as last declared to the Company)<sup>^</sup></b>	3C, 3M
<b>Number of Shares in the Company</b>	-
<b>Attendance at the Last AGM</b>	No
<b>Name of the other listed entities where the person is a director**</b>	Vardhman Special Steels Limited* (Ceased to be the Independent Director w.e.f May 03, 2024.) J. Kumar Infraprojects Limited* SEAMAC Limited* (Appointed as an Independent Director w.e.f May 15, 2024).


**Key Board Skills, expertise and competencies**






**#Mr. Sudhir Mital**  
DIN: 08314675

<b>Category</b>	NE, I
<b>Age</b>	70
<b>No. of Other Directorship as last declared to the Company</b>	Pub – 2, Pvt – Nil, Other Body Corporate - 1
<b>No. of Committee Position held including other Companies (as last declared to the Company)<sup>^</sup></b>	–
<b>Number of Shares in the Company</b>	–
<b>Attendance at the Last AGM</b>	No
<b>Name of the other listed entities where the person is a director<sup>**</sup></b>	Hindalco Industries Limited <sup>%</sup> Jaiprakash Ventures Limited <sup>%</sup>
<b>Key Board Skills, expertise and competencies</b>	



**Dr. Aruna Sharma**  
DIN: 06515361

<b>Category</b>	NE, I
<b>Age</b>	65
<b>No. of Other Directorship as last declared to the Company</b>	Pub – 1, Pvt – 3, Other Body Corporate - 1
<b>No. of Committee Position held including other Companies (as last declared to the Company)<sup>^</sup></b>	1C, 3M
<b>Number of Shares in the Company</b>	–
<b>Attendance at the Last AGM</b>	Yes
<b>Name of the other listed entities where the person is a director<sup>**</sup></b>	3i Infotech Limited <sup>%</sup>
<b>Key Board Skills, expertise and competencies</b>	



**Dr. Anoop Kumar Mittal**  
DIN: 05177010

<b>Category</b>	NE, I
<b>Age</b>	64
<b>No. of Other Directorship as last declared to the Company</b>	Pub – 6, Pvt – 5, Other Body Corporate - 2
<b>No. of Committee Position held including other Companies (as last declared to the Company)<sup>^</sup></b>	4M
<b>Number of Shares in the Company</b>	–
<b>Attendance at the Last AGM</b>	Yes
<b>Name of the other listed entities where the person is a director<sup>**</sup></b>	Berger Paints India Limited <sup>%</sup> JSW Infrastructure Limited <sup>%</sup> (Appointed as an Independent Director w.e.f April 15, 2024)
<b>Key Board Skills, expertise and competencies</b>	

**Notes -**

# Mr. Mohan Tandon (DIN: 00026460) retired from the position of Independent Director of the Company, pursuant to the completion of his term, with effect from March 31, 2024 (close of business hours) and ceased to be the Lead Independent Director of the Company thereafter.

# Mr. S Madhavan (DIN: 06451889) had been appointed as the Lead Independent Director of the Company w.e.f April 01, 2024.

# Ms. Dipali Goenka, Non-Executive Non-Independent Director (DIN: 00007199) and Mr. Sudhir Mital, Independent Director (DIN: 08314675) resigned w.e.f July 11, 2024 (close of business hours). The Company has also obtained confirmation from directors that there was no material reasons for his/ her resignation.

<sup>\*\*</sup> Excluding Directorship in Welspun Enterprises Limited, Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.

<sup>^</sup> Chairmanship/membership of the Audit Committee and the Share Transfer, Investors' Grievance and Stakeholders' Relationship Committee alone considered in both listed and unlisted companies.

**Abbreviations:** C = Chairman; P = Promoter/Promoter Group; E = Executive Director; NE = Non-Executive Director; I = Independent M= Member; NI - Non Independent.

<sup>\*</sup> Chairman Non-Executive, <sup>%</sup> Non-Executive Independent Director, <sup>##</sup>Executive Vice Chairman, <sup>\$</sup> Non-Executive Director, <sup>@</sup> CEO & Managing Director, Executive Director

The Company has not issued any convertible instruments and none of the Directors hold any convertible instrument.

Seven (7) Meetings of the Board of Directors were held during the FY 2023-24. The attendance of the Directors at these Meetings held during the year, was as under:

Name of Director(s)	Board Meetings dates and Mode							Held during the tenure	Atten- ded	% of Atten- dance
	1	2	3	4	5	6	7			
	21/04/2023 (Virtual)	19/05/2023 (Physical)	27/07/2023 (Virtual)	01/08/2023 (Physical)	09/11/2023 (Physical)	27/11/2023 (Hybrid)	01/02/2024 (Physical)			
Mr. Balkrishan Goenka								7	6	85.71
Dr. Anoop Kumar Mittal								7	7	100
Dr. Aruna Sharma								7	6	85.71
Ms. Dipali Goenka								7	3	42.85
Mr. Mohan Tandon								7	7	100
Mr. Raghav Chandra								7	7	100
Mr. Rajesh R. Mandawewala								7	6	85.71
Mr. Sandeep Garg								7	7	100
Mr. Sudhir Mital								7	7	100

Present (Physical / Virtual) Leave of absence

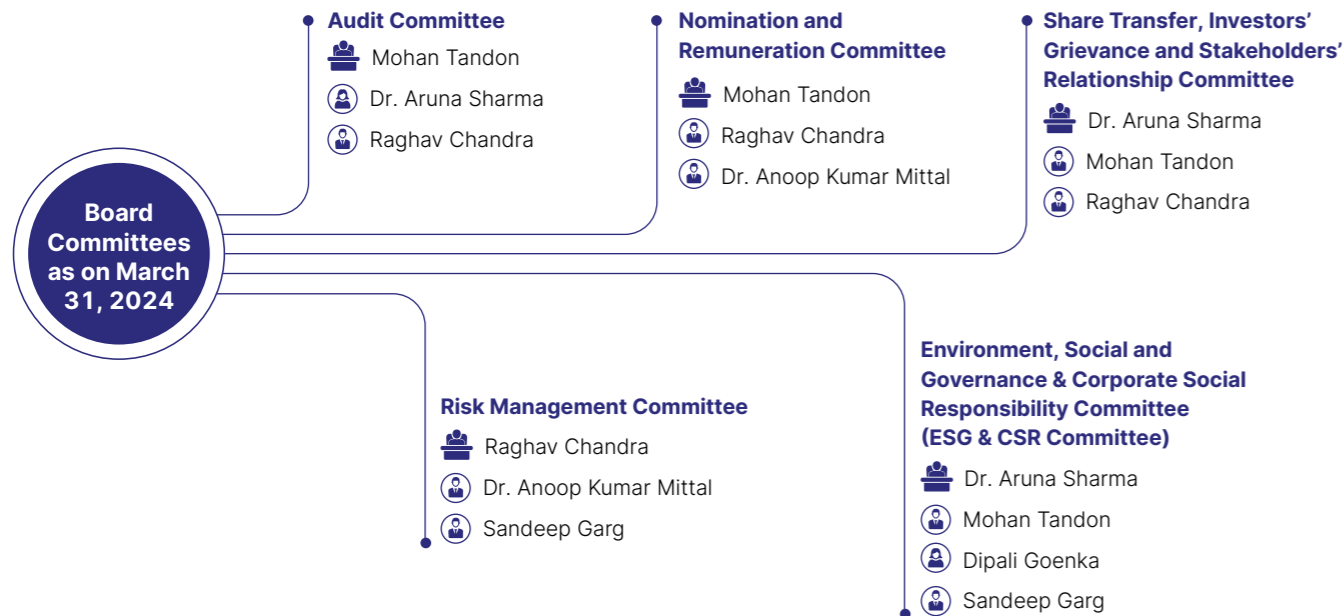
**Notes:**

In addition to the above, a meeting of the Independent Directors was held on March 20, 2024 pursuant to Section 149(8) read with Schedule V and other applicable provisions of the Companies Act and Regulation 25(3) of the Listing Regulations. The said meeting was attended by Mr. Mohan Tandon, Dr. Aruna Sharma, Mr. Raghav Chandra, Dr. Anoop Kumar Mittal and Mr. Sudhir Mital.

Except for Mr. Sudhir Mital, no other Independent Director has resigned before the expiry of their tenure.

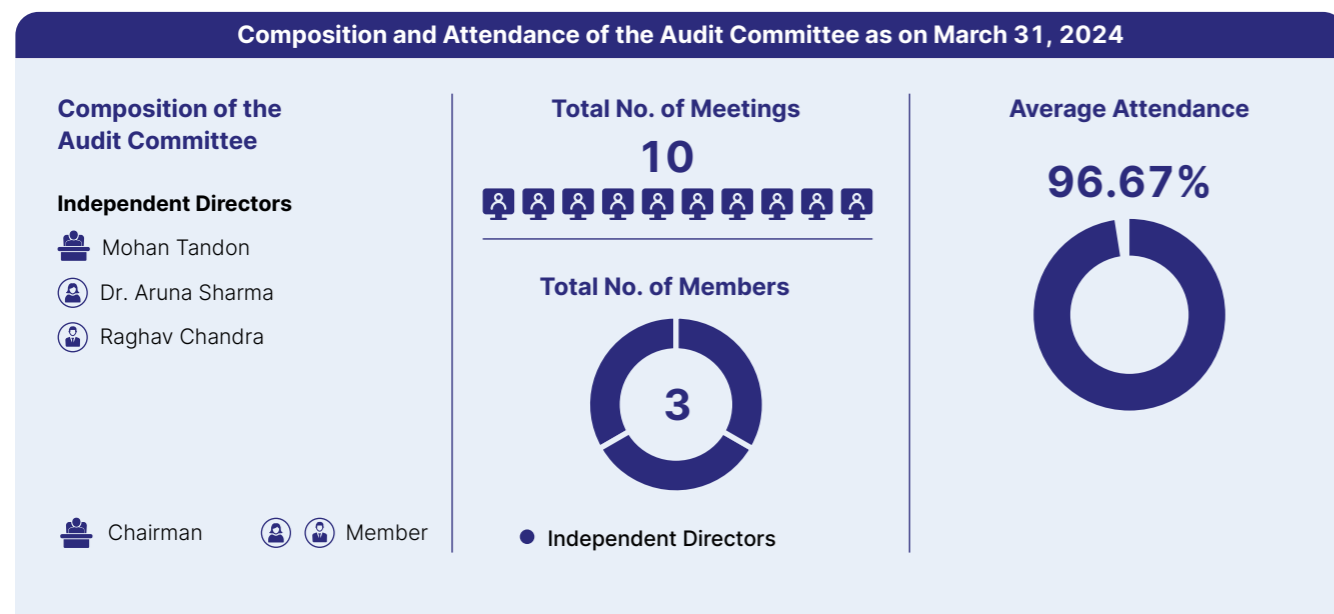
**COMMITTEES OF THE BOARD**

The Board Committees play a crucial role in the Governance Structure of the Company and have been constituted to deal with specific areas/activities as mandated by applicable regulations. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as part of good governance practices. The Chairperson of the respective Committee informs the Board about the summary of the discussions at the Committee Meetings. The minutes of the Meeting of all Committees are placed before the Board for review. During the year under review, all recommendations of the Committees of the Board have been accepted by the Board. The Board has constituted the following Committees:



**IV. AUDIT COMMITTEE**

The Committee comprises of 3 Non-Executive Directors. The composition of the Committee and attendance of the members during the FY 2023-24 is given hereunder:



Name of the Member	Chairman/Member	Board Meetings dates and Mode										Held during the tenure	Atten- ded	% of Atten- dance
		1	2	3	4	5	6	7	8	9	10			
		April 21, 2023 (Virtual)	May 16, 2023 (Virtual)	May 19, 2023 (Physical)	July 28, 2023 (Virtual)	August 01, 2023 (Hybrid)	November 02, 2023 (Virtual)	November 09, 2023 (Physical)	November 27, 2023 (Virtual)	January 24, 2024 (Physical)	February 01, 2024 (Physical)			
^Mr. Mohan Tandon	Chairman	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	10	10	100
Dr. Aruna Sharma	Member	Leave of absence	Present	Present	Present	Present	Present	Present	Present	Present	Present	10	9	90
Mr. Raghav Chandra	Member	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	10	10	100

Present (Physical / Virtual) Leave of absence

**Notes**

^Mr. Mohan Tandon ceased to be the Chairman of the Audit Committee pursuant to the completion of his term, with effect from March 31, 2024 (close of business hours) and consequent to that the Audit Committee was reconstituted by appointing Mr. S Madhavan as the Chairman of the Committee w.e.f April 01, 2024.

The Company Secretary of the Company, Ms. Nidhi Tanna acts as the Secretary to the Committee.

During the year there were no cases where the Board had not accepted any recommendation of the Audit Committee.

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

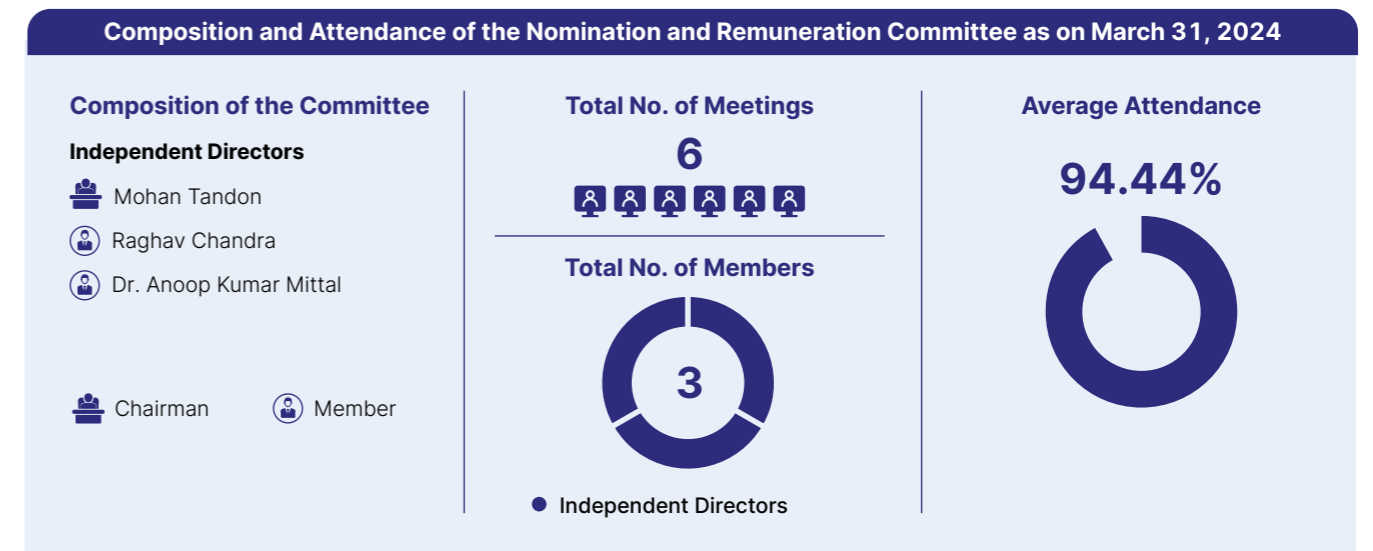
The meetings of the Committee are facilitated by the Chief Financial Officer of the Company. The Committee extends invitation to other Independent Directors who are not members, to attend the meetings at their convenience. At the invitation of the Company, representatives from various functions of the Company, Internal Auditors, Cost Auditors, and Statutory Auditors are also invited to the Audit Committee meetings to address any queries that arise during the proceeding.

The statutory auditors and internal auditors independently meet with the Audit Committee on quarterly basis, without the presence of Company's executives.

The detailed charter of the Audit Committee is hosted on the website of the Company at <https://www.welspunenterprises.com/policies.php>.

**V. NOMINATION AND REMUNERATION COMMITTEE**

The Committee comprises of 3 Non-Executive Directors. The composition of the Committee and attendance of the members for meetings held during the FY 2023-24 is given hereunder:



Name of the Member	Chairman/Member	Board Meetings dates and Mode						Held during the tenure	Atten- ded	% of Atten- dance
		1	2	3	4	5	6			
		May 16, 2023 (Virtual)	May 19, 2023 (Physical)	July 28, 2023 (Virtual)	November 03, 2023 (Virtual)	February 28, 2024 (Virtual)	March 29, 2024 (Virtual)			
^Mr. Mohan Tandon	Chairman							6	6	100
Mr. Raghav Chandra	Member							6	6	100
Dr. Anoop Kumar Mittal	Member							6	5	83.33

Present (Physical / Virtual) Leave of absence

**Notes -**

^Mr. Mohan Tandon ceased to be the Chairman of the Nomination & Remuneration Committee pursuant to the completion of his term, with effect from March 31, 2024 (close of business hours) and consequent to that the Nomination & Remuneration Committee was reconstituted by appointing Mr. S Madhavan as the Chairman of the Committee w.e.f April 01, 2024.

The Company Secretary of the Company, Ms. Nidhi Tanna acts as the Secretary of the Committee.

**Terms of reference:** The Committee has been vested with authority to oversee the Company's nomination process for the Directors, KMP and senior management and identify, screen and review individuals qualified to serve as Directors, KMP and senior management with respect to the competencies, qualifications, experience, track record, integrity, and to develop and recommend policies with respect to composition of the Board commensurate with the size, nature of the business and operations of the Company.

The Committee further approves the adequacy of the remuneration plans, policies, and succession plans for Company's Executive Directors, KMP and Senior Management.

The terms of reference of this Committee are aligned with the Listing Regulations and the Companies Act.

The Committee also administers the Company's Employee Stock Option Schemes formulated from time to time and take appropriate decisions in terms of the concerned Scheme(s).

In addition to above, the Committee also carries out evaluation of the Directors, Board and Committees of Board.

Board Evaluation – Refer to 15(e) Director's Report.

**The Nomination and Remuneration Policy of the Company is given hereunder:**

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 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 Committee ("NRC") 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, SEBI Listing Regulations and any other laws as to composition of the Board shall be taken into consideration.
- While identifying persons who may be appointed as an 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.

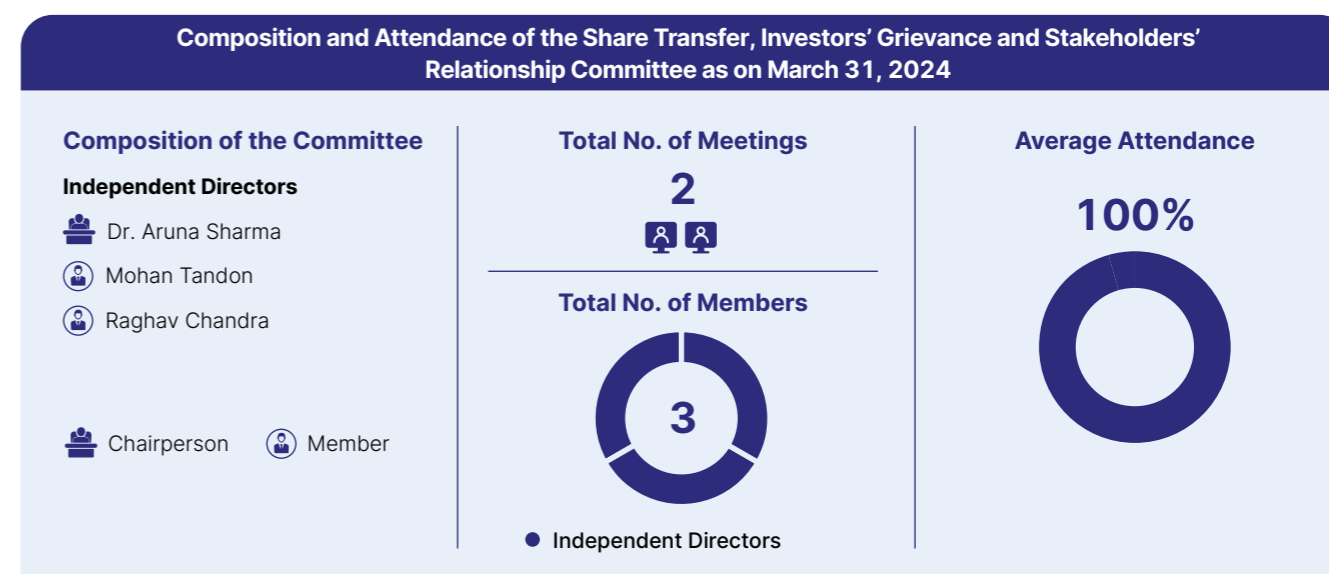
- While recommending appointment of any candidate as Key Managerial Personnel or as a part of senior management, factors such as expectations of the role of the position being considered, qualification, skill, expertise, background, human qualities such as abilities to perform as a part of a team, emotional quotient, etc. shall be taken into consideration.
- The NRC shall recommend remuneration payable to directors, Key Managerial Personnel and senior management 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 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 and SEBI Listing Regulations.

The detailed Charter of the Committee and the Company's Nomination and Remuneration Policy as required under Section 178(3) of the Companies Act are hosted on the website of the Company at <https://www.welspunenterprises.com/policies.php>.

During the year there were no cases where the Board had not accepted any recommendation of the NRC.

**VI. SHARE TRANSFER, INVESTORS' GRIEVANCE AND STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Committee comprises of 3 Non-Executive Director Independent Directors. The composition of the Committee and attendance of the members for meetings held during the FY 2023-24 is given hereunder:



Name of the Member	Chairperson/Member	Meeting date and Mode of Meeting (Virtual)		Held during the tenure	Attended	% of Attendance
		1	2			
		November 06, 2023	January 29, 2024			
Dr. Aruna Sharma	Chairperson			2	2	100
^Mr. Mohan Tandon	Member			2	2	100
Mr. Raghav Chandra	Member			2	2	100

Present

**Notes**

^Mr. Mohan Tandon ceased to be the member of the Share Transfer, Investors' Grievance And Stakeholders' Relationship Committee pursuant to the completion of his term, with effect from March 31, 2024 (close of business hours) and consequent to that the Share Transfer, Investors' Grievance And Stakeholders' Relationship Committee was reconstituted by appointing Mr. S Madhavan as the member of the Committee w.e.f April 01, 2024

The Company Secretary of the Company, Ms. Nidhi Tanna acts as the Secretary of the Committee.

Apart from the Meeting(s), urgent businesses (including approvals for issue of duplicate Share Certificates) were transacted through Circular Resolution(s). Subsequently, those Resolution(s) were noted in the Meeting held after the date on which the Circular Resolution(s) was/were passed by the Committee.

**Terms of reference:** The Share Transfer, Investors' Grievance and Stakeholders' Relationship Committee is in accordance with the Section 178 of the Companies Act and the Regulation 20 of the Listing Regulations. The Committee addresses shareholders grievances, including issues related to share transfer/transmission, non-receipt of annual report, dividends, and duplicate certificates. It reviews measures for voting rights, adherence to service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent, initiatives taken by the Company to unclaimed dividends and ensures timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company. Additionally, the Committee oversees securities transfer, monitors stakeholders' grievances and manages investor relations. It also engages with the stakeholders, addresses their concerns with other Board Committees as needed.

Detailed Charter of the Committee is hosted on website of the Company at <https://www.welspunenterprises.com/policies.php>.

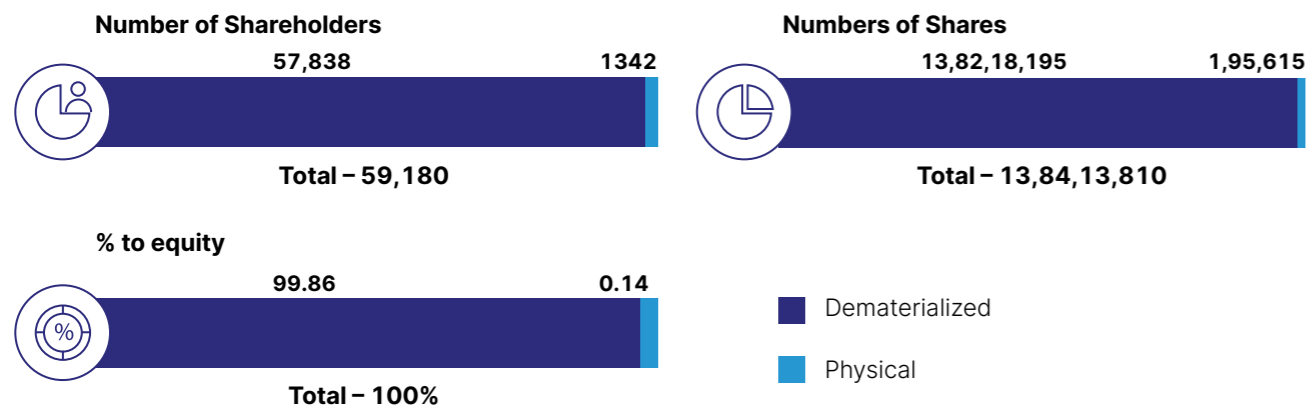
During the year there were no cases where the Board had not accepted any recommendation of the Share Transfer, Investors Grievance and Stakeholder's Relationship Committee.

**Name, Designation and address of Compliance Officer:**

Nidhi Tanna, Company Secretary & Compliance Officer

Welspun Enterprises Limited, Welspun House, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013, India.

**Shareholding as on March 31, 2024**



**Details of Investor Complaints received and redressed during FY 2024 are as follows:**

Opening as on April 01, 2023	Received during the year	Resolved during the year	Closing as on March 31, 2024
Nil	5	5	Nil

All complaints during the year under report were resolved within the stipulated time to the satisfaction of the investors/ shareholders and no complaints were pending as on March 31, 2024.

**VII. RISK MANAGEMENT COMMITTEE**

The Company has constituted the Risk Management Committee consisting of Executive and Non-Executive Directors. The composition of the Committee and attendance of the members for meetings held during the FY 2023-24 is given hereunder:



Name of the Member	Chairman/Member	Board Meetings dates and Mode				Held during the tenure	Attended	% of Attendance
		1 May 16, 2023 (Virtual)	2 July 28, 2023 (Virtual)	3 November 03, 2023 (Virtual)	4 January 31, 2024 (Physical)			
Mr. Raghav Chandra	Chairman	Present	Present	Present	Present	4	4	100%
Dr. Anoop Kumar Mittal	Member	Present	Present	Present	Present	4	4	100%
Mr. Sandeep Garg	Member	Present	Present	Present	Present	4	4	100%

Present

**Notes**

The Risk Management Committee was reconstituted by appointing Mr. S Madhavan as the member of the Committee w.e.f April 01, 2024

The Company Secretary of the Company, Ms. Nidhi Tanna acts as the Secretary of the Committee.

**Terms of reference:** The objectives and scope of the Committee broadly comprises, inter alia, (1) To formulate a comprehensive risk management policy, covering identification of internal and external risks applicable to the Company, (b) To establish measures for risk mitigation including systems and processes for internal control of identified risks, (c) Business continuity plan; (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company; (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems; (4) To periodically review the risk



management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity; (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken; (6) To review appointment, removal and remuneration of the Chief Risk Officer (if any).

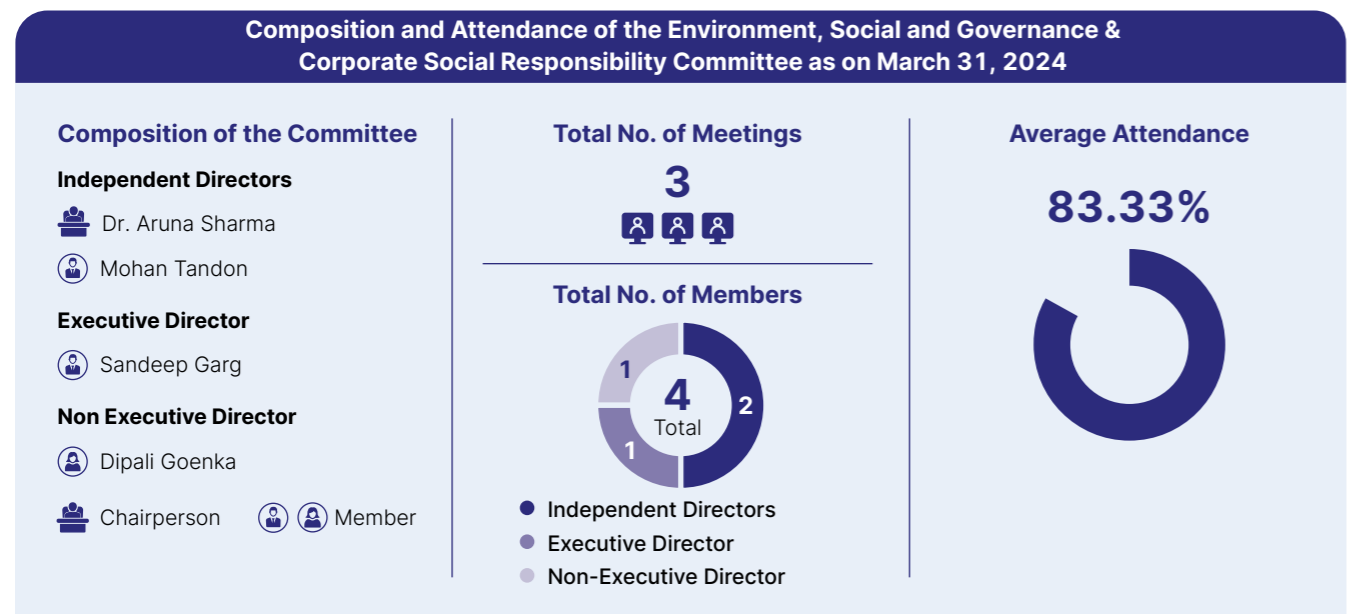
Detailed Charter of the Committee is hosted on website of the Company at <https://www.welspunenterprises.com/policies.php>

During the year there were no cases where the Board had not accepted any recommendation of the Risk Management Committee.

**VIII. ENVIRONMENT, SOCIAL AND GOVERNANCE & CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (ESG & CSR COMMITTEE)**

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. The Company's philosophy has always been to practice ethical business and be socially responsible. There is a strong commitment to a wider all-round social progress, as well as to a sustainable development that balances the needs of the present with those of the future. Our aim is to undertake projects in perfect sync with the Sustainable Development agenda adopted by the UN.

The composition and the terms of reference of the ESG & CSR Committee alongwith the details of the meeting held during the FY 2023-24 is detailed below:



Name of the Member	Chairperson/ Member	Board Meetings dates and Mode			Held during the tenure	Attended	% of Attendance
		1	2	3			
		July 29, 2023 (Virtual)	November 02, 2023 (Virtual)	January 29, 2024 (Virtual)			
Dr. Aruna Sharma	Chairperson				3	3	100
^Mr. Mohan Tandon	Member				3	3	100
^^Ms. Dipali Goenka	Member				3	1	33.33
^^^Mr. Sandeep Garg	Member				3	3	100

Present    Leave of absence

**Notes**

^Mr. Mohan Tandon ceased to be the member of the ESG & CSR Committee pursuant to the completion of his term, with effect from March 31, 2024 (close of business hours) and consequent to that the ESG & CSR Committee was reconstituted by appointing Mr. S Madhavan as the member of the Committee w.e.f April 01, 2024.

^^Mr. Sandeep Garg ceased to be the member of the ESG & CSR Committee with effect from March 31, 2024 (close of business hours) and consequent to that the ESG & CSR Committee was reconstituted by appointing Mr. Sudhir Mital as the member of the Committee w.e.f April 01, 2024.

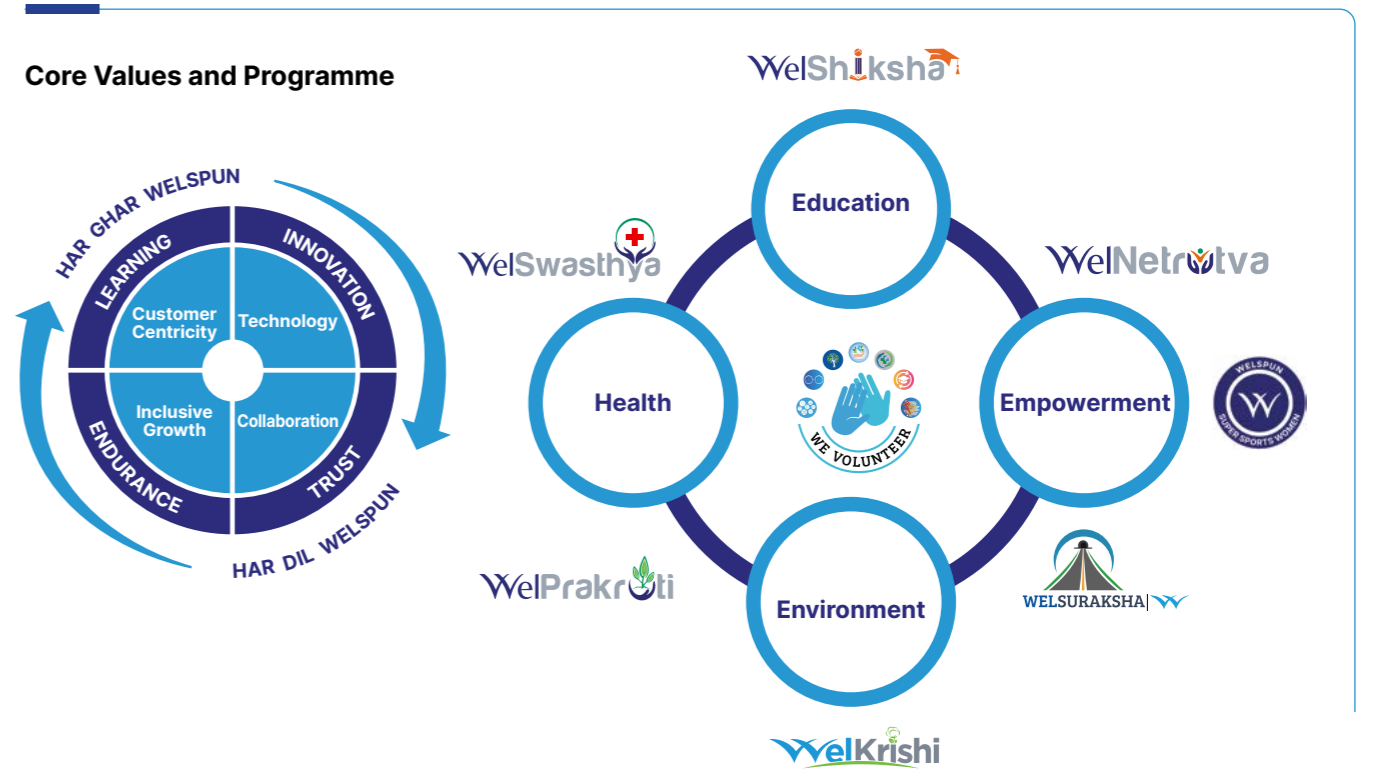
^^Ms. Dipali Goenka and Mr. Sudhir Mital ceased to be the member of the ESG & CSR Committee with effect from July 11, 2024 (close of business hours) pursuant to resignation tendered by them due to their other pre-commitments and consequent to that the ESG & CSR Committee was reconstituted by appointing Dr. Anoop Kumar Mittal as the member of the Committee w.e.f July 12, 2024.

The Company Secretary of the Company, Ms. Nidhi Tanna acts as the Secretary of the Committee.

**Terms of reference:** The scope of functions of the Committee includes, inter alia, to oversee and recommend to the Board on the Company's policies, strategies and programs related to sustainability and corporate social responsibility (CSR), in line with Schedule VII to the Companies Act. It monitors the CSR Policy, recommends budget for the CSR activities and provide directions to the management on Company's ESG strategy. The Committee reviews the ESG goals and its performance and monitor the Company's progress towards these measurable goals; periodic review and approval of Company's key ESG Policies and SOPs. It also reviews the Company's stakeholder engagement plan around material ESG issues identified by the management and disclosures included in the Business Responsibility and Sustainability Report and CSR report regarding the Company's environmental and social initiatives and metrics. Additionally, it reviews ESG communications, external ratings, governance over the supply chain, and feedback from key suppliers and customers.

The detailed Charter of the Committee is hosted on the website of the Company at <https://www.welspunenterprises.com/policies.php>.

The geographic bifurcation of CSR Projects as approved by the Committee is as below:

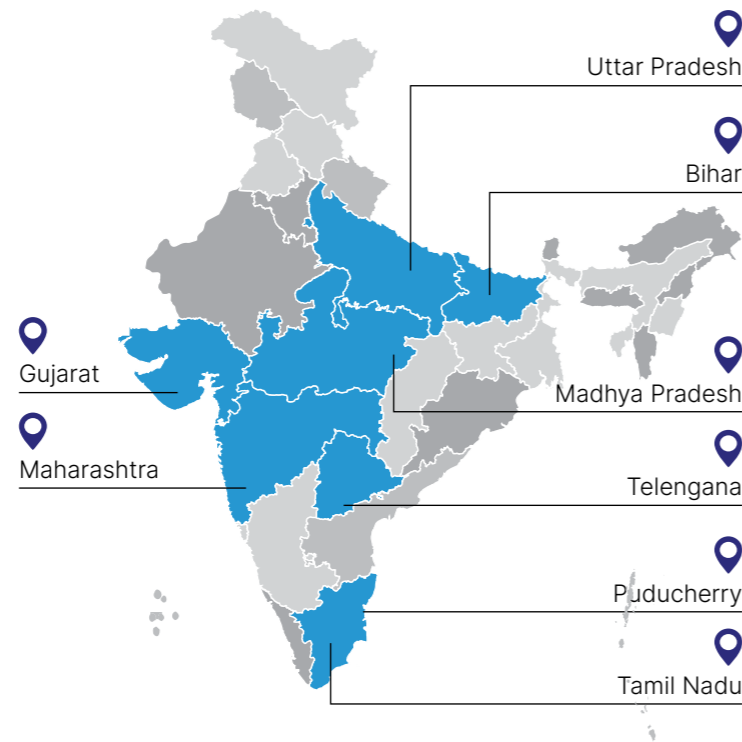


**8 States**

**23 Districts**

**755 Villages**

**8Lacs + Beneficiaries**



**IX. REMUNERATION OF DIRECTORS AND TOTAL FEES FOR ALL SERVICES PAID BY THE LISTED ENTITY AND ITS SUBSIDIARIES, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR AND ALL ENTITIES IN THE NETWORK FIRM/NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART**

Refer point no. 15(c) & 7 of the Directors' Report.

**X. PARTICULARS OF CHANGE IN SENIOR MANAGEMENT**

The particulars of senior management as per Regulation 16(1)(d) of the Listing Regulations including the changes during the FY 2024 are as follows:

Sr. No.	Name of Senior Management	Designation	Changes if any (Yes / No)	Nature of Change and effective date
1.	Mr. Premjit Singh	Chief Executive Officer – Transportation vertical	Yes	Appointed w.e.f August 07, 2023
2.	Mr. Neeraj Gupta	Chief Operating Officer –Road Vertical	Yes	Resigned w.e.f August 31, 2023
3.	Mr. Yogen Lal	Chief Operating Officer – Water Vertical	Yes	Appointed w.e.f August 07, 2023
4.	Mr. Premjit Singh	Chief Executive Officer – Transportation vertical	Yes	Resigned w.e.f November 17, 2023
5.	Mr. Asim Chakraborty	Chief Executive Officer – Transportation Vertical	Yes	Appointed w.e.f January 29, 2024
6.	Mr. Ratan Lal Kashyap	President – Supply Chain Management	Yes	Resigned w.e.f February 29, 2024
7.	Mr. Rajesh Chaabra	President – Management Assurance	Yes	Resigned w.e.f March 28, 2024.
8.	Mr. Rajesh Jain	Chief Human Resource Officer	Yes	Elevated as CHRO of Welspun Living Limited, group company, w.e.f August 01, 2024
9.	Ms. Lekha Raghavan	Head of HR	Yes	Appointed w.e.f August 01, 2024
10.	Mr. Arunav Baruah	President – Head Supply Chain Management	Yes	Appointed w.e.f August 01, 2024

**XI. GENERAL BODY MEETINGS**

**(i) 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
29 <sup>th</sup> Annual General Meeting	Friday, September 22, 2023	4:00 p.m.	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	<ul style="list-style-type: none"> <li>To approve re-appointment of Dr. Aruna sharma as an Independent Director of the company for a second consecutive term of five years.</li> <li>To approve re-appointment of Mr. Raghav Chandra as an Independent Director of the company for a second consecutive term of five years.</li> <li>Approval for compliance with RBI circular, enabling conversion of loan into equity in case of event of default.</li> <li>Approval for Private Placement of Securities up to Rs.1000 Crore.</li> <li>Approve payment of Remuneration to Independent Directors.</li> <li>Approve revision in remuneration to the Managing Director.</li> </ul>
28 <sup>th</sup> Annual General Meeting	Monday, August 29, 2022	11:30 a.m.	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	<ul style="list-style-type: none"> <li>Appointment of Mr. Sandeep Garg (holding DIN: 00036419) as the Managing Director</li> <li>Approval for Private Placement of Securities up to ₹ 900 Crore</li> <li>Approval of Welspun Enterprises Employee Benefit Scheme – 2022</li> <li>Approval for grant under Welspun Enterprises Employee Benefit Scheme 2022 to the employees of group company(ies) including subsidiary company(ies) or its associate company(ies), in India or outside India</li> <li>Approval to Welspun Enterprises Employees Welfare Trust for the acquisition of equity shares by way of secondary acquisition under Welspun Enterprises Employee Benefit Scheme – 2022</li> <li>Approval for provision of money by the Company for purchase of its own shares by the Trust / Trustees for the benefit of employees under Welspun Enterprises Employee Benefit Scheme - 2022.</li> </ul>
27 <sup>th</sup> Annual General Meeting	Tuesday, August 31, 2021	4:00 p.m.	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	<ul style="list-style-type: none"> <li>Amending Articles of Association to remove clauses pertaining to Common Seal</li> </ul>

During the last 3 years, no resolutions have been rejected by the shareholders.

**(ii) Extra Ordinary General Meeting -**

During the year under review the following resolutions were passed in the Extra - Ordinary General Meeting.

- Appointment of Mr. S Madhavan (DIN: 06451889) as an Independent Director of the Company.
- Payment of remuneration to Mr. Mohan Tandon (DIN: 00026460) Independent Director of the Company.

Date of Extra - Ordinary General Meeting	Voting Period	Date of passing of resolution	Declaration of Voting Result
March 29, 2024	March 26, 2024 to March 28, 2024 and during the meeting on March 29, 2024	March 29, 2024	March 29, 2024

Particulars of Resolution	Votes cast in favour (%)	Votes cast against (%)
Appointment of Mr. S Madhavan (DIN: 06451889) as an Independent Director of the Company	99.29	0.71
Payment of remuneration to Mr. Mohan Tandon (DIN: 00026460) Independent Director of the Company	99.89	0.11

Mr. Mihen Halani, Proprietor of M/s. Mihen Halani & Associates, Company Secretaries, having Membership No. 32176 and CP No.12015, was appointed as the Scrutinizer for conducting process of the voting by electronic means in a fair and transparent manner and the Company has engaged the services of National Securities Depository Limited (NSDL) as the agency for providing e-voting facility.

No postal ballot was carried out during the FY 2023-24.

## XII. MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results of the Company are sent out to the Stock Exchanges after they are approved by the Board. The Company had 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](http://www.welspunenterprises.com) under the tab Investors\_Annual Report/ Financial Results\_Quarterly Financial Results. The official press release and the presentations made to institutional investors or to the analyst are also hosted on the website of the Company at [www.welspunenterprises.com](http://www.welspunenterprises.com) under the tab Investors\_Investor Meet/Investor Presentation.

## XIII. GENERAL SHAREHOLDER INFORMATION

- a) Annual General Meeting:** Friday, September 27, 2024 at 11.30 a.m. Meeting to be held through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"). Deemed venue for the meeting shall be the Registered Office of the Company.
- b) Financial Year:** of the Company is April 1 of a year to March 31 of the following year.
- c) Date of Book Closure:** Saturday, July 06, 2024 to Monday, July 08, 2024
- d) Dividend Payment Date:** September 27, 2024
- e) Listing on Stock Exchanges:**  
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 2024-25	Whether share suspended from trading during FY 2023-24
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

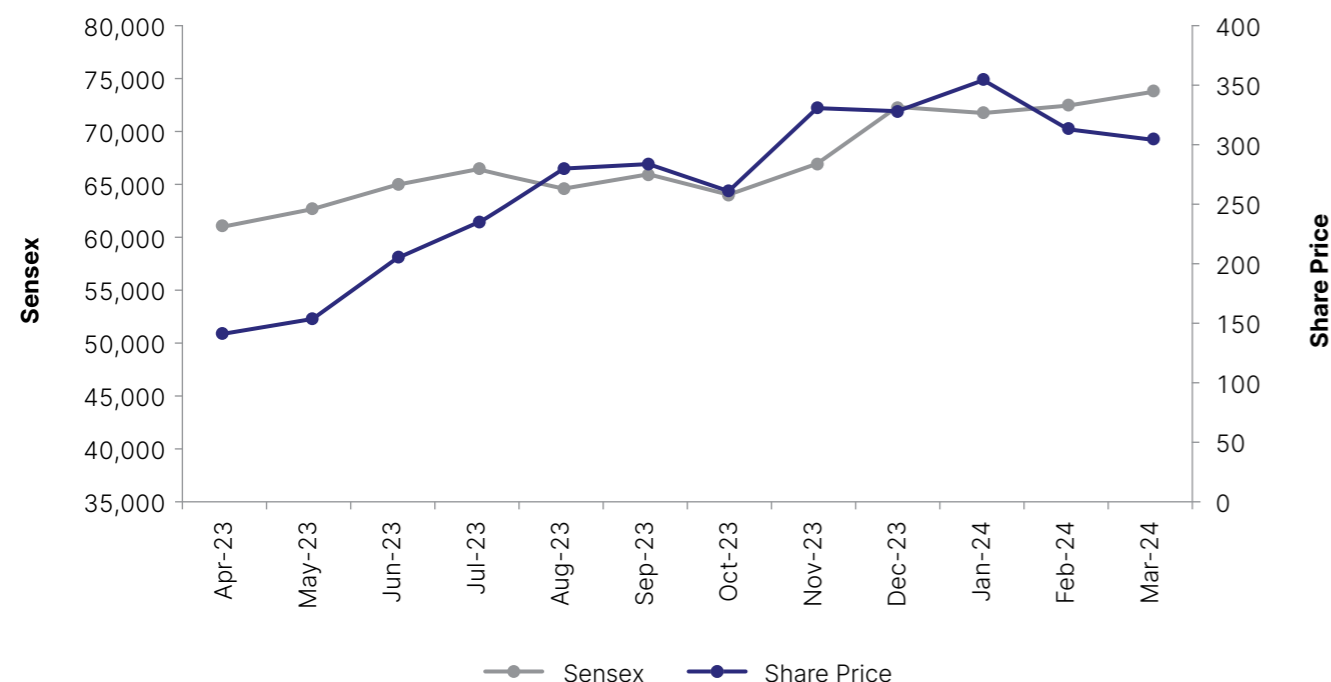
- f) Stock Market price data, high and low during each month in FY 2023-24 on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) are as under:**

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr-23	148.40	121.65	148.40	121.50
May-23	159.60	138.35	159.75	140.20
Jun-23	217.30	152.45	217.80	151.90
Jul-23	243.20	195.30	243.25	195.15
Aug-23	319.40	235.35	318.70	234.80
Sep-23	303.40	259.95	303.20	260.00
Oct-23	298.10	241.00	298.90	241.25
Nov-23	344.75	261.85	344.90	260.05
Dec-23	350.00	298.55	350.00	298.85
Jan-24	368.75	316.90	368.70	316.90
Feb-24	382.70	304.35	382.00	304.20
Mar-24	347.45	270.05	347.70	281.55

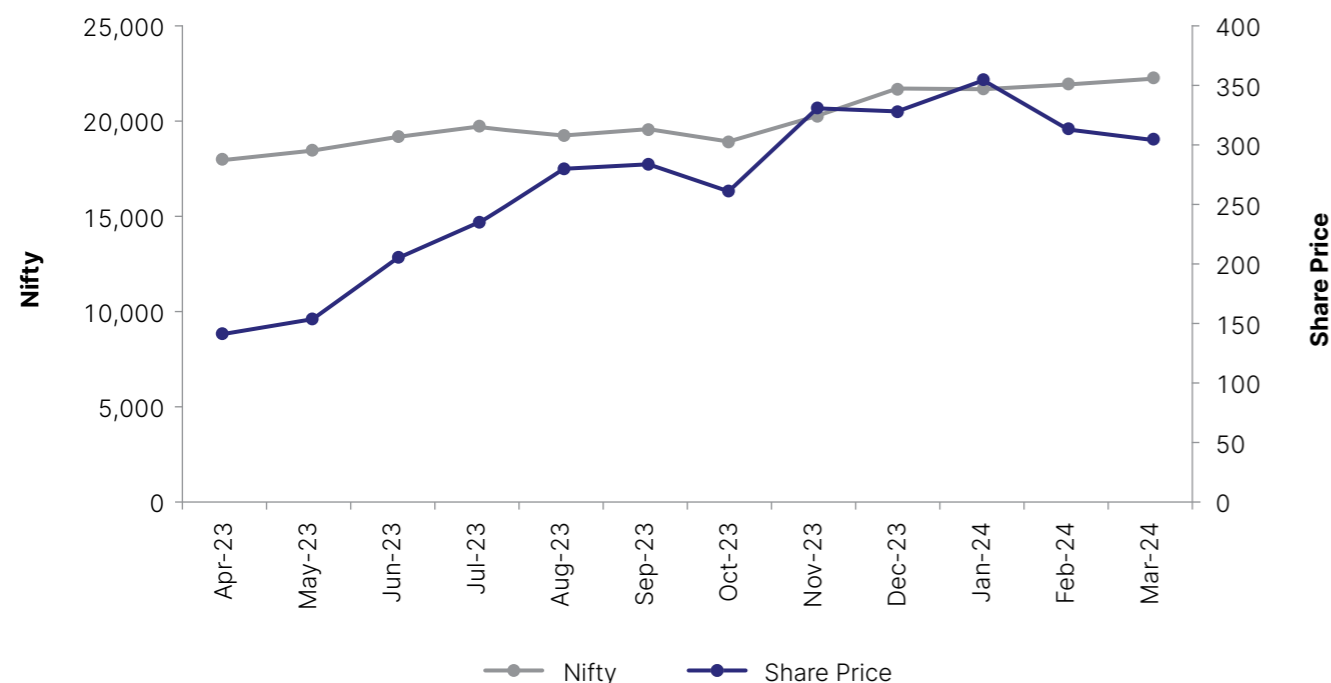
- g) Company's Performance in comparison to broad-based indices i.e. BSE - Sensex and NSE- Nifty is as under:**

Month	BSE Index (Sensex)	BSE Closing price of Share (₹) (WEL)	NSE (S&P Nifty)	NSE Closing price of Share (₹) (WEL)
Apr-23	61,112.44	142.05	18,065.00	142.20
May-23	62,622.24	152.40	18,534.40	151.20
Jun-23	64,718.56	201.55	19,189.05	201.80
Jul-23	66,527.67	234.00	19,753.80	233.85
Aug-23	64,831.41	277.65	19,253.80	278.15
Sep-23	65,828.41	284.00	19,638.30	283.90
Oct-23	63,874.93	262.05	19,079.60	262.20
Nov-23	66,988.44	330.25	20,133.15	330.65
Dec-23	72,240.26	326.30	21,731.40	326.25
Jan-24	71,752.11	354.65	21,725.70	355.50
Feb-24	72,500.30	314.40	21,982.80	314.70
Mar-24	73,651.35	304.95	22,326.90	304.10

**BSE & WELSPUN ENTERPRISES LIMITED**



**NSE & WELSPUN ENTERPRISES LIMITED**



**h) Registrar and Transfer Agent:** The Company has appointed Registrar and Transfer Agent to handle the share/ debenture transfer / transmission work and to resolve the complaints of shareholders/ debenture holders. 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](mailto:rnt.helpdesk@linkintime.co.in)  
Tele. No.: +91-224918 6270  
Fax No. : +91-224918 6060

**i) Debentures and Debenture Trustee**

The Secured Non-Convertible Debentures (“NCDs”) issued by the Company were listed on BSE Limited upto June 01, 2023 with the following identification numbers:

Sr. No.	ISIN	BSE Scrip Code	Outstanding Amount (₹ in Crore)
1	*INE625G07010	959529	175.00
2	*INE625G07028	959560	100.00

*\*Please note that out of total issue size of ₹375 Crore NCDs, ₹100 Crore were partially redeemed on December 1, 2022. Balance outstanding NCDs amounting to ₹175 Crore was redeemed on May 26, 2023 and remaining ₹ 100 Crore NCDs were redeemed on June 1, 2023. Hence, there is no outstanding amount payable w.r.t NCDs issued under ISIN- INE625G07028 and INE625G07010 and that there would be NIL listed NCDs on stock exchange w.e.f June 01, 2023.*

**Debenture Trustee:**

Catalyst Trusteeship Limited,  
Contact - Mr. Sameer Trikha  
Address: Office No. 83-87, 8<sup>th</sup> Floor,  
B Wing, Mittal Tower,  
Nariman Point, Mumbai – 400021  
Tel: +91-22-49220555  
Fax: +91-22-49220505  
Email: [dt@ctltrustee.com](mailto:dt@ctltrustee.com) / [compliancectl-mumbai@ctltrustee.com](mailto:compliancectl-mumbai@ctltrustee.com)  
Website: [www.catalysttrustee.com](http://www.catalysttrustee.com)

**Share/ Debenture Transfer System:** SEBI, vide notification dated June 8, 2018, amended Regulation 40 of the Listing Regulations, stipulating that any requests for transfer of securities received after December 5, 2018, must be processed by the listed entity in dematerialized form only with the depository(ies), except in case of transmission or transposition of securities. Furthermore, effective January 24, 2022, SEBI mandated that all shareholders’ service requests viz. issue of duplicate share certificates, exchange/sub-division/splitting/ consolidation of securities, transmission/transposition of securities, must be processed in dematerialised form. SEBI’s Circular dated January 25, 2022, further clarified that listed entities and RTAs are required to issue a Letter of Confirmation in lieu of physical share certificate while processing any of the aforesaid shareholders’ service request.

Accordingly, in compliance with Regulation 40(1) of the Listing Regulations, as amended from time to time, the Company now process only service requests of dematerialised nature. Additionally, we have sent multiple communication to the shareholders, encouraging them to dematerialize their holding in the Company.

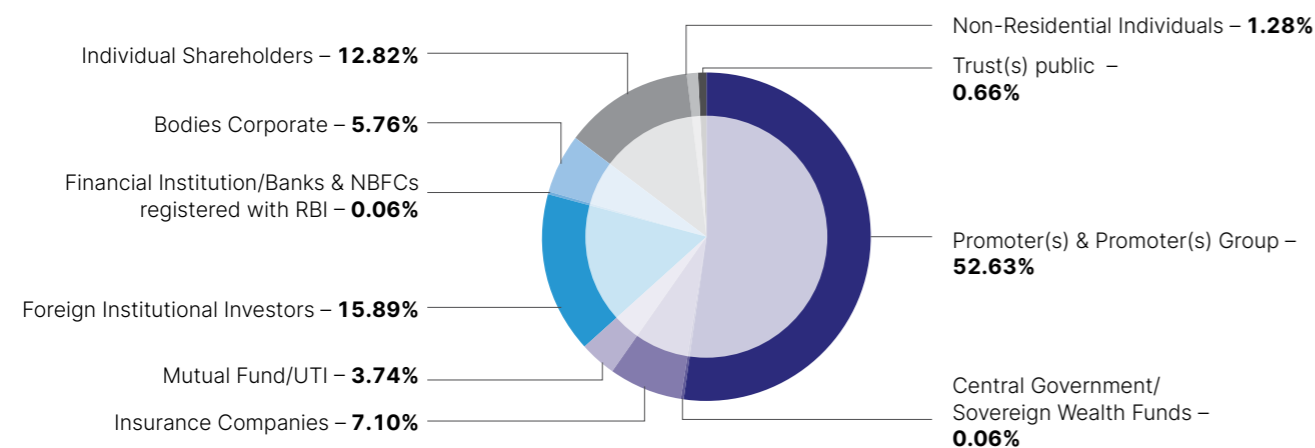
The Board has delegated the authority for approving transfer, transmission, dematerialisation of shares etc. to the Share Transfer, Investor’s Grievance and Stakeholder’s Relationship Committee.

The Company also obtains an annual certificate from Practicing Company Secretaries as required under Regulation 40(9) of Listing Regulations and the same is filed with the Stock Exchanges.

**j) Distribution of Shareholding:**

Number of Shares	No. of shareholders	Percentage of Shareholders	Percentage of Shares held	No. of Shares
Upto – 500	53,902	91.0814	3.3073	45,77,810
501-1,000	2,536	4.2852	1.3924	19,27,336
1,001-2,000	1,166	1.9703	1.2613	17,45,770
2,001-3,000	465	0.7857	0.8488	11,74,819
3,001-4,000	202	0.3413	0.5223	7,22,908
4,001-5,000	196	0.3312	0.6593	9,12,523
5,001-10,000	335	0.5661	1.7561	24,30,709
10,001 and above	378	0.6387	90.2525	12,49,21,935
<b>Total</b>	<b>59,180</b>	<b>100</b>	<b>100.00</b>	<b>13,84,13,810</b>

**Category wise shareholding as on March 31, 2024**



**TOP 10 SHAREHOLDERS (OTHER THAN PROMOTERS) AS ON MARCH 31, 2024**

Name of the Shareholder	% (percentage of Holding)	No. of Shares
Dilipkumar Lakhi	4.17	57,73,443
Authum Investment and Infrastructure Limited	3.25	45,00,000
Chirag Dilipkumar Lakhi	2.13	29,53,368
Sandeep Garg	1.87	25,98,965
Welspun Enterprises Employees Welfare Trust	1.37	19,00,000
Lici Asm Non Par	1.29	17,92,023
Mahima Stocks Private Limited	0.88	12,20,131
Singularity Holdings Limited	0.83	11,50,605
Panna Lal C Kothari HUF	0.68	9,50,500
Polus Global Fund	0.67	9,33,000

**k) De-materialization of shares and liquidity:** As on March 31, 2024, 99.86% equity shares have been dematerialized and have reasonable liquidity on the BSE Limited and the National Stock Exchange of India Limited.

**l) Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity is as under:**

There are no outstanding GDRs or ADRs or other convertible instruments outstanding as on March 31, 2024. However, the Company has outstanding Employee Stock Options. For relevant disclosure refer to the "Share Capital & Debt Structure and its Listing" section in the "Director's Report".

**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.**

For relevant disclosure refer to point No. 10 (a) of Director's Report. Re-affirmation of Credit Rating by CRISIL Ratings Limited ("CRISIL Ratings") took place in FY 2023-24.

Facility	Rating	Action by CRISIL
Long Term Rating	CRISIL AA-/Stable	Re-affirmed
Short Term Rating	CRISIL A1+	Re-affirmed

**n) Plant / Project locations of the Company and its Subsidiaries:**

**Company**

Sr. No.	Company	Location	State	Nature of Business
1	Welspun Enterprises Limited	Mohali	Punjab	Project- EPC
2	Welspun Enterprises Limited	Aunta-Simaria	Bihar	Project- EPC
3	Welspun Enterprises Limited	Sattanathapuram Nagapattinam	Tamil Nadu/ Puducherry	Project-EPC
4	Welspun Enterprises Limited	Varanasi Aurangabad NH2 Project	Uttar Pradesh & Bihar	Project-EPC
5	Welspun Enterprises Limited	Amethi, Jaunpur, Ambedkar Nagar, Bulandshar, Sant Ravi Das Nagar	Uttar Pradesh	Project-EPC
6	Welspun Enterprises Limited	Mukarba Chowk Panipat	Delhi/ Haryana	Project-EPC
7	Welspun Enterprises Limited	Dharavi, Mumbai	Maharashtra	Project-EPC
8	Welspun Enterprises Limited	Bhandup, Mumbai	Maharashtra	Project-EPC

**Subsidiaries**

Sr. No.	Company	Location	State	Nature of Business	Remark
1	Dewas Waterprojects Works Private Limited	Dewas	Madhya Pradesh	Project- BOT	Completion Certificate received on August 20, 2020. Currently under operation.
2	Welspun Projects (Himmatnagar Bypass) Private Limited (Formerly known as MSK Projects (Himmatnagar Bypass) Private Limited)	Himmatnagar	Gujarat	Project- BOT	Project handed over to GSRDC on 09.08.2020
3	Welspun Project (Kim Mandvi Corridor) Private Limited (Formerly known as MSK Projects (Kim Mandvi Corridor) Private Limited)	Kim Mandvi	Gujarat	Project- BOT	Project handed over to GSRDC on 07.04.2018

Sr. No.	Company	Location	State	Nature of Business	Remark
4	Welspun AuntaSimaria Project Private Ltd	Aunta – Simaria	Bihar	Project- Hybrid Annuity	Under execution
5	Welspun Sattanathapuram Nagapattinam Road Private Limited	Sattanathapuram Nagapattinam	Tamil Nadu/ Puducherry	Project- Hybrid Annuity	Under execution
6	Welspun EDAC JV Private Limited	Mumbai	Maharashtra	Project-EPC	Under Execution
7	Welspun Michigan Engineers Limited	Mumbai	Maharashtra	Project-EPC	-

**Associate**

Sr. No.	Company	Location	State	Nature of Business	Remark
1	Nxt - Infra MCP Highways Private Limited (Formerly known as Welspun Infracility Private Limited)	Mukarba Chowk Panipat	Delhi to Haryana	Project – DBOT	Receipt of the Provisional Certificate for Commercial Operation ("PCOD-III" 100% Toll) dated Feb 04, 2024 from National Highways Authority of India ("NHA") w.e.f. Feb 01, 2024

**o) Disclosure of shares held in suspense account under Clause F of Schedule V Listing Regulations.**

Aggregate number of shareholders and the outstanding shares in the unclaimed shares account lying at the beginning of the year i.e April 01, 2023		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 i.e. March 31, 2024	
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	Nil	Nil	Nil	Nil	31,224	209

**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

**XIV. OTHER DISCLOSURES**

Particulars	Statutes	Details	Website link for details / Policy
<b>Related Party Transactions</b>	Regulation 23 of SEBI Listing Regulations and as defined under the Companies Act.	There were no materially significant related party transactions which could be considered to have potential conflict with the interests of the Company at large.	<a href="https://www.welspunenterprises.com/policies.php">https://www.welspunenterprises.com/policies.php</a>
<b>Details of Establishment of Vigil Mechanism for Directors and Employees</b>	Regulation 22 of SEBI Listing Regulations	The Company has a Whistle Blower Policy and Vigil Mechanism for its directors, employees, vendors, any third parties, suppliers, lenders, customers, business associates, trainee, interns and any others with whom the Company has any financial or commercial dealings, and no persons had been denied access to the Audit Committee Chairman. The Policy provide adequate safeguard against unfair treatment to its employees and various stakeholders and even the disclosures expressed anonymously may be considered.  A Protected Disclosure can be made in writing by an email or by Post to:  a) Third party Ethics Helpline:- 000-800-919-0236,  b) Head–Ethics(WEL):- Postal Address: C/8, BKT House, Kamala Mills Compound, Lower Parel (West), Mumbai, Maharashtra, Email id: <a href="mailto:whistleblower_wel@welspun.com">whistleblower_wel@welspun.com</a>  c) The Chairman of the Audit Committee:- <a href="mailto:smadhavan56@gmail.com">smadhavan56@gmail.com</a>  d) By accessing the Company website:- <a href="http://www.welspun.ethicspoint.com">www.welspun.ethicspoint.com</a>	<a href="https://www.welspunenterprises.com/policies.php">https://www.welspunenterprises.com/policies.php</a>
<b>Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2018</b>	Section 134 of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014	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, 2018 as on the end of the financial year under Report are as under:  a) number of complaints filed during the FY – 1  b) number of complaints disposed of during the FY – 1  c) number of complaints pending as on end of the FY – Nil	<a href="https://www.welspunenterprises.com/policies.php">https://www.welspunenterprises.com/policies.php</a>
<b>Disclosure pursuant to Regulation 34 (3) of the Listing Regulations</b>	Regulation 34(3) of SEBI Listing Regulations	In compliance with Regulation 34(3) of the Listing Regulations, a separate report on the Corporate Governance, as stipulated under the Listing Regulations is presented in a separate section forming part of this Annual Report	-
<b>Disclosure on Non - Compliance</b>	Schedule V (C) 10(b) to the SEBI Listing Regulations	Except the following there were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to the capital market during the last three years.  Fines of Rs. 10,000 as per SEBI circular no. SEBI/HO/DDHS/DDHS/CIR/P/2020/231 dated November 13, 2020 and SEBI/HO/DDHS_Div2/P/CIR/2021/699 dated December 29, 2021 was imposed for non-disclosure of record date for delay in submission of record date for Interest payment of Non – Convertible Debentures (ISIN - INE625G07028).	-

Particulars	Statutes	Details	Website link for details / Policy
<b>Policy for determining 'material' subsidiaries</b>	Regulation 24 of the SEBI Listing Regulations	The Company's policy on determining material subsidiaries as required under the SEBI Listing Regulations is disclosed on the on the website of the Company.	<a href="https://www.welspunenterprises.com/policies.php">https://www.welspunenterprises.com/policies.php</a>
<b>Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.'</b>	–	During the year, the Company has not provided any loans and advances in the nature of loans to firms/companies in which directors are interested.	–
<b>Details of material subsidiaries of the Company; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.</b>	–	As on March 31, 2024, the Company does not have any material Subsidiary	–
<b>Details of compliance with Corporate Governance Requirements specified in SEBI Listing Regulations</b>	Schedule V of Part C of Sub-paras (2) to (10) of SEBI Listing Regulations Regulation 17 to 27 and Regulation 46 (2) (b) to (i) of SEBI Listing Regulations	The Company has complied with the requirements of Part C (Corporate Governance Report) of sub-paras (2) to (10) of Schedule V of the Listing Regulations. 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.	–
<b>Discretionary requirements</b>	Schedule II Part E of the SEBI Listing Regulations	The Company is in compliance with mandatory requirements mentioned under Chapter IV of Listing Regulations 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 Listing Regulations.	–
<b>Insurance Policies</b>	Regulation 25(10) of the SEBI Listing Regulations and SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/70 dated May 25, 2022	<b>D&amp;O Insurance for Directors:</b> In line with the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has taken Directors and Officers Insurance (“D&O”) for all its Directors and SMPs for quantum and risks as determined by the Board of the Company. <b>Special Contingency Insurance:</b> The Company had during the year under review obtained Special Contingency Insurance Policy from National Insurance Company Limited as required under SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/70 dated May 25, 2022.	–

Particulars	Statutes	Details	Website link for details / Policy
<b>Disclosure of commodity price risks and commodity hedging activities</b>	–	The Company enters into contracts with clients with provision for contract price escalation based on CPI and WPI movements. In construction of Hybrid Annuity projects, the escalation received from NHA1 / client is passed on to the Company by the SPV, and a similar mechanism is used with subcontractors. In EPC projects, the Company makes adequate provision for escalation in its bidding and contractual terms. It also steps in for procurement of key materials to support its sub-contractors as necessary to mitigate the impact of material price movements.  Please refer para on “Risk and Mitigation” in the Management Discussion and Analysis for other risks.	–
<b>Disclosure of certain types of agreements binding Company</b>	Schedule III, Para A, Clause 5A of Listing Regulations	As on the date of the report there are no agreement entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the company or impose any restriction or create any liability upon the Company.	–
<b>Code of Conduct for Board and Senior Management</b>	Regulation 17 of the SEBI Listing Regulations	The Company has a Code of Conduct for Board members and senior management. 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 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 Senior Management, affirmation that they have complied with the Code of Conduct for the financial year 2023-24.  Sd/- <b>Sandeep Garg</b> Managing Director DIN: 00036419	–

**CERTIFICATE OF PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE**

To  
**The Members of Welspun Enterprises Limited**  
**CIN: L45201GJ1994PLC023920**

We have examined the compliance of conditions of Corporate Governance by Welspun Enterprises Limited ("**the Company**"), for the year ended on March 31, 2024, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations as given to us, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, due to business urgency, few non-material related party transactions were ratified by the Audit Committee and the same were in ordinary course of business and arm's length basis.

We state that in respect of investor's grievance received during the year ended March 31 2024, the Registrar and Transfer Agent of the Company have certified that as at March 31, 2024, there were no investors' grievances remaining unattended / pending to the satisfaction of the investor.

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

For **MIHEN HALANI & ASSOCIATES**  
 Practicing Company Secretaries  
 UDIN: F009926F000413571

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

Date: 21.05.2024  
 Place: Mumbai

**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**  
**CIN: L45201GJ1994PLC023920**

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 – 370 110, India (**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, 2024 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	Designation	Date of Appointment In Company
1	Mr. Balkrishan Goenka	00270175	Chairman & Whole - Time Director	27/04/2010
2	Ms. Dipali Goenka	00007199	Non-Executive - Non Independent Director	16/06/2021
3	Mr. Rajesh R. Mandawewala	00007179	Non-Executive - Non Independent Director	06/07/2012
4	Mr. Sandeep Garg	00036419	Managing Director	08/08/2022
5	Dr. Aruna Sharma	06515361	Non-Executive - Independent Director	29/01/2019
6	Mr. Mohan Tandon	00026460	Non-Executive - Independent Director	01/04/2014
7	Mr. Raghav Chandra	00057760	Non-Executive - Independent Director	15/05/2019
8	Dr. Anoop Kumar Mittal	05177010	Non-Executive - Independent Director	16/06/2021
9	Mr. Sudhir Mital	08314675	Non-Executive - Independent Director	12/05/2022

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

For **MIHEN HALANI & ASSOCIATES**  
 Practicing Company Secretaries  
 UDIN: F009926F000413560

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

Date: 21.05.2024  
 Place: Mumbai



# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURES

### Details of the listed entity:

S. No.	Question	Response
1.	Corporate Identity Number (CIN) of the Entity	L45201GJ1994PLC023920
2.	Name of the Listed Entity	Welspun Enterprises Limited
3.	Year of Incorporation	20/12/1994
4.	Registered Office Address	"Welspun City", Village Versamedi, Taluka Anjar, District Kutch, Gujarat – 370 110
5.	Corporate Address	Welspun House, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013
6.	E-mail	<a href="mailto:companysecretary_wel@welspun.com">companysecretary_wel@welspun.com</a>
7.	Telephone	Tel: +91-22-6613 6000
8.	Website	<a href="http://www.welspunenterprises.com">www.welspunenterprises.com</a>
9.	Financial Year for which report is being done	1 <sup>st</sup> April 2023 to 31 <sup>st</sup> March 2024
10.	Name of the Stock Exchange(s) where shares are listed	1. BSE 2. NSE
11.	Paid-up Capital (₹)	1,38,41,38,100
12.	Name and contact details (telephone & email) of the person who may be contacted in case of queries on the BRSR report	Mr. Sandeep Garg Managing Director Telephone - 022-66136000 Email address - <a href="mailto:company_secretary@welspun.com">company_secretary@welspun.com</a>
13.	Reporting Boundary (Standalone or Consolidated basis)	Consolidated
14.	Name of assurance provider	BDO India LLP
15.	Type of assurance obtained	Limited Assurance

### Products and Services:

#### 16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	%Turnover of the entity
1.	Infrastructure development	WEL specializes in road and water projects under the Hybrid Annuity Model (HAM) and via large-value Engineering, Procurement and Construction (EPC) contracts. It also selectively undertakes Build-Operate-Transfer (BOT) projects.	100%

#### 17. Product/ Services sold by the entity (accounting for 90% of the entity's turnover):

S. No.	Product/ Service	NIC Code	%of total turnover contributed
1.	Road projects under: <ul style="list-style-type: none"> <li>Hybrid Annuity Model</li> <li>Engineering, Procurement, and Construction</li> <li>Build Operate Transfer Contracts</li> </ul>	42101	65%
2.	Water projects under: <ul style="list-style-type: none"> <li>Engineering, Procurement, and Construction</li> <li>Build Operate Transfer Contracts</li> <li>Water collection, water treatment, and water supply</li> <li>Transportation of water via pipeline</li> </ul>	36000 and 49300	35%

### Operations:

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

Location	Number of Plants and Operations	Number of Offices	Total
National	8	2	10
International	0	0	0

#### 19. Markets Served by the Entity:

##### a. Number of Locations:

Location	Number
National (No. of States/Union Territories)	9
International (No. of Countries)	0

##### b. What is the contribution of exports as a percentage of the total turnover of the entity?

Not applicable, since WEL does not have any products or services that are exported.

##### c. A Brief on types of customers?

WEL's primary customers are government regulatory authorities of India (such as the National Highway Authority of India (NHAI), state governments of India, etc.) and non-government entities as well.

### Employees:

#### 20. Details as at the end of Financial Year 2023- 24:

##### a. Employees and Workers

S. No.	Particulars	Total (A)	Male		Female		Others	
			Number (B)	Percentage (B/A)	Number (B)	Percentage (B/A)	Number (C)	Percentage (C/A)
<b>Employees (including differently abled)</b>								
1.	Permanent Employees	977	910	93.14%	66	6.76%	1	0.10%
2.	Other than Permanent Employees	29	28	96.55%	1	3.45%	0	0
3.	Total Employees (1+2)	<b>1,006</b>	<b>938</b>	<b>93.24%</b>	<b>67</b>	<b>6.66%</b>	<b>1</b>	<b>0.10%</b>
<b>Workers (including differently abled)</b>								
4.	Permanent Workers	279	279	100%	0	0%		
5.	Other than Permanent Workers	0	0	0	0	0%		
6.	Total Workers (4+5)	<b>279</b>	<b>279</b>	<b>100%</b>	<b>0</b>	<b>0%</b>		

**b. Differently abled Employees and Workers**

S. No.	Particulars	Total (A)	Male		Female	
			Number (B)	Percentage (B/A)	Number (B)	Percentage (B/A)
<b>Differently Abled Employees</b>						
1.	Permanent Employees	0	0	0%	0	0%
2.	Other than Permanent Employees	0	0	0%	0	0%
3.	Total Employees (1+2)	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Differently Abled Workers</b>						
4.	Permanent Workers	1	1	100%	0	0%
5.	Other than Permanent Workers	0	0	0%	0	0%
6.	Total Workers (4+5)	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

**21. Participation/ Inclusion/ Representation of Women**

	Total (A)	Number of Female (B)	Percentage (B/A)
Board of Directors	9	2	22%
Key Management Personnel	5	1	20%

**22. Turnover rate for permanent employees and workers:**

	FY 2023- 24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	33.17%	31.37%	33.02%	34.95%	26%	34.5%	34.05%	26.09%	33.52%
Permanent Workers	<b>32.67%</b>	<b>0%</b>	<b>32.67%</b>	-	-	-	-	-	-

**Holding, Subsidiary and Associate Companies (including joint ventures):**

**23. Names of holding/ subsidiary/ associate companies/ joint ventures**

S. No.	Name	Indicate whether holding/ subsidiary/ associate company/ joint venture	% of shares held by listed entity	Does the entity indicated at Column A, participate in the Business Responsibility initiatives of the entity (Yes/ No)
1	Dewas Waterprojects Works Private Limited*	Subsidiary	76	Yes
2	Welspun Aunta - Simaria Project Private Limited^	Subsidiary	74	Yes
3	Welspun Sattanathapuram Nagapattinam Road Private Limited <sup>§</sup>	Subsidiary	70	Yes
4	Welspun EDAC JV Private Limited	Subsidiary	80	Yes
5	Adani Welspun Exploration Limited	Associate	35	No
6	NXT-Infra MCP Highways Private Limited (Formerly Welspun Infracore Private Limited)	Associate	51	No
7	Welspun Michigan Engineers Limited (Formerly Welspun Michigan Engineers Private Limited) <sup>%</sup>	Subsidiary	50.10	No
8	Welspun - Kaveri Infra Projects JV <sup>§</sup>	Joint Venture	NA	Yes
9	Welspun Infracore Private Limited <sup>#</sup>	Subsidiary	100	Amalgamated with Welspun Enterprises Limited vide NCLT Order dated February 06, 2024, and effective from February 14, 2024.
10	Welspun-Kaveri Infracore JV Private Limited <sup>#</sup>	Subsidiary	100	
11	RGY Roads Private Limited <sup>#</sup>	Subsidiary	100	
12	Corbello Trading Private Limited <sup>#</sup>	Subsidiary	100	

\* In addition to aforesaid stake, 24% are held through Welspun Project (Kim Mandvi Corridor) Private Limited

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

§ In addition to aforesaid stake, 14.65% are held through Grenoble Infrastructure Private Limited.

% Acquired 50.10% stake in Michigan Engineers Pvt Ltd on August 21, 2023

§ This represents Controlled Structured Entity as defined in IndAS 112 "Disclosure of Interest in Other Entities", the financials of which are consolidated with the Company

# The Board of Directors of the Company at its meeting held on April 21, 2023, had approved the Scheme of Amalgamation of Welspun Infracore Private Limited, Welspun-Kaveri Infracore JV Private Limited, Corbello Trading Private Limited and RGY Roads

Private Limited ("Transferor Companies") with Welspun Enterprises Limited ("Transferee Company") and their respective shareholders ("Scheme"). The said Scheme was duly approved by National Company Law Tribunal, Ahmedabad Bench ("NCLT") vide its order dated February 06, 2024, a certified copy of which was received by the Company on February 12, 2024, with the Scheme becoming effective from February 14, 2024.

The Board of Directors of the Company at its meeting held on April 21, 2023, had approved the Scheme of Amalgamation of Welspun Infracore Private Limited, Welspun-Kaveri Infracore JV Private Limited, Corbello Trading Private Limited and RGY Roads Private Limited ("Transferor Companies") with Welspun Enterprises Limited ("Transferee Company") and their respective shareholders ("Scheme"). The said Scheme was duly approved by National Company Law Tribunal, Ahmedabad Bench ("NCLT") vide its order dated February 06, 2024, a certified copy of which was received by the Company on February 12, 2024, with the Scheme becoming effective from February 14, 2024.

Further the Company's non-operative wholly-owned subsidiary and/or SPVs company(ies) do not participate in the Business Responsibility initiatives of the Company the list and shareholding of which is given hereunder: Welspun Projects (Himmatnagar Bypass) Private Limited (100%), Welspun Project (Kim Mandvi Corridor) Private Limited (100%), Welspun BuildTech Private Limited (100%), ARSS Bus Terminal Private Limited (100%), Grenoble Infrastructure Private Limited (49%), DME Infra Private Limited (100%), Welsteel Enterprises Private Limited (49%).

**CSR Details:**

- 24. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013 (Yes/No) **Yes**
- (ii) Turnover (in INR.) **24,50,43,65,905**
- (iii) Net Worth (in INR.) **24,222,600,000**

**Transparency and Disclosures Compliances:**

**25. Complaints/ Grievances on any of the Principles (1-9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder Group	Grievance Redressal Mechanism in place (Y/N) (Provide web-link of policy)	Current Financial Year 2023- 24			Previous Financial Year 2022- 23		
		Number of complaints filed	Number of complaints pending at close of year	Remarks	Number of complaints filed	Number of complaints pending at close of year	Remarks
Employees and Workers	Yes <a href="https://www.welspunenterprises.com/policies.php">https://www.welspunenterprises.com/policies.php</a>	22	4	The pending complaints are in the process of being resolved.	18	3	The pending complaints are in the process of being resolved.
Investors (other than shareholders)	Yes <a href="https://www.welspunenterprises.com/policies.php">https://www.welspunenterprises.com/policies.php</a>	Nil	Nil	-	Nil	Nil	-
Shareholders	Yes <a href="https://www.welspunenterprises.com/policies.php">https://www.welspunenterprises.com/policies.php</a>	5	0	The complaint was resolved and closed with proper investigation.	2	0	The complaint was resolved and closed with proper investigation.
Communities	The communities' grievances are directly handled by implementation partners and our clients.	Nil	Nil	-	Nil	Nil	-
Implementation Partners	Yes <a href="https://www.welspunenterprises.com/policies.php">https://www.welspunenterprises.com/policies.php</a>	Nil	Nil	-	Nil	Nil	-
Customers/ Clients	Yes <a href="https://www.welspunenterprises.com/policies.php">https://www.welspunenterprises.com/policies.php</a>	Nil	Nil	-	Nil	Nil	-

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

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of Risk, approach to adapt or mitigate	Financial Implications of the risk or the opportunity (Negative/ Positive)
1	Occupational health and safety	Risk and opportunity	<p>The construction industry is often deemed 'high-risk' due to its significant health and safety challenges, making it one of the most hazardous sectors for workers. Factors such as handling heavy machinery and materials, and the dynamic nature of construction sites all contribute to significant health and safety challenges. These conditions increase the likelihood of accidents, injuries, and health risks for workers, thus earning the industry its reputation as one of the most hazardous sectors.</p> <p>However, ensuring health and safety for our employees and workers can also prove as an opportunity for WEL to be on the forefront of efforts to reduce occupational injuries and ill-health by following best-in-class health and safety practices.</p>	<p>To ensure a healthy and safe workplace and reduce safety challenges, WEL has implemented an occupational health and safety (OHS) management system across all operational units. The OHS systems adheres the industry best practices, recognized by the CIDC, National Safety Council of India, World Safety Organization, and India HSE Summit.</p>	<p>Negative implication: Investing in occupational health and safety (OHS) infrastructure, training, and compliance can entail significant upfront and ongoing costs. In addition, companies may face hefty fines and legal expenses related to safety breaches. Accidents and safety incidents can lead to project delays and additional costs for managing the fallout. Furthermore, managing and restoring reputation after an OHS incident often involves substantial expenses, including public relations efforts and potential loss of business.</p> <p>Positive implication: Reduced workplace accidents can lead to lower medical expenses, insurance premiums, and compensation payouts. Enhanced health and safety measures can also boost workforce productivity by minimizing downtime from accidents or illnesses. Additionally, improved safety practices can attract investors who prioritize environmental, social, and governance (ESG) factors, potentially securing better financial terms. Moreover, these improvements can increase the likelihood of winning contracts.</p>

S. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of Risk, approach to adapt or mitigate	Financial Implications of the risk or the opportunity (Negative/ Positive)
2	Corporate Governance	Risk	<p>Corporate governance is vital for promoting transparency, accountability, and trust, attracting investment, and reducing risks, thereby driving organizational resilience, growth, and long-term success. Poor corporate governance practices can lead to a lack of transparency in decision-making processes, inadequate accountability of management to shareholders, and insufficient oversight of financial reporting.</p>	<p>WEL drives to follow the best practices related to corporate governance and ethics. The company ensures transparency through regulatory and voluntary disclosures. We have a robust internal system and undertake consultation with external consultants to track all regulatory updates, compliance changes, and changes in the international landscape.</p>	<p>Negative implication: Significant fines and penalties imposed by regulatory authorities can trigger extensive legal disputes and litigation, leading to considerable legal fees and settlement costs. This can deter investment, depress stock prices, and elevate the cost of capital. Furthermore, the resultant loss of business opportunities and diminished customer trust can adversely affect revenue and profitability. Compounding these issues are increased audit fees and compliance-related expenses, which further strain financial resources.</p>
3	Energy management and climate strategy	Opportunity	<p>Energy management and climate strategy are crucial in the construction sector for promoting sustainability, reducing costs, complying with regulations, and enhancing resilience against global climate challenges. Energy management and climate strategy present a strategic opportunity for construction firms to lead the industry by integrating sustainable practices that enhance efficiency, reduce costs, ensure regulatory compliance, and build resilience against global climate challenges.</p>	-	<p>Positive implications: Energy management and climate strategy can have positive implications for WEL in the long run. Increasing the share of renewable energy in the overall energy portfolio of the Company will lead to optimizing costs through reduced utility bills over time. Moreover, having a robust climate strategy in place will enable WEL to get a head-start in complying with any climate-related regulations.</p>



S. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of Risk, approach to adapt or mitigate	Financial Implications of the risk or the opportunity (Negative/ Positive)
4	Water Stewardship	Risk and opportunity	<p>In construction, water stewardship is crucial to responsibly manage resources, reduce environmental impact, ensure sustainability, increase resilience against water scarcity, and meet regulatory needs.</p> <p>While water stewardship is crucial for responsibly managing resources, reducing environmental impact, ensuring sustainability, and enhancing resilience against water scarcity, it can also pose risks.</p> <p>Inadequate water management practices may lead to project delays, increased costs due to water-related disruptions, and regulatory non-compliance.</p>	<p>WEL has implemented various water conservation and water efficiency measures to mitigate water related challenges. The Company has adopted a Poly Carboxylic Ether based superplasticizer as a chemical admixture to reduce water content in cement, which has resulted in 25% reduction in water use in concrete production.</p>	<p>Negative implication: Lack of water management can have a negative financial impact on WEL. To meet the rising demand of water in times of paucity of the resource, the Company might have to procure water at higher rates from external sources and implement modern methods and techniques to improve water efficiency and water conservation.</p> <p>Positive implication: Water stewardship can also have a positive financial impact. This could be in the form of reducing operational costs through efficient water use and water management practices.</p>
5	Enhancing eco-friendly technology, design, and construction competitiveness	Opportunity	<p>Enhancing eco-friendly technology, design and solutions will enhance the construction competitiveness in the construction sector, important to reduce the environmental impact and enhance brand equity of the company. By prioritizing sustainability, firms can attract environmentally conscious clients and investors, differentiate themselves from competitors, and strengthen their brand equity as leaders in responsible construction practices.</p>	-	<p>Positive implication: Adopting eco-friendly technology and design/ construction solutions will have a positive financial impact on the company in form of subsidies from government agencies and improved stakeholder perception, leading to higher number of</p>

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and Management Processes</b>									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the policies, if available	<a href="https://welspunenterprises.com/policies.php">https://welspunenterprises.com/policies.php</a>								
2. Whether the entity has translated the policy into procedures? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The policies of WEL have been formulated are in line with the applicable national standards and compliant with the principles of the National Guidelines on Responsible Business Conduct (NGRBC) issued by the Ministry of Corporate Affairs (MCA), Government of India (GOI). Additionally, some of the policies as developed refer to international standards/ frameworks such as Global Reporting Initiative (GRI), World Economic Forum (WEF), Task Force on Climate-Related Financial Disclosures (TCFD), International Finance Corporation (IFC) and International Organization for Standardization (ISO).								
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.	Based on the information collected and collated with extensive exercise of identifying the emissions from each project sites, WEL will be conducting a detailed exercise to identify goals and target for short term, medium term, and long term.								
6. Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.									
<b>Governance, leadership, and oversight</b>									
7. Statement by the director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements. <i>The statement is available at the beginning of the Annual Report.</i>									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies)	Mr. Sandeep Garg Managing Director, Welspun Enterprises Limited								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If "Yes", provide details	The ESG and CSR Committee of the Board of Directors is responsible for decision making on sustainability related issues.  The Committee is tasked with overseeing and recommending the Company's policies, strategies, and programs concerning Environment, Social, Governance (ESG), and corporate social responsibility. This includes monitoring and advising on the CSR Policy, developing ESG strategy with management, evaluating performance against ESG goals, reviewing key policies and disclosures, and reporting to the Board on ESG matters. Additionally, the Committee assesses ESG risks and opportunities, guides communication strategies, monitors external ESG ratings, and oversees governance frameworks related to supply chain and third-party ESG compliance.								

**10. Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any Other- please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The Board of Directors lays down the responsibility of policy review with relevant Board Committees. The Board Committees review the relevant policies as and when required.	Annually		Half-yearly		Annually		-	Quarterly	-
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The respective Board Committees and Board of Directors ensure compliance with relevant statutory requirements in accordance with the governing principles of WEL.									

**11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No).**

If "Yes", provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9

No

**12. If Answer to Question (1) Above is "NO", i.e., not all Principles are covered by a Policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
The entity is not at a stage where it is able to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any Other Reason (please specify)									

Not applicable

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

Entity demonstrates their performance in integrating the Principles and Core Elements with key processes and decisions.

**Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent, and Accountable**

**Essential Indicators**

**1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year 2023- 24:**

Segment	Total number of training and awareness programs held	Topics/ Principles covered under training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	Code of conduct training	100%
Key Managerial Personnel	3	Leading through example, through ethical and accountable conduct, while building a diverse and inclusive organization.	100%
Employees other than BoD and KMPs	155	Code of Conduct, Conflict of Interest, Whistleblower policy, creating an inclusive organization, Living the Welspun values and creating psychological safety, ESG trainings, Skill upgradation trainings and Health and Safety awareness sessions.	100%
Workers	29	Code of Conduct, Conflict of Interest, Whistleblower policy session, ESG trainings, and Health and Safety awareness sessions.	28%

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

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as discussed on the entity's website)

NGRBC Principle	Name of the Regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of Case	Has an appeal been preferred? (yes/ No)
<b>Monetary</b>				
Penalty/ Fine				
Settlement		Nil		
Compounding Fee				
<b>Non-Monetary</b>				
Imprisonment				
Punishment		Nil		

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not applicable since no case of non-compliance was reported during the reporting period.	

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide web-link to the policy.**

Yes, the Company has an anti-corruption and anti-bribery policy in place, which applies to the company and all its subsidiaries. WEL prohibits bribery and any other corrupt practices or conduct in any form. Bribery and Kickback involving government officials, customers, competitors, suppliers, and all other counterparties is strictly prohibited. No WEL officer, director, employee, agent, or other third party representative worldwide may, directly or indirectly, offer, promise, pay, give, abet or authorize the giving of any financial or other advantage, or anything else of Value, to a government official or any other person, with the intent to exert improper influence over the recipient, induce the recipient to violate his or her duties, secure an improper advantage for WEL, or improperly reward the recipient for past conduct. The detailed policy is available here: [ABAC policy](#)

**5. Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
Directors		
Key Managerial Personnel (KMPs)		
Employees		Nil
Workers		

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

	Current Financial Year 2023- 24		Previous Financial Year 2022- 23	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

**7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not applicable

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

	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
Number of days of accounts payables	113	122

**9. Openness of Business:**

Provide details of concentration of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
<b>Concentration of Purchases</b>	a. Purchases from trading houses as % of the total purchases	12%	15%
	b. Number of trading houses where purchases are made from	12	8
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	99.78%	100%
<b>Concentration of Sales</b>	a. Sales to dealers/ distributors as % of total sales	Not applicable	
	b. Number of dealers/ distributors to whom sales are made		
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors		
<b>Share of RPTs in</b>	a. Purchases (Purchases with related parties/ Total Purchases)	2.43%	0.53%
	b. Sales (Sales to related parties/ Total Sales)	5.51%	6.54%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	-	-
	d. Investments (Investments in related parties/ Total Investments made)	51.35%	28.32%

**Leadership Indicators**

**1. Awareness programmes conducted for the value chain partners on any of the principles during the financial year 2023- 24:**

Total number of awareness programs held	Topics/ Principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programs
---	---	--

Training programs and capacity building session for suppliers and contractors is being planned and will be implemented from FY 2025 by WEL.

**2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No).**

If "Yes", provide details of the same.

WEL has a 'Code of Conduct Policy for Board of Directors and Senior Management' which charts out how the Company manages conflicts of interest involving members of the board. This policy requires Board Members to avoid and disclose conflicts of interest where their personal interests may conflict with the company's. They must not engage in activities that interfere with their responsibilities or benefit competitors. Officers must disclose any conflicting interests to the audit committee, including directorships in competing firms or investments in suppliers, customers, or competitors.



**Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.**

**Essential Indicators**

**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	Current Financial Year 2023- 24	Previous Financial Year 2022- 23	Details of improvements in environmental and social impacts
R&D	0%	0%	-
Capex	69.64%	82.51%	Use of Fly Ash (dry), Pond Ash and PCE (Poly Carboxylic Ether) based superplasticizers admixture.

- 2. a.** Does the entity have procedures in place for sustainable sourcing? (Yes/No).  
**b.** If "Yes", what percentage of inputs were sourced sustainability?  
**A.** WEL has a supplier code of conduct which is applicable to all suppliers. This code of conduct is aligned with the principles of United Nations Global Compact (UNGC) principles, which provides environment and social guidelines with which companies align their supplier code of conduct. In particular, the UNGC principles encourage businesses to make sustainability a priority and extend it to its value chain.  
**B.** Percentage of inputs sourced sustainably: 30%  
**C. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life for:**  
 a. Plastics (including packaging)  
 b. E-waste  
 c. Hazardous waste  
 d. other waste  
 Reclamation of products is not applicable to the Company's operations.  
**D. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No).**  
 - If "Yes", whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Board?  
 - If "Not", provide steps taken to address the same.  
 EPR is not applicable to WEL's activities.

**Leadership Indicators**

**1. Has the entity conducted Life Cycle Perspective/ Assessment (LCA) for any of its products (for manufacturing industries) or for its services (for service industry)? If "Yes", provide details in the following format:**

NIC Code	Name of product/ service	% of Total Turnover contributed	Boundary for which the Life cycle perspective/ assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If "Yes", provide web-link
Not applicable since the nature of WEL's business is not related to manufacturing of products or services.					

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/ services, as identified in the Life Cycle Perspective/ Assessments (LCA) or through any other means, briefly describe the same along with action-taken to mitigate the same.**

Name of Product/ Service	Description of the risk/ concern	Action Taken
	Not applicable since the clients of WEL are responsible for conducting assessments to identify significant social and environmental risks arising from projects.	

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
	Not applicable	

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

	Current Financial Year 2023- 24			Previous Financial Year 2022- 23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)						
E-Waste	Reclamation of products is not applicable to the Company's operations.					
Hazardous Waste						
Other Waste						

**5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category**

Indicate Product Category	Reclaimed products and their packaging materials as % total products sold in respective category
	Reclamation of products is not applicable to the Company's operations.

**Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.**

**Essential Indicators**

**1. a. Details of measures for the well-being of Employees:**

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Employees</b>											
Male	910	910	100%	910	100%	0	0%	910	100%	910	100%
Female	66	66	100%	66	100%	66	100%	0	0%	66	100%
Others	1	1	100%	1	100%	1	0%	0	0%	1	100%
<b>Total</b>	<b>977</b>	<b>977</b>	<b>100%</b>	<b>977</b>	<b>100%</b>	<b>66</b>	<b>6.76%</b>	<b>910</b>	<b>93.14%</b>	<b>977</b>	<b>100%</b>
<b>Other than Permanent Employees</b>											
Male	28	28	100%	28	100%	0	0%	28	100%	28	100%
Female	1	1	100%	1	100%	1	100%	0	0%	1	100%
<b>Total</b>	<b>29</b>	<b>29</b>	<b>100%</b>	<b>29</b>	<b>100%</b>	<b>1</b>	<b>3.45%</b>	<b>28</b>	<b>96.55%</b>	<b>29</b>	<b>100%</b>



**b. Details of measures for the well-being of Workers (Financial Year 2023- 24)**

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Workers</b>											
Male	279	279	100%	0	0%	0	0%	279	100%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Others	0	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>279</b>	<b>279</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>279</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
<b>Other than Permanent Workers</b>											
Male	0	0	0%	0	0%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Others	0	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

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

	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
Cost incurred on well-being measures as a % of total revenue of the company	5.64%	5.15%

**2. Details of retirement benefits, for Current FY 2023- 24 and Previous FY 2022- 23**

Benefits	Current Financial Year 2023- 24			Previous Financial Year 2022- 23		
	No. of employees covered as % of total employees	No. of workers covered as % of total workers	Deducted and Deposited with the authority (Yes/ No/ NA)	No. of employees covered as % of total employees	No. of workers covered as % of total workers	Deducted and Deposited with the authority (Yes/ No/ NA)
PF	99.33%	100%	Yes	99.33%	100%	Yes
Gratuity	100%	100%	NA	100%	100%	NA
ESI	0%	15.8%	Yes	0%	4.17%	Yes

**3. Accessibility of Workplaces**

Are the premises/ offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

If "Not", then whether any steps are being taken by the entity in this regard.

Our current premises and offices are not fully compliant with the Rights of Persons with Disabilities Act, 2016, since our operations are undertaken on a leased basis. The offices of the Company are situated in leased buildings, and WEL has no/limited control over the modification/retrofitting of the buildings to make them accessible, however, the company acknowledges its commitment towards diversity, equity, and inclusivity. We are in the process of developing a policy for acquiring spaces which are compliant to the RPWD Act, 2016.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, please provide the web-link of the policy.**

At WEL, we have an Equal Opportunity Policy under our 'Human Rights Policy'. The Equal Opportunity Policy aims to ensure equal treatment, create an environment conducive to openness and acceptance, protect individual rights, and establish effective grievance redress mechanisms against harassment. This policy underscores WEL's commitment

to upholding dignity, safety, and support for all employees, fostering a workplace free from discrimination. The policy covers all the requirements of the RPWD Act 2016 in spirit, however the same are not explicitly stated in the policy statements.

To better align the equal opportunity policy with the RPWD Act 2016, we have submitted a draft policy for equal opportunity aligned with the RPWD Act 2016, which is currently in the approval stage with the management.

**5. Return to work and Retention rates of permanent employees and workers that took parental leave for FY 2023- 24.**

Gender	Permanent Employees		Permanent Workers	
	Return to Work Rate	Retention Rate	Return to Work Rate	Retention Rate
Male	100%	100%	100%	100%
Female	100%	100%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

1. During FY 2023-24, two employees went on maternity leave. One returned within the fiscal year, and the other rejoined after March 31, 2024.
2. The retention rate for employees who took maternity leave in FY 2022-23 is based on two employees, as the other two were part of a project that was monetized and transferred to another entity.

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If "Yes", give details of the mechanism in brief:**

Permanent Workers	Yes, WEL is committed to maintaining fairness and respect for all employees and workers. Our Grievance Redressal Policy provides a structured process for resolving workplace grievances. This policy outlines the procedure for raising and addressing grievances, ensuring a systematic approach to resolution and response. The policy is accessible <a href="#">here</a> .
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

**7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:**

Category	Current Financial Year 2023- 24			Previous Financial Year 2022- 23		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of Association(s) or Unions. (B)	Percentage (%) (B/A)	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of Association(s) or Unions. (B)	Percentage (%) (B/A)
<b>Total Permanent Employees</b>	-	-	-	-	-	-
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
<b>Total Permanent Workers</b>	-	-	-	-	-	-
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-





**8. a) Details of training given to employees and workers on "Health and Safety Measures"**

Category	Current Financial Year 2023- 24			Previous Financial Year 2022- 23		
	Total (A)	Number (B)	Percentage (%) (B/A)	Total (C)	Number (D)	Percentage (%) (D/C)
<b>Employees</b>						
Male	938	938	100%	883	883	100%
Female	67	67	100%	43	43	100%
Others	1	1	100%	-	-	-
<b>Total</b>	<b>1,006</b>	<b>1,006</b>	<b>100%</b>	<b>926</b>	<b>926</b>	<b>100%</b>
<b>Workers</b>						
Male	279	279	100%	187	187	100%
Female	0	0	0%	0	0	0%
<b>Total</b>	<b>279</b>	<b>279</b>	<b>100%</b>	<b>187</b>	<b>187</b>	<b>100%</b>

**b) Details of training given to employees and workers on "Skill Upgradation"**

Category	Current Financial Year 2023- 24			Previous Financial Year 2022- 23		
	Total (A)	Number (B)	Percentage (%) (B/A)	Total (C)	Number (D)	Percentage (%) (D/C)
<b>Employees</b>						
Male	938	717	76.44%	883	821	92.98%
Female	67	60	89.55%	43	40	93.02%
Others	1	1	100%	0	0	0
<b>Total</b>	<b>1,006</b>	<b>778</b>	<b>77.34%</b>	<b>926</b>	<b>861</b>	<b>92.98%</b>
<b>Workers</b>						
Male	279	25	8.96%	187	14	7.49%
Female	0	0	0%	0	0	0
<b>Total</b>	<b>279</b>	<b>25</b>	<b>8.96%</b>	<b>187</b>	<b>14</b>	<b>7.49%</b>

**9. Details of Performance and Career Development reviews of employees and workers:**

Category	Current Financial Year 2023- 24			Previous Financial Year 2022- 23		
	Total (A)	Number (B)	Percentage (%) (B/A)	Total (C)	Number (D)	Percentage (%) (D/C)
<b>Employees</b>						
Male	910	696	76.48%	883	670	75.88%
Female	66	36	54.55%	43	38	88.37%
Others	1	0	0%	0	0	0%
<b>Total</b>	<b>977</b>	<b>732</b>	<b>74.92%</b>	<b>926</b>	<b>708</b>	<b>76.46%</b>
<b>Workers</b>						
Male	279	248	88.89%	187	151	80.75%
Female	0	0	0%	0	0	0%
<b>Total</b>	<b>279</b>	<b>248</b>	<b>88.89%</b>	<b>187</b>	<b>151</b>	<b>80.75%</b>

**10. Health and Safety Management System:**

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No) If "Yes", then coverage of the system.	Yes. WEL has established a Health, Safety, and Environment (HSE) Management System in line with international standards (ISO 14001 & ISO 45001) and the system is implemented at all sites. Activity-wise Safe Operating Procedures (SOPs) are also implemented and all of WEL's projects are executed with the SOPs in place.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis of the entity?	Prior to the commencement of any work-related activity, Hazard Identification and Risk Assessment (HIRA) process is carried out to identify the associated hazards, risk levels & control measures.  Work-related hazards are also assessed through daily site safety visit, HSE Meetings, HSE walk through, Internal & External Audit System etc., on a routine and a non-routine basis. Surveillance audits are also conducted to enhance safety measures.
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? (Yes/No)	Yes, all workers are addressed every day during Toolbox Talk (TBT) by front line engineers where workers also share their findings related to any hazards, if noticed.  Workers and supervisors are encouraged to report more near miss access and actual first aid cases so that the same can be analyzed and preventive measures can be adhered to avoid recurrence.
d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)	Yes. Employees get annual medical health check-up through a tied-up hospital / pathology lab.

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

Safety Incidents/ Number	Category	Current Financial Year	Previous Financial Year
		2023- 24	2022- 23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0.032#
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	489*
Number of fatalities	Employees	0	1
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

\*Number of first-aid cases.

#Calculated basis 1 fatality.

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

WEL has established a comprehensive HSE Management System, with a dedicated HSE department led by the corporate HSE head. Monthly performance reviews are conducted by the Chairman, MD, and CEO. At all project sites, the following systems are rigorously implemented: Activity-based SOPs and HIRA are prepared and adhered to for all actions. Mandatory HSE induction is conducted for new workers, employees, and visitors. Awareness of the HSE Management System is actively promoted among teams and diligently implemented. HSE inspections, meetings, on-the-job and off-the-job training programs are regularly conducted. Internal and external audits are organized at scheduled intervals. Various HSE drives and campaigns are launched across all project sites on regular basis to promote the HSE system. Health surveillance programs are ensured at each site, along with compliance with legal requirements. Comprehensive records of minor and major injuries, incidents, and near misses are meticulously



maintained and reviewed to address shortcomings effectively. Motivational programs like safety rewards and recognition further bolster the HSE culture throughout the organization.

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

	Current Financial Year 2023- 24			Previous Financial Year 2022- 23		
	Filed	Pending Resolution at end of year	Remark	Filed	Pending Resolution at end of year	Remark
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health and Safety	Nil	Nil	-	Nil	Nil	-

**14 Assessment for the Year (2023- 24):**

	% of plants and offices that were assessed (by entity or statutory authorities or third party)
Health and Safety Practices	100%
Working Conditions	100%

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

No such incidents/significant risks have been identified from the assessment of health and safety practices and working conditions.

**Leadership Indicators**

**1. Does the entity extend any life insurance or compensatory package in the event of death of (A). Employees; and (B). Workers (Yes/No).**

- A. Yes
- B. Yes

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

The company ensures that all relevant compliances are appropriately followed before the closure of the financial year for its value chain partners. The Company partners with vendors who demonstrate full compliance with relevant laws, based on their established track record. WEL maintains robust internal controls to ensure that all required statutory payments for service provider employees are made promptly and in full.

**3. Provide the number of employees/ workers having suffered high consequence work-related injury/ ill-health/ fatalities (as reported in Qs. 11 of Essential Indicators above), who have been/ are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total Number of affected employees/ workers		No. of employees/ workers that are rehabilitated or whose family member have been placed in suitable employment	
	FY 2023- 24	FY 2022- 23	FY 2023- 24	FY 2022- 23
Employees				
Workers			Nil	

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)**

Yes. Throughout the course of the employment of an individual at WEL, the Company provides them with ample learning opportunities and training courses. These courses assist the individual in expanding their skillsets, and in case of separation from the Company, the individual is well-equipped to transition into other roles.

**5. Details on assessment of value chain partners (FY 2023- 24):**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety Practices	WEL conducts an internal assessment of top 25 percentile of suppliers and contractors (Critical suppliers) through a pre-defined assessment criterion.
Working Conditions	If any Supplier/Contractor gets 50% of the assessment score, then the supplier is considered as "compliant" and will not be considered for audit, otherwise the supplier will be considered "non-compliant" and must undergo an audit for getting compliance status.

**6. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

No such incidents/significant risks have been identified from the assessment of health and safety practices and working conditions for value chain partners.

**Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.**

**Essential Indicators**

**1. Describe the process for identifying key stakeholder groups of the entity.**

At, WEL we highly value the inputs and feedback from our stakeholders, which greatly influence our business strategy and practices. We actively engage with stakeholders to identify and address the economic, environmental, and social issues that are important to them. We utilize a range of formal and informal channels, internal learning and development tools, statutory reports and presentations, Corporate Social Responsibility (CSR) initiatives, and conferences. In recognizing the significance of our stakeholders, we consider a diverse group including employees, business associates, suppliers, clients, shareholders/investors, communities surrounding our operations, and regulatory authorities. We acknowledge that these stakeholders have the potential to impact our organization, and their perspectives and concerns are crucial to our decision-making processes and overall success.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Identified as Vulnerable or Marginalized Group (Yes/ No)	Channels of Communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during each engagement
Investors and Shareholders	No	Investor calls/ presentations Press releases and publications Statutory reports Annual General Meeting	Regular	Financial performance, Business updates, Growth plans and product pipeline, and Sustainability performance
Employees and Workers	No	Internal communication platforms	Regular	Regular Feedback & Grievance Redressal, Employee engagement improvement, Diversity and Inclusion, Career support programs, training programs and learning nuggets, Maternity support
Customers/ Clients	No	Customer engagement programs	Regular	Resolution of queries and feedback
Communities	Yes	Surveys, Focus Group Discussions and Stakeholder Meetings	Regular	Need assessment for CSR projects & grievance redressal
Suppliers and Dealers	No	Surveys, Focus Group Discussions and Stakeholder Meetings	Regular	Query resolution and grievance redressal, assessing supplier performance and conduct due diligence on vendors, perform risk assessments for high-risk vendors, address non-compliance issues, and manage breaches of contract effectively.

Stakeholder Group	Identified as Vulnerable or Marginalized Group (Yes/No)	Channels of Communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during each engagement
Government and Regulators	No	Mandatory compliance reports	Regular	Understanding and adherence to local governance and compliance requirements
Implementing agencies (NGO)	No	Emails, calls, regular meetings (Online & in person), presentations, monitoring visits etc.	Regular	Need assessment for CSR projects, grievance redressal & project implementation follow-ups.

**Leadership Indicators**

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The company has established a Stakeholders Relationship and Investor Grievance Committee to address stakeholder grievances. Additionally, an ESG Committee oversees the implementation of the ESG framework within the organization. Both committees receive regular updates on stakeholder engagements and grievances, as well as on the progress of ESG initiatives. The respective chairpersons of these committees report these developments to the Board for its information and consideration.

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics? (Yes/No)**

**If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity**

Yes, WEL follows a well-established stakeholder engagement and materiality assessment process and stakeholder consultation is utilized to support the identification and management of environmental and social topics. Inputs received through stakeholder engagement, guided by materiality assessment, are incorporated into WEL's activities to ensure alignment with relevant concerns and priorities. These inputs are received through questionnaires, emails, and other forms of engagement.

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

Through consistent implementation of the WelSwasthya, WelNetrutva, WelSuraksha, and WelShiksha initiatives nationwide, we aim to fulfill the Corporate Social Responsibility (CSR) commitment of addressing the pressing needs of vulnerable and marginalized stakeholders in health, livelihood, road safety, and education sectors within communities.

**Principle 5: Businesses should respect and promote human rights.**

**Essential Indicators**

**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	Current Financial Year 2023- 24			Previous Financial Year 2022- 23		
	Total (A)	Number (B)	Percentage (%) (B/A)	Total (C)	Number (D)	Percentage (%) (D/C)
<b>Employees</b>						
Permanent	977	483	49.44%	-	-	-
Other than permanent	29	4	13.79%	-	-	-
<b>Total Employees</b>	<b>1,006</b>	<b>487</b>	<b>48.41%</b>	<b>926</b>	<b>926</b>	<b>100%</b>
<b>Workers</b>						
Permanent	279	12	4.30%	-	-	-
Other than permanent	0	0	0%	-	-	-
<b>Total Workers</b>	<b>279</b>	<b>12</b>	<b>4.30%</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

Category	Current Financial Year 2023- 24					Previous Financial Year 2022- 23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>	<b>977</b>	<b>0</b>	<b>0%</b>	<b>977</b>	<b>100%</b>	<b>926</b>	<b>0</b>	<b>0%</b>	<b>926</b>	<b>100%</b>
Male	910	0	0%	910	100%	883	0	0%	883	100%
Female	66	0	0%	66	100%	43	0	0%	43	100%
Others	1	0	0%	1	100%	0	0	0%	0	0%
<b>Other than Permanent</b>	<b>29</b>	<b>0</b>	<b>0%</b>	<b>29</b>	<b>100%</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
Male	28	0	0%	28	100%	0	0	0%	0	0%
Female	1	0	0%	1	100%	0	0	0%	0	0%
<b>Workers</b>										
<b>Permanent</b>	<b>279</b>	<b>0</b>	<b>0%</b>	<b>279</b>	<b>100%</b>	<b>187</b>	<b>0</b>	<b>0%</b>	<b>187</b>	<b>100%</b>
Male	279	0	0%	279	100%	187	0	0%	187	100%
Female	0	0	0%	0	0%	0	0	0%	0	0%
<b>Other than Permanent</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
Male	0	0	0%	0	0%	0	0	0%	0	0%
Female	0	0	0%	0	0%	0	0	0%	0	0%

**3. Details of remuneration/ salary/ wages, in the following format for FY 2023- 24\*:**

**a. Median remuneration/ wages (Figures in Lakh INR):**

	Male		Female	
	Number	Median salary/ wage of respective category	Number	Median salary/ wage of respective category
Board of Directors (BoD)	7	For details of remuneration paid to the BoD, kindly refer to point number 15 of the Directors' Report.	2	For details of remuneration paid to the BoD, kindly refer to point number 15 of the Directors' Report.
Key Managerial Personnel	4	320.37	1	27.07
Employees other than BoD and KMP (Permanent)	934	7.5	66	5.82
Workers (Permanent)	279	1.73	0	0.00

**c. Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
Gross wages paid to females as % of total wages (permanent employees and worker)	4.35%	3.87%

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, the Company has a dedicated Committee to address human rights issues and concerns in the respective businesses.



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

Employees are encouraged to confidentially report grievances through email (humanrights@welspun.com) or directly to local HR Heads or CHRO. Upon receipt, grievances undergo a structured process: they are assessed, and complainants receive notification. An impartial team conducts thorough investigations, and findings are documented, with corrective actions promptly implemented and communicated to the complainants. A stringent non-retaliation policy safeguards employees who report grievances, fostering a culture of openness and accountability. Feedback from this process is utilized to continually enhance procedures, supported by ongoing training initiatives aimed at reinforcing human rights principles throughout the organization.

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

	Current Financial Year 2023- 24			Previous Financial Year 2022- 23		
	Filed during the year	Pending resolution at end of year	Remark	Filed during the year	Pending resolution at end of year	Remark
Sexual Harassment	1	0	Closed within 30 days	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA
Forced Labour/ Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA

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

	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	0
Complaints on POSH as a % of female employees / workers	1.5%	0%
Complaints on POSH upheld	1	0

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

In line with the commitment of WEL to the highest possible standards of ethical, moral, and legal business conduct and its commitment to open communication, WEL Whistle-blower Policy provides Directors, Employees, customers, and vendors an avenue to raise concerns. If a whistle-blower raises a concern under this policy or voluntarily provides information within Whistleblower policy, then he/she will not be at risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, harassment or vengeance in any manner, risk of losing his/her job or suffer loss in any other manner like transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistle-blower's right to continue to perform his/her duties/functions including making further Protected Disclosure, because of reporting under this Policy. The Company has an internal committee which addresses grievances related to discrimination and harassment cases as per the respective policies.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, all suppliers and contractors of WEL are required to adhere to the supplier code of conduct. The code of conduct charts out human rights requirements such as prohibition of child labour, prohibition of forced and compulsory labour, health and safety (including safe work environment), freedom of association and collective bargaining, non-discrimination, and fair treatment. All WEL value chain partners are expected to comply with the code of conduct.

**10. Assessment for the FY 2023- 24:**

	% of plants and offices that were assessed (by entity or statutory authorities or third parties) *
Child Labour	100% of our operations are assessed internally for human rights issues.
Forced/ Involuntary Labour	
Sexual harassment	
Discrimination at workplace	
Wages	

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

No significant risks or concerns were identified through the assessments.

**Leadership Indicators**

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

WEL conducts its business operations in an ethical manner and ensures that human rights are well upheld throughout its operations. As a testament to the strong ethical practices followed by WEL, the Company has not received any grievances or complaints related to human rights issues.

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

The human rights due diligence process at WEL rigorously identifies, assesses, and mitigates human rights risks across project sites and offices, reinforcing ethical business practices and protecting the rights of workers and communities. This involves site visits to ensure comprehensive coverage. The scope includes preventing child labor, ensuring employee health and safety, and promoting non-discrimination in the workplace.

**3. Is the premise/ office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

WEL's current premises and offices are not fully accessible to differently abled visitors since our operations are undertaken on a leased basis. Also, the offices of the Company are situated in leased buildings, and WEL has no/ limited control over the modification/retrofitting of the buildings to make them accessible. We are in the process of developing a policy for acquiring spaces which are compliant to the RPWD Act 2016.

**4. Details on assessment of Value Chain Partners:**

	% of value chain partners (by value of business done with such partners) that were assessed:
Child Labour	WEL conducts an internal assessment of top 25 percentile of suppliers and contractors (Critical suppliers). The assessment includes various ESG parameters and incorporates human rights requirements, health and safety, and provision of a safe workplace.
Forced/ Involuntary Labour	
Sexual harassment	
Discrimination at workplace	
Wages	

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

Nil

**Principle 6: Businesses should respect and make efforts to protect and restore the environment.**

## Essential Indicators

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
<b>From 'Renewable Sources' (in Gigajoules)</b>		
Total <b>Electricity</b> Consumption (A)	0	427
Total <b>Fuel</b> Consumption (B)	0	0
<b>Energy</b> consumption through Other Sources (C)	0	0
<b>Total Energy Consumption from renewable sources (A+B+C)</b>	<b>0</b>	<b>427</b>
<b>From 'Non-Renewable Sources' (in Gigajoules)</b>		
Total <b>Electricity</b> Consumption (D) – Grid	14,974.22	28,558
Total <b>Fuel</b> Consumption (E)	3,60,987.96	3,72,345
<b>Energy</b> consumption through Other Sources (F)	0	0
<b>Total Energy Consumption from non-renewable sources (D+E+F)</b>	<b>3,75,962.18</b>	<b>4,00,903</b>
<b>Total Energy Consumption (Renewable + Non-Renewable)</b>	<b>3,75,962.18</b>	<b>4,01,330</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumption/turnover in rupees)	0.000015 GJ/INR	0.000015 GJ/INR
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity</b> (Total energy consumed/ Revenue from operations adjusted for PPP)	0.000004 GJ/INR	0.000004 GJ/INR
<b>Energy intensity in terms of physical output</b>	-	-

**2. Does the entity have any sites/ facilities identified as designated consumers (DCs) under the Performance, Achieve, and Trade (PAT) Scheme of the Government of India? (Yes/No)  
If "Yes", disclose whether targets set under the PAT Scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No, none of the sites/facilities are identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

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

Parameter	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
Water withdrawal by source (in kiloliters- Kl)		
(i). Surface Water	0	0
(ii). Groundwater	1,10,101.77	31,792.6
(iii). Third Party Water	4,907.8	3,429.5
(iv). Seawater/ Desalinated water	0	0
(v). Others	0	0
<b>Total Volume of water withdrawal (in KL) (i + ii + iii + iv + v)</b>	<b>1,15,009.57</b>	<b>35,222.1</b>
<b>Total volume of water consumption (in KL)</b>	<b>1,15,009.57</b>	<b>35,222.1</b>
<b>Water intensity per rupee of turnover</b> (water consumed/ turnover)	0.0000047 KL/INR	0.0000013 KL/INR
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption/ Revenue from operations adjusted for PPP)	0.0000013 KL/INR	0.0000004 KL/INR
<b>Water intensity in terms of physical output</b>	-	-

**4. Provide the following details related to water discharge:**

Parameter	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
<b>Water discharge by destination and level of treatment (in kiloliters)</b>		
<b>(i). To Surface Water</b>		
No treatment		
With treatment- please specify level of treatment		
<b>(ii). To Ground Water</b>		
No treatment		
With treatment- please specify level of treatment		
<b>(iii). To Seawater</b>		
No treatment		
With treatment- please specify level of treatment		
<b>(iv). Sent to Third Parties</b>		
No treatment		
With treatment- please specify level of treatment		
<b>(v). Others</b>		
No treatment		
With treatment- please specify level of treatment		
<b>Total water discharged. (in kilo-liters)</b>		

Water discharge data is not being tracked WEL is working towards systems to track the same.

**5. Has the entity implemented a mechanism for Zero Liquid Discharge (ZLD)? If "Yes", provide details of its coverage and implementation.**

Considering the nature of business and its operation, zero liquid discharge is not applicable

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

Parameter	Please specify unit	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
NOx			
SOx			
Particulate Matter (PM)			
Persistent organic pollutant (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutant (HAP)			

Other air emissions data is not being tracked WEL is working towards systems to track the same.

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

Parameter	Please specify unit	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
<b>Total Scope 1 Emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	29,051.01	27,624
<b>Total Scope 2 Emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	2,978.21	6,267
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>	Metric tonnes of CO <sub>2</sub> / rupee	0.0000013 TCO <sub>2</sub> e/INR	0.0000013 TCO <sub>2</sub> e/INR
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 & 2 emissions/ Revenue from operations adjusted for PPP)	Metric tonnes of CO <sub>2</sub> / adjusted for PPP	0.0000004 TCO <sub>2</sub> e/INR	0.00000035 TCO <sub>2</sub> e/INR
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	(MTCO <sub>2</sub> e/Meter)	-	-

**8. Does the entity have any project related to reducing Greenhouse gas emissions? If "Yes", then provide details.**

Yes, WEL has implemented projects related to reducing Green House Gas emission. The details are as follows:

- Energy conservation projects to enhance sustainability and energy efficiency
- Inventorization of scope 3 emissions to quantify carbon emissions in detail, and addressing indirect emissions
- Procuring air conditioners with BEE 3-star and 5-star ratings
- WEL also conducted tree plantation drives and planted over 5,800 trees

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

Parameter	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
Total Waste Generated (in metric Tonnes)		
Plastic Waste (A)	338.04	0.34
E-Waste (B)	0	0.59
Bio-medical Waste (C)	0	0
Construction and Demolition Waste (C&D) (D)	WEL is working on a roadmap to account its construction and demolition waste	
Battery Waste (E)	0	0
Radioactive Waste (F)	0	0
Other Hazardous Waste generated (G) (Please specify, if any)	0	0
Other Non-Hazardous Waste generated (H) (Please specify, if any)	135.63	1.74
<b>Total Waste Generated (A+B+C+D+E+F+G+H)</b>	<b>473.67</b>	<b>2.67</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated/ Revenue from operations)	0.00002 KG/INR	0.0000001 KG/INR

Parameter	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated/ Revenue from operations adjusted for PPP)	0.00005 KG/INR	0.00000003 KG/INR
<b>Waste intensity in terms of physical output</b>	-	-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
Category Waste		
(i). Recycled	0	2.22
(ii). Re-used	353.36	0
(iii). Other recovery operations	0	0
<b>Total</b>		<b>2.22</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
Category Waste		
(i). Incineration	0	0
(ii). Landfilling	0	0.45
(iii). Other disposal operations	0	0
<b>Total</b>	0	0.45

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

WEL adheres to the 3R principles (Reduce, Reuse, Recycle) to manage and minimize waste generation effectively. Safe and effective practices are implemented across all sites for handling waste generated in respective areas, with a commitment to avoiding the use of toxic chemicals in any processes.

**11. If the entity has operations/ offices in & around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals/ clearances are required, please specify details in the following format:**

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Yes/No) If "No", the reasons thereof and corrective action taken, if any.
	Not applicable, since WEL does not have any operations in ecologically sensitive areas.		

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year 2023- 24:**

Name and brief of the project	EIA Notification No.	Date	Whether conducted by independent agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web-link
None of the projects of WEL fall under the applicability of EIA.					



**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder (Yes/ No).**

If "Not", provide details of all such non-compliances, in the following format:

S. No.	Specify the law/ regulation/ guidelines which is not compliant	Provide details of the non-compliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control board or by courts	Corrective action taken if any
	WEL is compliant with all applicable environmental laws and regulations.			

**Leadership Indicators**

**1. Water withdrawal, consumption, and discharge in areas of 'Water Stress' (in kilo litres):**

For each facility/ plant located in areas of water stress, provide the following information:

- i. Name of area
- ii. Nature of operations
- iii. Water withdrawal, consumption, and discharge in the following format:

Parameter	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
<b>Water withdrawal by source (in kilo litres)</b>		
(i). Surface Water		
(ii). Ground Water		
(iii). Third Party Water		
(iv). Seawater/ Desalinated Water		
(v). Others	None of the operations of WEL are in areas of water stress.	
<b>Total volume of water withdrawal (in KL)</b>		
<b>Total volume of water consumption (in KL)</b>		
<b>Water intensity per rupee of turnover</b> (Water consumed/ Turnover)		
<b>Water discharge by destination and level of treatment (in Kiloliters)</b>		
<b>(i). To Surface Water</b>		
No treatment		
With treatment- please specify level of treatment		
<b>(ii). To Ground Water</b>		
No treatment		
With treatment- please specify level of treatment		
<b>(iii). Sent to Third Party Water</b>		
No treatment	None of the operations of WEL are in areas of water stress.	
With treatment- please specify level of treatment		
<b>(iv). Into Seawater</b>		
No treatment		
With treatment- please specify level of treatment		
<b>(v). Others</b>		
No treatment		
With treatment- please specify level of treatment		
<b>Total water discharged. (in kilo-litres- KI)</b>		

**Note:** Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If "Yes", name the external agency.

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

Parameter	Please specify unit	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
Total Scope 3 Emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	7,31,475	-
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO <sub>2</sub> equivalent / INR	0.000030	

**Note:** Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If "Yes", name the external agency.

**3. With respect to the ecologically sensitive areas reported in Qs. 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.**

Not applicable

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/ effluent discharge/ waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the Initiative
1	Water saving though Admixture in concrete design mix	We use PCE (Poly Carboxylic Ether) superplasticizers as chemical additives to enhance concrete strength and durability. By improving workability and lowering the water-cement ratio, these additives enhance cement particle packing and flow, creating a denser and more compact concrete matrix.	20% reduction in water use through design mix which includes PCE in in comparison to the standard requirements of IS 10262.
2	Contribution of Fly Ash in as partial replacement to Cement in design mix	We implemented this initiative at SNRP and VARP site for this FY, substituting 16,640 tons of Fly Ash in our concrete mix, equivalent to 12.7% of the cement used at the site.	16,640 tons of fly ash were collected from the thermal power plant, effectively replacing an equivalent amount of cement in the design mix. This substitution significantly conserved cement resources while utilizing industrial waste, promoting both environmental sustainability and resource efficiency.
3	Utilization of Pond Ash in Embankment	By incorporating pond ash into road embankments, WEL reduces the demand for natural resources like soil and aggregates. Utilizing pond ash, a waste product, allows for the repurposing and recycling of materials that would otherwise need to be extracted from the earth.	932964.45 MT of Pond Ash was used as substitute to soil/ earth, thus avoiding landfilling of Pond Ash and excavating the same amount of soil.

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

WEL is working towards developing a business continuity and disaster management plan.



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

While WEL's value chain does not pose significant environmental harm, the Company remains vigilant and actively promotes environmental sustainability awareness.

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

WEL conducts an internal assessment of top 25 percentile of suppliers and contractors (Critical suppliers) basis a pre-defined assessment criterion. If Any Supplier/Contractor gets 50% of the assessment score, then the supplier is considered as "compliant" and will not be considered for audit, otherwise the supplier will be considered "non-compliant" and must undergo an audit for getting compliance status.

**Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

**Essential Indicators**

**1. (a). Number of affiliations with trade and industry chambers/ associations.**

3

**(b). List the top 10 trade and industry chambers/ associations (determined based on the total numbers of such body) the entity is member of/ affiliated to.**

S. No.	Name the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1.	National Highways Builders Federation	National
2.	ASSOCHAM	National
3.	National Council of Construction Federation of India (CFI)	National

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

Name of authority	Brief of the Case	Corrective action taken
		Not applicable

**Leadership Indicators**

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain (Yes/No)	Frequency of Review by Board	Web Link, if available
					Not applicable

**Principle 8: Businesses should promote inclusive growth and equitable development.**

**Essential Indicators**

**1. Details of Social Impact Assessments (SIA) projects undertaken by the entity based on applicable laws, in the current financial year 2023- 24:**

Name and brief detail of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/No)	Relevant web-link
					Nil

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

S. No.	Name of the project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	%of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR.)
						Nil

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

Due to the nature of the company's business, WEL does not deal with communities directly and only engages with the government departments which are the clients of the company. All communication with communities and grievance redressal is managed by the clients of the company.

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

	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
Directly sourced from MSMEs/ Small producers	43%	21.6%
Directly from within India	100%	100%

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

Location	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
Rural	0%	0%
Semi-Urban	41%	44%
Urban	5%	8%
Metropolitan	54%	48%

**Leadership Indicators**

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

Details of negative social impact identified	Corrective action taken
	Not applicable

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

S. No.	State	Aspirational District	Amount Spent (in INR.)
1	Bihar	Begusarai	11,59,815
2	Uttar Pradesh	Chandauli	26,28,240

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

No, WEL does not have a preferential procurement policy.

**(b) From which marginalized/ vulnerable groups do you procure?**

-

**(c) What percentage of total procurement (by value) does it constitute?**

-



**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year 2023- 24), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit Shared (Yes/ No)	Basis of calculating benefit share
				Not applicable

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

Name of authority	Brief of Case	Corrective action taken
		Not applicable

**6. Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefited from CSR Projects	% Beneficiaries from vulnerable & marginalized groups
1	WelSwasthya – is a project to improve the preventive & curative health aspects of adolescent girls, women, and community at large.	1,83,439	100%
2	WelNetrutva – is an initiative to empower women in rural areas by creating sustainable farm and non-farm-based livelihood opportunities.	270	100%
3	WelSuraksha – is an initiative aimed at reducing road accidents and improving response towards accident cases.	1,38,382	10%
4	WeVolunteer – internal initiative to encourage employees to contribute towards community initiatives.	515	0%

**Principle 9: Business should engage with and provide value to their consumers in a responsible manner.**

**Essential Indicators**

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

Due to the nature of our business operations, the Company frequently engages with government and regulatory bodies as clients. As a result, all communication from the community is directly managed by these clients. This ensures that our interactions are handled with appropriate oversight and adherence to regulatory requirements, maintaining transparency and alignment with client expectations. This approach underscores our commitment to effective collaboration and regulatory compliance in all engagements with governmental and regulatory entities.

**2. Turnover of products and/services as a percentage of turnover from all products/services that carry information about:**

Parameters	As percentage to total turnover
Environmental and social parameters relevant to the product	
Safe and responsible usage	NA
Recycling and/or safe disposal	

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

	Current Financial Year 2023- 24		Remarks	Previous Financial Year 2022- 23		Remarks
	Received	Pending at end of year		Received	Pending at end of year	
Data Privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Customer Complaints	-	-	-	-	-	-

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

	Number	Reasons for recall
Voluntary Recalls		
Forced Recalls		NA

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No). If available, provide a web-link of the policy.**

WEL has a cybersecurity policy, however it is not available on the public domain.

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

Not applicable, since WEL's product portfolio do not fall under the category of essential services.

**7. Provide the following information relating to data breaches:**

**(a). Number of instances of data breaches:**

0

**(b). Percentage of data breaches involving personally identifiable information of customers.**

Not applicable

**(c). Impact, if any, of the data breaches.**

Not applicable

**Leadership Indicators**

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

The information of the products and services of WEL can be accessed on the company website.

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

Not applicable.

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

Not applicable, since WEL's product portfolio do not fall under the category of essential services.

**4. a. Does the entity display product information on the product over and above what is mandated as per the local laws? (Yes/ No/ Not Applicable).**

Not Applicable.

**b. Did your entity carry out any survey about customer satisfaction relating to the major products/ services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/ No).**

Not Applicable.



## INDEPENDENT ASSURANCE STATEMENT TO WELSPUN ENTERPRISES LIMITED ON SELECT NON-FINANCIAL DISCLOSURES IN THE BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR 2023-24

### Introduction and objective of engagement

Welspun Enterprises Limited (the 'Company') has developed its Business Responsibility and Sustainability Report (BRSR) (the 'Report') based on the BRSR reporting guidelines prescribed by SEBI for listed entities. The reporting criteria have been derived from the Principles of National Guidelines on Responsible Business Conduct, 2018 (NGRBC), and Greenhouse Gas (GHG) Protocol - A Corporate Accounting and Reporting Standard. The BRSR will be part of the Company's Annual Report 2023-24.

BDO India LLP (BDO) was engaged by the Company to provide independent limited assurance on select non-financial information in the Report for the financial year 2023-24.

### The Company's responsibilities

The Report content and its presentation are the sole responsibilities of the management of the Company. The Company management is also responsible for the design, implementation, and maintenance of internal controls relevant to the preparation of the Report, so that it is free from material misstatement, whether due to fraud or error.

### BDO's responsibilities

BDO India LLP responsibility, as agreed with the management of the Company, is to provide assurance on the Report content as described in the 'Scope & boundary of Assurance' section below. We do not accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance a third party may place on the Report is entirely at its own risk.

### Assurance standard

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" and ISAE 3410, "Assurance Engagements on Greenhouse Gas Statement" issued by the International Auditing and Standards Board. We applied the criteria of 'Limited' assurance.

### Scope & boundary of assurance

We have assured the select indicators in the Report pertaining to the Company's non-financial performance covering its operations for the period 1<sup>st</sup> April 2023 through 31<sup>st</sup> March 2024. The indicators under the scope of assurance are listed in Appendix 1.

### Assurance methodology

Our assurance process entails conducting procedures to gather evidence regarding the reliability of the disclosures covered in the assurance scope. We conducted a review and verification of data collection, collation, and calculation methodologies, and a general review of the logic of inclusion/ omission of relevant information/ data in the Report. Our review process included:

- Evaluate and assess the appropriateness of the quantification methods used to arrive at the non-financial sustainability information of the select BRSR indicators in the Report;
- Review of consistency of data/information within the Report as well as between the Report and source;
- Engagement through discussions with personnel at the corporate level who are accountable for the data and information presented in the Report;
- Execution of an audit trail of claims and data streams, to determine the level of accuracy in collection, transcription, and aggregation;
- Review of data collection and management procedures, and related internal controls.
- On-line verification of non-financial/sustainability performance data, on sample basis, based on our professional judgement, for the following locations:

Name of Location	Type of Location
Welspun Enterprises Limited, Delhi	Corporate office
Welspun Enterprises Limited, Dewas	Construction site
Welspun Enterprises Limited, Dharavi	Construction site
Welspun Enterprises Limited, Uttar Pradesh Jal Jeevan Mission	Construction sites*

\* Representative of 2,601 villages

### Limitations and exclusions:

There are inherent limitations in an assurance engagement, including, for example, the use of judgement and selective testing of data. Accordingly, there are possibilities that material misstatements in the Report may remain undetected.

### The assurance scope excludes:

- Data and information outside the defined reporting period (1<sup>st</sup> April 2023 through 31<sup>st</sup> March 2024)
- Review of the 'economic and/or financial performance indicators' included in the Report or on which reporting is based; we have been informed by the Company that these are derived from the Company's audited financial records;
- The Company's statements and claims related to any topic other than those listed in the 'Scope & boundary of assurance' and the indicators listed in Appendix-1;
- The Company's statements that describe qualitative/quantitative assertions, expression of opinion, belief, inference, aspiration/targets, expectation, aim or future intention.

### Our observations

We have reviewed the disclosures in the "Report" for the reporting period from 1<sup>st</sup> April 2023 through 31<sup>st</sup> March 2024. The disclosures of the Company, covered under the 'Scope and boundary of assurance', are fairly reliable.

Going forward, we recommend having a robust construction & demolition waste accounting process as mentioned in the Report. We also observed that the electricity consumption data (GJ) and related emissions data (tCO2e) excludes consideration of electricity procured from contractors.

### Our conclusions

Based on the procedures performed and evidence obtained as defined under the 'Scope & boundary of assurance', except for the effect of the matter described in 'Our observations', nothing has come to our attention that causes us not to believe that the disclosures of the Company is presented fairly in accordance with the relevant reporting guidelines/standards.

### Our assurance team and independence

BDO India LLP is a professional services firm providing services in Advisory, Assurance, Tax, and Business Advisory Services, to both domestic and international organizations across industry sectors. Our non-financial assurance practitioners for this engagement are drawn from a dedicated Sustainability and ESG Team in the organization. This team is comprised of multidisciplinary professionals, with expertise across the domains of sustainability, global sustainability reporting standards and principles, and related assurance standards. This team has extensive experience in conducting independent assurance of sustainability data, systems, and processes across sectors and geographies. As an assurance provider, BDO India LLP is required to comply with the independence requirements set out in the International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. Our independence policies and procedures ensure compliance with the Code.

For BDO India LLP

**Indra Guha**

Partner | Sustainability & ESG  
Business Advisory Services

Gurugram, Haryana  
30 August 2024

# FINANCIAL STATEMENTS

## Independent Auditor's 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 2024, 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 Material accounting policies and other explanatory information in which are included the financial statements/financial information of Welspun Enterprises Employees Welfare Trust ('the Trust') for the year ended on that date audited by the others auditor of the Trust.

In our opinion and to the best of our information and according to the explanations given to us, and based on the considerations of report of other auditors on separate financial statements and on the other financial information of the Trust, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, 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, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, 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 SAs 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 made 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 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matter
<p><b>Revenue recognition for long term construction contracts</b> (Refer note 3(A)(ii) of the Standalone Financial Statements)</p> <ul style="list-style-type: none"> <li>The Company's significant portion of business is undertaken through long term construction contracts. Revenue from these contracts is recognized over the period of time in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers.</li> <li>Due to the nature of the contracts, revenue is recognised over a period of time using percentage of completion method (input method) which is determined based on proportion of contract costs incurred to date compared to estimated total contract costs, which involves significant judgments, identification of contractual obligations and the Company's rights to receive payments for performance completed till date, changes in scope and consequential revised contract price and recognition of the liability for loss making contracts.</li> </ul>	<p>Our audit procedures for revenue recognition included the following:</p> <ul style="list-style-type: none"> <li>Read the Company's revenue recognition accounting policies and assessed compliance in terms of Ind AS 115.</li> <li>Obtained an understanding of the process, evaluated the design, and tested the operating effectiveness of the controls over revenue recognition with focus on determination of progress of completion, recording of costs incurred and estimation of costs to complete the remaining contract obligations through inspection of evidence of performance of these controls;</li> <li>Performed tests of details, on a sample basis, and read the underlying customer contracts for terms and conditions, performed review of costs incurred with estimated costs to identify significant variations and assess whether those variations have been considered in estimating the remaining costs to complete and</li> </ul>

Key audit matters	How our audit addressed the key audit matter
	<p>consequential determination of stage of completion, which formed the basis of revenue recognition under the input method;</p> <ul style="list-style-type: none"> <li>Assessed the management's evaluation process to recognize revenue over a period of time, status of completion for projects and total cost estimates;</li> <li>On sample basis, evaluated contracts with including contracts with low or negative margins, contracts with significant changes in planned cost estimates, contracts with significant contract assets and contract liabilities and significant overdue net receivable positions for contracts and tested assessed these exceptions with its correlation to with the underlying contracts and relevant documents for the year.</li> <li>Assessed presentation and disclosure requirements in compliance with Ind AS 115.</li> </ul>

#### 4. OTHER INFORMATION

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual report, but does not include the standalone financial statements and our auditors' report thereon. The Company's Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will 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 identified above when it becomes available 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.

When we read the Company's Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

#### 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 and Board of Directors are 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 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.

- For the Trust included in the standalone financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements 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. OTHER MATTERS

The standalone financial statements includes the audited financial statements in respect of a trust whose annual financial statements reflect total assets of ₹ 29.86 crores as at 31 March 2024 and total revenues of ₹ 0.21 crores, total net loss after tax of ₹ 0.50 crores and total comprehensive loss of ₹ 0.50 crores, for the year ended 31 March 2024, and net cash inflows of ₹ 0.92 crores for the year ended 31 March 2024, as considered in these standalone financial statements, which have been audited by other auditors.

The standalone financial statements includes comparative financial information of the Company as at and for the year ended 31 March 2023, which are restated to include the financial statements of four entities on account of merger as explained in note 75 to the standalone financial statements. The annual financial statements of four entities which reflect total assets of ₹ 0.11 crores as at 31 March 2023 and total revenues of ₹ 0.00 crores, total net loss after tax of



₹ 0.08 crores and total comprehensive loss of ₹ 0.08 crores, for the year ended 31 March 2023, and net cash inflows of ₹ 0.00 crores for the year ended 31 March 2023, were audited by other auditors, who expressed unmodified opinion on those financial statements for the year ended 31 March 2023.

The report of such other auditors on annual financial statements of the trust and these entities have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the trust and these entities, is based solely on the report of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities paragraph above. Our opinion on the standalone financial statements is not modified, in respect of this matter, with respect to our reliance on the work done and the report of the other auditors.

## 8. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- A. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, 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:
- 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.
  - 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.
  - 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.
  - 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.
  - On the basis of the written representations received from the directors of the Company as on 31 March 2024 and taken on record by the Board of Directors, none of the directors is disqualified

as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

- 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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.

- 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:
  - The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements (Refer note 48 of the standalone financial statements);
  - 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 contract.
  - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 71 (a) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the

Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- The management has represented, that, to the best of its knowledge and belief, as disclosed in the note 71 (b) to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us or to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under subclause (iv) (a) and (iv) (b) above, contain any material misstatement.
- As stated in note 61 to the standalone financial statements

- The final dividend proposed in the previous year, declared and paid by the Company during the year is in compliance with Section 123 of the Act as applicable.
  - The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit, trail feature being tampered with.

For **MGB & Co LLP**

Chartered Accountants

Firm Registration Number 101169W/W-100035

**Hitendra Bhandari**

Partner

Membership Number 107832

Mumbai, 21 May 2024

UDIN: 24107832BKEOCS2434

## Annexure - A to the Independent Auditor's Report

Annexure referred to in paragraph 8(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 2024

- i. (a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Rights-of-use (ROU) assets.
- B) The Company does not have intangible assets and hence reporting under clause 3(i)(a)(B) of the Order is not applicable.
- (b) The Property, Plant and Equipment and Rights-of-use (ROU) assets have been physically verified by the management during the year as per the phased program designed to cover all the Property, Plant and Equipment and Rights-of-use (ROU) 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 all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date except as mentioned below:

Description of property	Gross carrying value (₹ in crores)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Freehold land at Village – Indapur Dist. Pune	0.36	Mr. Mahadev Shankar Gurgude & Mr. Chittaranjan Patil	No	Since October 2010	Dispute before the Court of Baramati Civil Court. The owner and his power of attorney holder did not fulfill their obligations under the Agreement to sell.

- (d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right-of-use (ROU) assets) during the year. The Company does not have intangible assets.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company as at 31 March 2024, no proceedings have been initiated or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) (45 of 1988) and rules made thereunder.
- ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management are appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees from bank on the basis of security of current assets. According to the information and explanations given to us and on the basis of our examination of the records of the Company quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- iii. (a) According to the information and explanations given to us, the Company has provided loans, advances in the nature of loans, guarantee and provided security to companies, firms, Limited Liability Partnerships or any other parties as follows.

(Amount in crores)

Particulars	Guarantees	Securities	Loans
<b>Aggregate amount granted/ provided during the year</b>			
- Subsidiaries	-	-	157.05
- Associate	-	-	4.97
- Structured Entity	-	-	16.73
<b>Balance outstanding as at balance sheet date in respect of above cases</b>			
- Subsidiaries	@ 539.92	# 20.51	39.51
- Associate	-	# 103.58	-
- Structured Entity	-	-	-

# Pledge securities (Investments) include equity shares and Compulsorily Convertible Debentures (CCD) (Refer note 6.10 and 26 of the standalone financial statements).

@ Guarantee exposure considered to the extent debt outstanding (including additional disbursements availed/utilized).

- (b) According to the information and explanations given to us, in our opinion, the investments made and terms and conditions on which the loans given, securities and guarantees provided are, prima facie not prejudicial to the interest of the Company, considering the business interests of the Company.
- (c) In respect of interest free loans granted by the Company, the schedule of repayment of principal has been stipulated and the repayments of principal are regular.
- (d) In respect of loans granted by Company, there is no overdue amount remaining outstanding for more than ninety days, as at the balance sheet date.
- (e) In our opinion and according to information and explanations given and the books of accounts and records examined by us, no loan granted by Company which has fallen during the year, has been renewed or extended. No fresh loans are granted to settle the over dues of existing loans given to the same parties.
- (f) The Company has granted loans which are repayable on demand during the year to related parties as defined in clause (76) of section 2 of the Act are as under.

(Amount in crores)

<b>Aggregate amount of loans:</b>	
(A) Repayable on demand	39.51
(B) Agreement does not specify any terms or period of repayment	-
<b>Total (A+B)</b>	39.51
<b>Percentage of loans to the total carrying value of loans</b> (Refer note 73 of the standalone financial statements)	100%

- 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, to the extent applicable, in respect of loan given, investment made, guarantee given and security provided.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder. Hence, reporting under clause 3(v) of the Order is not applicable.
- 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. In respect of statutory dues:

- a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it, with the appropriate authorities except delay in few cases.

There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2024, on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount (₹ in crores)	Period to which the amount relate	Forum where dispute is pending
The Income Tax Act, 1961*	Income Tax	8.53	F.Y. 2014-15, F.Y. 2017-18, F.Y. 2019-20 and F.Y. 2021-22	Commissioner of Income Tax (Appeals)
	Income Tax	0.06	F.Y. 2018-19	Centralised Processing Centre
	Income Tax	0.05	F.Y. 2009 to 2011-12, F.Y. 2016-17 to FY 2018-19, F.Y. 2020-21 and F.Y. 2022-23 to 2023-24	Assistant Commissioner of Income Tax - Tax deducted at Source
The Central Excise Act, 1944	Service tax	0.70	F.Y. 2008-2009 to F.Y. 2010-2011	Additional Commissioner- Central Excise and Service Tax- Vadodara-I
		1.04	F.Y. 2007-2008 to F.Y. 2009-2010	Central Excise Service Tax Appellate Tribunal, Ahmedabad
		21.75	F.Y. 2012-13 to F.Y. 2015-16	Directorate General of Goods and Service Tax Intelligence, Surat
Haryana Value Added Tax Act, 2003	Value Added Tax	0.38	F.Y. 2009-2010	Deputy Excise and Taxation Commissioner, Panipat
Gujarat Value Added Tax Act, 2003	Value Added Tax	0.04	F.Y. 2011-12	Deputy Commissioner of Commercial Tax, Vadodara
Delhi Value Added Tax Act, 2004	Value Added Tax	0.98	F.Y. 2015-16	Special Commissioner, VAT Delhi
Gujarat Value Added Tax Act, 2003	Value Added Tax	0.02	F.Y.2014-15	Deputy Commissioner of Commercial Tax, Vadodara
Building and Other Construction Workers Welfare Cess Act, 1996	Labour Cess (including interest)	4.90	F.Y. 2006-07, 2007-08, 2008-09 and 2009-10	Madhya Pradesh High Court, Jabalpur Bench
Indian Stamp Act, 1899	Stamp duty	1.15	F.Y. 2003-04	Supreme Court of India, New Delhi
Delhi Goods & Service Tax Act, 2017	Goods and Services Tax	0.19	F.Y. 2017-18	Additional Commissioner, DGST, Delhi
Delhi Goods & Service Tax Act, 2017	Goods and Services Tax	0.09	F.Y. 2017-18	Additional Commissioner, DGST, Delhi

Name of the Statute	Nature of the Dues	Amount (₹ in crores)	Period to which the amount relate	Forum where dispute is pending
UP Goods & Service Tax Act ,2017	Goods and Services Tax	6.75	F.Y. 2017-18	Additional Commissioner, Corporate Circle, Mujaffarnagar, Uttar Pradesh
UP Goods & Service Tax Act ,2017	Goods and Services Tax	0.35	F.Y. 2018-19	Additional Commissioner, Corporate Circle, Mujaffarnagar, Uttar Pradesh

\*The above does not include ₹ 0.70 crores (F.Y. 2013-14) as the Hon'ble Income Tax Appellate Tribunal (ITAT), Mumbai has passed the Oder dated 2 August 2022 in favour of the company deleting the additions. However, the Oder giving effect is yet to be passed.

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

- ix. (a) 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 other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained term loan during the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us, the Company has not taken any funds from any entities to meet the obligations of its subsidiaries, associates and joint venture. Accordingly, clause 3(ix)(e) of the order is not applicable.
- (f) According to the records of the Company examined by us, and information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associates and joint venture. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- x. (a) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) 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 convertible debentures (fully or partly or optionally) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, 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.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.



- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- xvi. (a) According to the information and explanations provided to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(a) of the Order is not applicable.
- (b) According to the information and explanations provided to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(b) of the Order is not applicable.
- (c) According to the information and explanations provided to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has three CICs as part of the Group as detailed in note 76 to the standalone financial statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- xvii. The Company has neither incurred cash losses in the current year nor in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and hence reporting under clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information, the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx) (a) of the Order is not applicable.

- (b) In respect of ongoing projects, there is no unspent Corporate Social Responsibility (CSR) amount as at the end of the current financial year and hence no amount is required to be transferred to a special account within a period of thirty days from the end of the financial year, in compliance with the provisions of Section 135(6) of the Act.

For **MGB & Co LLP**

Chartered Accountants

Firm Registration Number 101169W/W-100035

**Hitendra Bhandari**

Partner

Membership Number 107832

Mumbai, 21 May 2024

UDIN: 24107832BKEOCS2434



## Annexure - B to the Independent Auditor's 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(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 2024**

We have audited the internal financial controls over financial reporting of **Welspun Enterprises Limited** ("the Company") as of 31 March 2024 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 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 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 standalone 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 standalone 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 standalone 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 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **MGB & Co LLP**

Chartered Accountants

Firm Registration Number 101169W/W-100035

**Hitendra Bhandari**

Partner

Membership Number 107832

Mumbai, 21 May 2024

UDIN: 24107832BKEOCS2434

# Standalone Balance Sheet

as at 31 March 2024

	Notes	As at 31 March 2024	As at 31 March 2023 (Restated)
(₹ in crores)			
<b>Assets</b>			
<b>1. Non-current assets</b>			
(a) Property, plant and equipment	4	7.63	10.78
(b) Right-of-use assets	5	8.28	9.04
(c) Financial assets			
(i) Investments	6	1,025.07	724.49
(ii) Other financial assets	7	15.26	72.13
(d) Deferred tax assets (net)	39	2.68	5.87
(e) Non-current tax assets (net)	8	22.39	32.76
(f) Other non-current assets	9	0.61	4.79
<b>Total non-current assets</b>		<b>1,081.92</b>	<b>859.86</b>
<b>2. Current assets</b>			
(a) Inventories	10	103.15	86.29
(b) Contract assets	11	397.05	394.68
(c) Financial assets			
(i) Investments	12	482.13	1,299.58
(ii) Trade receivables	13	621.28	568.64
(iii) Cash and cash equivalents	14	225.34	259.86
(iv) Bank balances other than (iii) above	15	201.77	210.37
(v) Loans	16	39.51	83.89
(vi) Other financial assets	17	44.49	64.03
(d) Other current assets	18	420.88	429.10
<b>Total current assets</b>		<b>2,535.60</b>	<b>3,396.44</b>
Assets classified as held-for-sale	19	103.58	116.23
<b>Total assets</b>		<b>3,721.10</b>	<b>4,372.53</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
(a) Equity share capital	20(a)	136.51	149.98
(b) Other equity	20(b)	2,285.75	2,314.85
<b>Total equity</b>		<b>2,422.26</b>	<b>2,464.83</b>
<b>Liabilities</b>			
<b>1. Non-current liabilities</b>			
(a) Contract liabilities	21	189.14	198.74
(b) Financial liabilities			
(i) Borrowings	22	-	-
(ii) Lease liabilities	23	5.43	5.82
(c) Provisions	24	2.58	7.69
<b>Total non-current liabilities</b>		<b>197.15</b>	<b>212.25</b>
<b>2. Current liabilities</b>			
(a) Contract liabilities	25	290.77	443.89
(b) Financial liabilities			
(i) Borrowings	26	180.92	473.03
(ii) Lease liabilities	27	3.83	4.11
(iii) Trade payables	28		
- Dues of micro enterprises and small enterprises		35.93	-
- Dues of creditors other than micro enterprises and small enterprises		343.67	475.92
(iv) Other financial liabilities	29	219.35	268.99
(c) Provisions	30	2.88	3.80
(d) Other current liabilities	31	24.34	25.71
<b>Total current liabilities</b>		<b>1,101.69</b>	<b>1,695.45</b>
<b>Total equity and liabilities</b>		<b>3,721.10</b>	<b>4,372.53</b>

Notes forming part of the standalone financial statements

1 to 79

As per our report of even date

**For and on behalf of the Board**

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

**Balkrishan Goenka**  
Chairman  
DIN 00270175

**Sandeep Garg**  
Managing Director  
DIN 00036419

**Hitendra Bhandari**  
Partner  
Membership Number 107832

**Lalit Jain**  
Chief Financial Officer

**Nidhi Tanna**  
Company Secretary

Place: Mumbai  
Date: 21 May 2024

Place: Mumbai  
Date: 21 May 2024

# Standalone Statement of Profit and Loss

for the year ended 31 March 2024

	Notes	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
(₹ in crores)			
<b>Income</b>			
Revenue from operations	32	2,450.44	2,676.38
Other income	33	102.31	98.63
<b>Total income</b>		<b>2,552.75</b>	<b>2,775.01</b>
<b>Expenses</b>			
Cost of materials consumed	34	372.38	390.12
Sub-contracting charges		1,375.58	1,724.38
Employee benefits expense	35	157.82	148.14
Finance costs	36	33.41	75.52
Depreciation and amortisation expense	37	9.71	9.59
Other expenses	38	208.05	177.16
<b>Total expenses</b>		<b>2,156.95</b>	<b>2,524.91</b>
<b>Profit before exceptional items and tax</b>		<b>395.80</b>	<b>250.10</b>
Exceptional items (net)	51	-	564.86
<b>Profit before tax</b>		<b>395.80</b>	<b>814.96</b>
<b>Tax expense</b>			
- Current tax - current year	39	102.48	47.52
- earlier years		6.23	-
- Deferred tax charge / (credit)		1.94	(0.58)
<b>Total tax expense</b>		<b>110.65</b>	<b>46.94</b>
<b>Profit for the year</b>		<b>285.15</b>	<b>768.02</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
- Remeasurement gains/(losses) on defined benefit plan	52	4.97	(4.09)
Income tax effect on above		(1.25)	1.03
<b>Other comprehensive income for the year (net of tax)</b>		<b>3.72</b>	<b>(3.06)</b>
<b>Total comprehensive income for the year</b>		<b>288.87</b>	<b>764.96</b>
<b>Earnings per equity share of ₹ 10 each fully paid up</b>			
Basic (₹)	47	20.78	51.21
Diluted (₹)		20.54	51.09

Notes forming part of the standalone financial statements

1 to 79

As per our report of even date

**For and on behalf of the Board**

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

**Balkrishan Goenka**  
Chairman  
DIN 00270175

**Sandeep Garg**  
Managing Director  
DIN 00036419

**Hitendra Bhandari**  
Partner  
Membership Number 107832

**Lalit Jain**  
Chief Financial Officer

**Nidhi Tanna**  
Company Secretary

Place: Mumbai  
Date: 21 May 2024

Place: Mumbai  
Date: 21 May 2024

## Standalone Statement of cash flows

for the year ended 31 March 2024

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
<b>A Cash flow from operating activities</b>		
Profit before tax after exceptional items	395.80	814.96
<b>Adjustments for</b>		
Depreciation and amortisation expense	9.71	9.59
(Gain) / loss on sale/discard of property, plant and equipment (net)	(1.59)	(5.26)
Interest income	(53.07)	(61.35)
Finance costs	33.41	75.52
Remeasurement (gains)/losses on defined benefit plans	1.09	6.10
Net gain on financial assets designated as FVTPL	(37.24)	(30.43)
Gain on sale of non-current investments	-	(582.23)
Reversal of provisions no longer required	-	(24.26)
Liabilities written back	(2.00)	(0.57)
Impairment provision / (reversal) of financial instruments (net)	(0.46)	22.64
Unwinding of discount on security deposits	(0.11)	(0.10)
Bad debts written off	-	18.99
Share based payments to employees	0.88	(4.04)
Dividend income on financial assets designated as FVTPL	(6.79)	(0.61)
<b>Operating profit before working capital changes</b>	<b>339.63</b>	<b>238.95</b>
<b>Adjustments for</b>		
(Increase) / decrease in trade and other receivables	(23.25)	(477.62)
(Increase) / decrease in inventories	(16.87)	(38.29)
(Decrease) / Increase in trade and other payables	(307.17)	357.14
<b>Cash generated from / (used in) operating activities</b>	<b>(7.66)</b>	<b>80.18</b>
Direct taxes paid (net of refunds)	(98.34)	(55.22)
<b>Net cash generated from / (used in) operating activities (A)</b>	<b>(106.00)</b>	<b>24.96</b>
<b>B Cash flow from investing activities</b>		
Purchase of property, plant and equipment (including capital work-in-progress and capital advances)	(3.24)	(6.23)
Sale of property, plant and equipment (including assets classified as held-for-sale)	17.31	27.32
Profit/ (loss) on sale of current investments (net)	54.83	13.97
Investment made for acquisition of subsidiary	(137.07)	-
Investment in subsidiaries	-	(1.47)
Investment in associate	(24.22)	(3.15)
Investment in other entities	-	(0.57)
Proceeds from sale of investment in subsidiaries (net of expense)	0.01	792.54
Investment in optionally convertible debentures of subsidiary	(10.20)	-
Proceeds from redemption of optionally convertible debentures and compulsorily convertible debentures of subsidiaries	8.91	604.10
Proceeds from redemption of optionally convertible debentures of others	1.57	-
Loans given to subsidiaries	(157.05)	(368.72)
Loans given to associate	(4.97)	(9.37)
Loans given to controlled entity	(16.73)	(9.70)
Loans given to others	-	(155.05)
Repayment received of loans given to subsidiaries	62.12	750.24
Repayment received of loans given to associate	4.97	0.03
Repayment received of loans given to controlled entity	18.14	11.56
Repayment received of loans given to others	0.05	158.39
Decrease / (increase) in other bank balances and restricted investments (net)	64.97	(178.82)
Inter-corporate deposits given	-	(1.35)
Dividend received	6.79	0.61
Interest received	46.65	49.16
<b>Net cash generated from / (used in) investing activities (B)</b>	<b>(67.16)</b>	<b>1,673.49</b>

## Standalone Statement of cash flows

for the year ended 31 March 2024

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
<b>C Cash flow from financing activities</b>		
Buyback of equity shares including transaction cost and tax on buy back	(289.58)	-
Proceeds from issue of equity shares under ESOP scheme	0.30	-
Payment for purchase of treasury shares	(30.27)	-
Proceeds from sale of treasury shares	0.88	-
Proceeds from long-term borrowings	-	125.00
Repayment of long-term borrowings	(275.00)	(325.00)
Increase in short term borrowings	-	203.94
Decrease in short term borrowings	-	(25.00)
Increase in short-term borrowings from bank (net)	0.00	-
Repayment of loan taken from subsidiaries	(9.70)	-
Finance costs paid	(40.09)	(82.88)
Principal payment of lease liabilities	(4.94)	(4.46)
Dividend paid	(13.64)	(134.98)
<b>Net cash generated from / (used in) financing activities (C)</b>	<b>(662.04)</b>	<b>(243.38)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(835.20)</b>	<b>1,455.07</b>
Cash and cash equivalents at the beginning of the year	1,531.88	76.74
Add: Cash and cash equivalents on business combinations	-	0.07
<b>Cash and cash equivalents at the end of the year</b>	<b>696.68</b>	<b>1,531.88</b>

### Notes:

1. Components of cash and cash equivalents are as follows	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
Current investments (exclusive of fair value adjustments)	471.34	1,272.02
Cash and cash equivalents	225.34	259.86
	<b>696.68</b>	<b>1,531.88</b>

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 62.

3. The impact of non-cash transactions have not been given in the above cash flow statement, details of which are given in note 62.

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

**Hitendra Bhandari**  
Partner  
Membership Number 107832

Place: Mumbai  
Date: 21 May 2024

**For and on behalf of the Board**

**Balkrishan Goenka**  
Chairman  
DIN 00270175

**Sandeep Garg**  
Managing Director  
DIN 00036419

**Lalit Jain**  
Chief Financial Officer

**Nidhi Tanna**  
Company Secretary

Place: Mumbai  
Date: 21 May 2024

# Standalone Statement of changes in equity

for the year ended 31 March 2024

## A. EQUITY SHARE CAPITAL

(₹ in crores)

Current Year	Balance as at 01 April 2023	Changes in equity share capital due to prior period errors	Restated Balance as at 01 April 2023	Changes in equity share capital	Balances As at 31 March 2024
	149.98	-	149.98	(13.47)	136.51

(₹ in crores)

Previous Year	Balance as at 01 April 2022	Changes in equity share capital due to prior period errors	Restated Balance as at 01 April 2022	Changes in equity share capital	Balances as at 31 March 2023
	149.78	-	149.78	0.20	149.98

## B. Other equity

(₹ in crores)

Notes	Reserves and surplus										Total other equity
	Capital reserve	Capital reserve on business combination	Amalgamation reserve	Securities premium	Share options outstanding account	Capital Redemption Reserve	Treasury shares	General reserve	Retained earnings		
<b>Balance as at 01 April 2023 (A)</b>	<b>223.55</b>	<b>(54.95)</b>	<b>5.21</b>	<b>953.08</b>	<b>3.11</b>	-	-	<b>5.67</b>	<b>1,179.17</b>	<b>2,314.85</b>	
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-
<b>Restated Balance as at 01 April 2023 (B)</b>	<b>223.55</b>	<b>(54.95)</b>	<b>5.21</b>	<b>953.08</b>	<b>3.11</b>	-	-	<b>5.67</b>	<b>1,179.17</b>	<b>2,314.85</b>	
Profit for the year	-	-	-	-	-	-	-	-	285.15	285.15	
Other comprehensive income for the year	-	-	-	-	-	-	-	-	3.72	3.72	
<b>Total comprehensive income for the year (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>288.87</b>	<b>288.87</b>	
Compensation options granted	49 & 20 b	-	-	-	1.09	-	-	-	-	1.09	
Compensation options lapsed	49 & 20 b	-	-	-	(0.22)	-	-	-	-	(0.22)	
Exercise of share options	49 & 20 b	-	-	-	2.33	-	-	-	-	0.12	
Transfer to general reserve on exercise of options	-	-	-	-	(0.67)	-	-	0.67	-	-	
Shares purchased in ESOP trust	-	-	-	-	-	-	(28.27)	-	-	(28.27)	
Shares transferred to employees on exercise of ESOP	-	-	-	-	-	-	1.41	-	-	1.41	
Loss on transfer of treasury shares	-	-	-	-	-	-	-	-	(0.63)	(0.63)	
Final dividend paid	61	-	-	-	-	-	-	-	(13.64)	(13.64)	
Transfer on account of buyback of shares	74	-	-	-	-	11.75	-	-	(11.75)	-	
Buy back of shares (including tax and buyback expenses)	74	-	-	-	(223.25)	-	-	-	(54.58)	(277.83)	
<b>Total (D)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(220.92)</b>	<b>(2.01)</b>	<b>11.75</b>	<b>(26.86)</b>	<b>0.67</b>	<b>(80.59)</b>	<b>(317.97)</b>	
<b>Balance Sheet as at 31 March 2024 (E=B+C+D)</b>	<b>223.55</b>	<b>(54.95)</b>	<b>5.21</b>	<b>732.16</b>	<b>1.10</b>	<b>11.75</b>	<b>(26.86)</b>	<b>6.34</b>	<b>1,387.45</b>	<b>2,285.75</b>	

# Standalone Statement of changes in equity

for the year ended 31 March 2024

(₹ in crores)

Notes	Reserves and surplus										Total other equity
	Capital reserve	Capital reserve on business combination	Amalgamation reserve	Securities premium	Share options outstanding account	Capital Redemption Reserve	Treasury shares	General reserve	Retained earnings		
<b>Balance as at 01 April 2022 (A)</b>	<b>223.55</b>	<b>-</b>	<b>5.21</b>	<b>950.49</b>	<b>9.94</b>	<b>-</b>	<b>-</b>	<b>5.67</b>	<b>549.54</b>	<b>1,744.41</b>	
Adjustments pursuant to business combination	75	-	-	-	-	-	-	-	(0.34)	(0.34)	
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	
<b>Restated Balance as at 01 April 2022 (B)</b>	<b>223.55</b>	<b>-</b>	<b>5.21</b>	<b>950.49</b>	<b>9.94</b>	<b>-</b>	<b>-</b>	<b>5.67</b>	<b>549.20</b>	<b>1,744.07</b>	
Profit for the year	-	-	-	-	-	-	-	-	768.02	768.02	
Other comprehensive income for the year	-	-	-	-	-	-	-	-	(3.06)	(3.06)	
<b>Total comprehensive income for the year (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>764.96</b>	<b>764.96</b>	
Compensation options granted	49 & 20 b	-	-	-	1.49	-	-	-	-	1.49	
Compensation options lapsed	49 & 20 b	-	-	-	(5.53)	-	-	-	-	(5.53)	
Exercise of share options	49 & 20 b	-	-	-	2.59	-	-	-	-	(0.20)	
Interim dividend paid	61	-	-	-	-	-	-	-	(112.50)	(112.50)	
Final dividend paid	61	-	-	-	-	-	-	-	(22.49)	(22.49)	
Adjustments pursuant to business combinations	75	-	(54.95)	-	-	-	-	-	-	(54.95)	
<b>Total (D)</b>	<b>-</b>	<b>(54.95)</b>	<b>-</b>	<b>2.59</b>	<b>(6.82)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(134.99)</b>	<b>(194.18)</b>	
<b>Balance as at 31 March 2023 (E=B+C+D)</b>	<b>223.55</b>	<b>(54.95)</b>	<b>5.21</b>	<b>953.08</b>	<b>3.11</b>	<b>-</b>	<b>-</b>	<b>5.67</b>	<b>1,179.17</b>	<b>2,314.85</b>	

Nature and purpose of reserve and surplus and other reserves

### a) Capital reserve

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

### b) Capital reserve on business combination

It represents the difference between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor during the business transfer between entities.

### c) Amalgamation reserve

It represents reserve arising out of amalgamation of subsidiaries with the Company.

### d) 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 Act.

### e) Share options outstanding account

Share based payment reserve is created as required by Ind AS 102 'Share Based Payment' on the employee stock option scheme operated by the Company for its employees.

# Standalone Statement of changes in equity

for the year ended 31 March 2024

## f) Capital Redemption Reserve

As per section 69 of the Act, where a company buyback its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to the capital redemption reserve account. This reserve can be utilised in accordance with the provisions of the Act.

## g) Treasury shares

Treasury shares represent a company's own equity that has been purchased from open market and held by the Welspun Enterprises Employees Welfare Trust ("ESOP Trust").

## h) General reserve

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

## i) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company.

Notes forming part of the standalone financial statements 1 to 79

As per our report of even date

### For MGB & Co LLP

Chartered Accountants  
Firm Registration Number 101169W/W-100035

### Hitendra Bhandari

Partner  
Membership Number 107832

Place: Mumbai  
Date: 21 May 2024

### For and on behalf of the Board

#### Balkrishan Goenka

Chairman  
DIN 00270175

#### Lalit Jain

Chief Financial Officer

Place: Mumbai  
Date: 21 May 2024

#### Sandeep Garg

Managing Director  
DIN 00036419

#### Nidhi Tanna

Company Secretary

Place: Mumbai  
Date: 21 May 2024

# Notes forming part of the standalone financial statements

## 1 CORPORATE INFORMATION

Welspun Enterprises Limited (including trust) ('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 road and water 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 and water infrastructure projects. The registered office of the Company is Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370110.

The separate financial statements (hereinafter referred to as "Standalone Financial Statements") of the Company for the year ended 31 March 2024, were authorised for issue by the Board of Directors at their meeting held on 21 May 2024.

## 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), relevant provisions of Schedule III (as amended) 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 on going concern basis, accrual basis and under the historical cost convention, except for the following that are measured at fair value :

- Certain financial assets and liabilities (Refer accounting policy regarding financial instruments).
- Non current assets held-for-sale -measured at fair value less cost to sell
- Defined benefit plan assets and liabilities
- Share based payment

The financial statements are presented in Indian rupees (INR) have been rounded off to the nearest crores up to two decimal places, as per the requirement of Schedule III to the Act, unless otherwise stated.

## 3(A) MATERIAL 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.

#### a) Construction contract revenue

The Company derives revenue primarily 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

## Notes forming part of the standalone financial statements

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 Key Indicators. 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 due). Revenue earned from

## Notes forming part of the standalone financial statements

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 recognised 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) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term or useful lives of the leased assets.

The right-of-use assets are also subject to impairment. Refer to the material accounting policies - Impairment of non-financial assets.

#### ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index

## Notes forming part of the standalone financial statements

or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments).

### iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of rented premises (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### 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 Act. 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. Property, plant and equipment, costing individually ₹ 5,000 or less are depreciated fully in the year of purchase.

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

Assets description	Useful life (in years)
Buildings	30 to 60
Plant and machinery	2 to 12
Furniture and fixtures	10
Vehicles	8 to 10
Office and other equipments	3 to 5
Computers (including networking equipments)	3 to 6

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 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

## Notes forming part of the standalone financial statements

are reviewed at each financial year-end and adjusted prospectively, if appropriate.

### 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.

### 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 (including consumables) and components are valued at lower of cost and net realizable value. Cost is determined on weighted average 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 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

## Notes forming part of the standalone financial statements

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 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 Employees Stock Option Schemes are 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.

### 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

## Notes forming part of the standalone financial statements

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.

### xv) Foreign Currency transactions

The Company's financial statements are presented in INR rupees in crores, 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 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) 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.

### xvii) 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.

### xviii) Provisions, contingent liabilities and contingent assets

#### a) Provisions

Provisions are recognized when the Company has a present obligation (legal or



## Notes forming part of the standalone financial statements

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 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 occurrence or non occurrence 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.

### xix) Investment in subsidiaries, associates and joint venture companies

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

### 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 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.

## Notes forming part of the standalone financial statements

### 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 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 "xix" 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.

## Notes forming part of the standalone financial statements

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)

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

## Notes forming part of the standalone financial statements

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.

### E. Derivatives

The Company uses interest rate swaps to hedge its variability in cash flows from interest payments arising from floating rate liabilities i.e. when interests are paid according to benchmark market interest rates. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the statement of profit and loss.

### xxi) 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.

### xxii) Treasury Shares

The Company has created an Welspun Enterprises Employees Welfare Trust ('EWT'). The Company uses EWT as a vehicle for distributing shares to employees under the employee stock option schemes. The Company treats EWT as its extension and shares held by EWT are treated as treasury shares.

Own equity instruments that are held by the trust are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and

## Notes forming part of the standalone financial statements

the consideration, if reissued, is recognised in the other equity.

### xxii) Business combination under common control

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonise the accounting policies. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared in the financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve.

### 3(B) 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 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 respect 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 52.

#### 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

## Notes forming part of the standalone financial statements

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 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 40).

#### 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 49.

#### h) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

### 3 (C) RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

## Notes forming part of the standalone financial statements

## 4 PROPERTY, PLANT AND EQUIPMENT

	Land - Freehold*	Buildings	Plant and machinery	Furniture and fixtures	Vehicles	Office and other equipments	Computers	Total
<b>Gross carrying amount</b>								
<b>Balance as at 01 April 2022</b>	<b>0.36</b>	<b>2.29</b>	<b>37.00</b>	<b>1.96</b>	<b>12.47</b>	<b>4.05</b>	<b>2.44</b>	<b>60.57</b>
Additions	-	0.07	1.50	0.44	0.07	1.25	1.73	5.06
Disposals	-	1.60	15.77	0.01	7.15	0.08	0.00	24.61
<b>Balance as at 31 March 2023</b>	<b>0.36</b>	<b>0.76</b>	<b>22.73</b>	<b>2.39</b>	<b>5.39</b>	<b>5.22</b>	<b>4.17</b>	<b>41.02</b>
Additions	-	-	0.68	0.35	0.94	1.05	1.56	4.58
Disposals	0.20	-	9.75	0.42	1.84	1.61	0.60	14.42
<b>Balance as at 31 March 2024</b>	<b>0.16</b>	<b>0.76</b>	<b>13.66</b>	<b>2.32</b>	<b>4.49</b>	<b>4.66</b>	<b>5.13</b>	<b>31.18</b>

	Land - Freehold*	Buildings	Plant and machinery	Furniture and fixtures	Vehicles	Office and other equipments	Computers	Total
<b>Accumulated depreciation</b>								
<b>Upto 01 April 2022</b>	-	0.27	25.93	1.27	7.90	2.68	1.07	39.12
Additions	-	0.18	1.85	0.39	0.83	0.99	1.38	5.62
Disposals	-	0.24	9.18	0.01	5.00	0.07	0.01	14.51
<b>Upto 31 March 2023</b>	-	<b>0.21</b>	<b>18.60</b>	<b>1.65</b>	<b>3.73</b>	<b>3.60</b>	<b>2.44</b>	<b>30.23</b>
Additions	-	0.05	1.18	0.32	0.59	1.02	1.51	4.67
Disposals	-	-	7.81	0.33	1.32	1.39	0.50	11.35
<b>Balance as at 31 March 2024</b>	-	<b>0.26</b>	<b>11.97</b>	<b>1.64</b>	<b>3.00</b>	<b>3.23</b>	<b>3.45</b>	<b>23.55</b>
<b>Net carrying amount</b>								
<b>Balance as at 31 March 2024</b>	<b>0.16</b>	<b>0.50</b>	<b>1.69</b>	<b>0.68</b>	<b>1.49</b>	<b>1.43</b>	<b>1.68</b>	<b>7.63</b>
<b>Balance as at 31 March 2023</b>	<b>0.36</b>	<b>0.55</b>	<b>4.13</b>	<b>0.74</b>	<b>1.66</b>	<b>1.62</b>	<b>1.73</b>	<b>10.78</b>

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Net carrying amount</b>		
Property, plant and equipment	7.63	10.78

**Note:** \* Includes value of immovable property of ₹ Nil (Original value of ₹ 0.36 crores) at Pune for which the title deeds are not held in the name of the Company.

Description of property	Original value (₹ in crores)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Freehold land at Village – Indapur Dist. Pune	0.36	Mr. Mahadev Shankar Gurgude & Mr. Chittaranjan Patil	No	Since October 2010	Dispute before the Court of Baramati Civil Court. The owner and his power of attorney holder did not fulfill their obligations under the Agreement to sell.

## Notes forming part of the standalone financial statements

## 5 RIGHT-OF-USE ASSETS

	(₹ in crores)	
	Leased premises	Total
<b>Gross carrying amount</b>		
<b>Balance as at 01 April 2022</b>	20.05	20.05
Additions	1.96	1.96
Disposals	-	-
<b>Balance as at 31 March 2023</b>	<b>22.01</b>	<b>22.01</b>
Additions	4.28	4.28
<b>Balance as at 31 March 2024</b>	<b>26.29</b>	<b>26.29</b>

	(₹ in crores)	
	Leased premises	Total
<b>Accumulated depreciation</b>		
<b>Upto 01 April 2022</b>	9.00	9.00
Additions	3.97	3.97
Disposals	-	-
<b>Upto 31 March 2023</b>	<b>12.97</b>	<b>12.97</b>
Additions	5.04	5.04
<b>Balance as at 31 March 2024</b>	<b>18.01</b>	<b>18.01</b>

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Net carrying amount</b>		
Right-of-use assets	8.28	9.04

## Notes forming part of the standalone financial statements

## 6 NON-CURRENT INVESTMENTS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Investment in Equity Instruments - Subsidiaries (at cost)</b>		
<b>Unquoted</b>		
Welspun Projects (Himmatnagar Bypass) Private Limited 242,000 (31 March 2023 : 242,000) equity shares of ₹ 10/- each fully paid up	2.33	2.33
Welspun Project (Kim Mandvi Corridor) Private Limited 6,730,000 (31 March 2023 : 6,730,000) equity shares of ₹ 10/- each fully paid up	6.73	6.73
Less : Provision for impairment	(6.73)	(6.73)
Dewas Waterprojects Works Private Limited 7,600 (31 March 2023 : 7,600) equity shares of ₹ 10 each fully paid up (Refer Note 6.10)	0.01	0.01
Welspun Build-Tech Private Limited 10,000 (31 March 2023 : 10,000) equity shares of ₹ 10 each fully paid up	0.01	0.01
Less : Provision for impairment	(0.01)	-
ARSS Bus Terminal Private Limited 18,627,451 (31 March 2023 : 18,627,451) equity shares of ₹ 10 each fully paid up	31.01	31.01
Less : Provision for impairment	(12.45)	(12.45)
Grenoble Infrastructure Private Limited 4,900 (31 March 2023 : 4,900) equity shares of ₹ 10/- each fully paid up	0.00	0.00
DME Infra Private Limited 10,000 (31 March 2023 : 10,000) equity shares of ₹ 10/- each fully paid up	0.01	0.01
Less : Provision for impairment	(0.01)	-
Welspun Sattanathapuram Nagapattinam Road Private Limited 7,938,000 (31 March 2023 : 7,000) equity shares of ₹ 10/- each fully paid up	23.80	0.01
Welsteel Enterprises Private Limited 49,000 (31 March 2023 : 49,000) equity shares of ₹ 10 each fully paid up	0.05	0.05
Welspun Aunta-Simaria Project Private Limited 740,000 (31 March 2023 : 740,000) equity shares of ₹ 10 each fully paid up (Refer Note 6.10)	0.74	0.74
Welspun EDAC JV Private Limited 8,000 (31 March 2023 : 8,000) equity shares of ₹ 10 each fully paid up	0.01	0.01
Welspun New Energy Limited Nil (31 March 2023 : 10,000) equity shares of ₹ 10/- each fully paid up (Refer note 76)	-	0.01
Welspun Michigan Engineers Limited (Formerly known as Michigan Engineers Private Limited) 869,596 (31 March 2023 : Nil) equity shares of ₹ 10/- each fully paid up	137.07	-

## Notes forming part of the standalone financial statements

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Investment in Equity Instruments - Associate (at cost)</b>		
<b>Unquoted</b>		
Adani Welspun Exploration Limited 4,654,997 (31 March 2023 : 4,654,997) equity shares of ₹ 10/- each fully paid up (Refer note 57)	38.16	38.16
<b>Investment at fair value through profit and loss</b>		
<b>Investment in equity instruments- Quoted</b>		
Union Bank of India 2,640 (31 March 2023 : 2,640) equity Shares of ₹ 10/- each fully paid up	0.04	0.02
<b>Investment in equity instruments- Unquoted</b>		
Welspun Energy Thermal Private Limited (Formerly known as Solarsys Infra Projects Private Limited) 1,549 (31 March 2023:1,549) equity shares of ₹ 10 each fully paid up (at fair value)	-	-
Welassure Private Limited 1,900 (31 March 2023: 1,900) equity shares of ₹ 10 each fully paid up (at fair value)	0.27	0.12
Welspun Global Services Private Limited 1,900 (31 March 2023: 1,900) equity shares of ₹ 10 each fully paid up (at fair value)	0.23	0.00
Ecstatic Engineering Consultants Private Limited 480 (31 March 2023 : 480) equity shares of ₹ 10 each fully paid up (at fair value)	0.03	0.00
Welspun Transformation Services Limited 570,000 (31 March 2023 : 570,000) equity shares of ₹ 10 each fully paid up (at fair value)	1.40	0.57
<b>Investment in Government Securities</b>		
Indira Vikash Patra	-	0.00
<b>Investment in Debentures (at cost, unless otherwise stated)</b>		
Welspun Project (Kim Mandvi Corridor) Private Limited 1,001,784 (31 March 2023 : 1,001,784) 0% unsecured compulsorily convertible debentures of ₹ 100 each fully paid up (Refer note 6.1)	10.02	10.02
Less : Provision for impairment	(10.02)	(10.02)
Grenoble Infrastructure Private Limited 1,020,000 (31 March 2023 : Nil) 0% unsecured optionally convertible debentures of ₹ 100 each fully paid up (at fair value through profit and loss) (Refer note 6.2)	10.20	-
Dewas Waterprojects Works Private Limited 3,872,000 (31 March 2023 : 3,872,000) 0% unsecured compulsorily convertible debentures of ₹ 100 each fully paid up (Refer Note 6.3 and 6.10)	38.72	38.72
5,049,000 (31 March 2023 : 5,049,000) 0% unsecured optionally convertible debentures of ₹ 100 each fully paid up (at fair value through profit and loss) (Refer note 6.6)	50.49	50.49
Welspun Build-Tech Private Limited		

## Notes forming part of the standalone financial statements

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
Nil (31 March 2023 : 711,775) 0% unsecured compulsorily convertible debentures of ₹ 100 each fully paid up (Refer note 6.1)	-	7.12
821,000 (31 March 2023 : 1,000,000) 0% unsecured optionally convertible debentures of ₹ 100 each fully paid up (Refer note 6.5)	8.21	10.00
Less : Provision for impairment	(8.21)	(7.12)
<b>Welspun Sattanathapuram Nagapattinam Road Private Limited</b>		
13,576,000 (31 March 2023 : 2,170,000) 0% unsecured compulsorily convertible debentures of ₹ 100 each fully paid up (Refer note 6.1 & 6.10)	135.76	21.70
584,988 (31 March 2023 : 584,988) 0% unsecured optionally convertible debentures of ₹ 100 each fully paid up (at fair value through profit and loss) (Refer note 6.6)	5.85	5.85
<b>Welsteel Enterprises Private Limited</b>		
3,475,000 (31 March 2023 : 3,475,000) 0% unsecured optionally convertible debentures of ₹ 100 each fully paid up (at fair value through profit and loss) (Refer note 6.6)	34.75	34.75
<b>Welspun Aunta-Simaria Project Private Limited</b>		
3,482,260 (31 March 2023 : 3,482,260) 0% unsecured compulsorily convertible debentures of ₹ 100 each fully paid up (Refer note 6.4)	34.82	34.82
8,144,290 (31 March 2023 : 8,144,290) 0% unsecured optionally convertible debentures of ₹ 100 each fully paid up (at fair value through profit and loss) (Refer note 6.6 and 6.7)	81.44	81.44
<b>Investment in Debentures - associate (at cost)</b>		
<b>Adani Welspun Exploration Limited</b>		
48,256,930 (31 March 2023 : 45,835,134) 0% unsecured compulsorily convertible debentures of ₹ 100 each fully paid up (Refer note 57 & 6.9)	410.33	386.11
<b>Investment in Debentures - others (at fair value through profit and loss)</b>		
<b>Welspun Energy Thermal Private Limited</b>		
Nil (31 March 2023 : 1,570,832) 0% unsecured optionally convertible debentures of ₹ 10 each fully paid up (Refer note 6.8)	-	-
<b>Total</b>	<b>1,025.07</b>	<b>724.49</b>
Aggregate book value of quoted investments	0.04	0.02
Aggregate book value of unquoted investments	1,062.46	760.79
Aggregate market value of quoted investments	0.04	0.02
Aggregate amount of impairment in value of investments	37.43	36.32

**Notes:**

- 6.1 Each debenture having face value of ₹ 100 each shall be compulsorily convertible into 10 equity shares of ₹ 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.
- 6.2 Each debenture shall be convertible, at the option of the issuer or the Company into 10 equity shares of ₹ 10/- each at any time after the expiry of 5 years and such conversion option shall be available till the expiry of the Tenure i.e. 10 years from the date of allotment unless redeemed earlier. Besides, the issuer 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 as mentioned above nor redeemed until the expiry of the tenure, the debentures shall be redeemed at the expiry of the tenure.

## Notes forming part of the standalone financial statements

- 6.3 Each Debenture shall be compulsorily convertible into 10 equity shares of ₹10/- each of the issuer at the end of the tenure. The debenture holder and the issuer may mutually agree to convert the debentures into equity shares at any time before the expiry of the tenure
- 6.4 Each debentures having face value of ₹ 100 each shall be compulsorily convertible into 10 equity shares of ₹ 10 each fully paid up at the end of 10 years or as mutually agreed before the end of the tenure.
- 6.5 Each OCD shall be convertible at the option of the holder, anytime during the tenure (i.e. 10 years) of the OCD, into ten equity share(s) of ₹ 10 each at par. The debenture are redeemable at the option of the issuer, any time post 1 year from date of issue but not later than 10 years.
- 6.6 Each debenture having face value of ₹ 100 each shall be convertible, at the option of the issuer or the Company into 10 equity shares of ₹ 10 each of the issuer 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 issuer 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.
- 6.7 Each debenture having face value of ₹ 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 ₹ 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. 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.
- 6.8 Each debenture having face value of ₹ 10 each shall at the option of the Company be converted into appropriate number of equity shares of ₹ 10 each, equity share of ₹ 10 each fully paid up not later than 10 years from the date of allotment of OCDs.
- 6.9 Each debenture shall be mandatorily convertible into equity shares of issuer at par in the ratio 10:1 at any time before 20 years from the date of issue.
- 6.10 The Company has pledged below mentioned equity shares and CCD :-

Entities	As at 31 March 2024	As at 31 March 2023 (Restated)
	Units	Units
<b>A) Equity shares</b>		
Dewas Waterprojects Works Private Limited	5,100	5,100
Welspun Aunta-Simaria Project Private Limited	510,000	510,000
<b>B) Compulsorily Convertible Debentures (CCD)</b>		
Dewas Waterprojects Works Private Limited	2,000,001	2,000,001
Welspun Sattanathapuram Nagapattinam Road Private Limited	-	1,106,700

## Notes forming part of the standalone financial statements

## 7 NON-CURRENT FINANCIAL ASSETS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Secured</b>		
Security deposits- considered good	-	1.53
<b>Unsecured</b>		
Security deposits- considered good	1.32	0.84
	<b>1.32</b>	<b>0.84</b>
Bank deposits having original maturity of more than twelve months Held as margin money against borrowings, guarantees and other commitments including collateral securities (with various government authorities and banks)	13.93	69.76
<b>Total</b>	<b>15.26</b>	<b>72.13</b>

## 8 NON-CURRENT TAX ASSETS (NET)

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
Balances with government authorities		
- Direct tax (net of provision for taxation)	22.39	32.76
<b>Total</b>	<b>22.39</b>	<b>32.76</b>

## 9 OTHER NON-CURRENT ASSETS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
Capital advances	0.33	1.68
Prepaid expenses	0.17	0.35
Balances with government authorities - Indirect tax	0.11	2.76
<b>Total</b>	<b>0.61</b>	<b>4.79</b>

## 10 INVENTORIES

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
Raw materials (including consumables)	103.15	86.29
<b>Total</b>	<b>103.15</b>	<b>86.29</b>

## 11 CONTRACT ASSETS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
Contract assets (Refer note 55) :		
- Related parties (Refer note 53)	20.91	32.11
- Others	376.14	362.57
<b>Total</b>	<b>397.05</b>	<b>394.68</b>

## Notes forming part of the standalone financial statements

## 12 CURRENT INVESTMENTS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Investments at fair value through profit and loss</b>		
<b>I. Quoted</b>		
Investment in bonds	390.45	895.61
Investment in mutual funds *	88.86	402.30
<b>Investment in equity shares</b>		
NMDC Limited	2.02	1.11
100,000 (31 March 2023:100,000) shares of face value of Re 1/- each fully paid up		
NMDC Steel Limited	0.55	0.31
100,000 (31 March 2023 : 100,000) shares of face value of Re 1/- each fully paid up		
<b>II Unquoted</b>		
Ecstatic Engineering Consultants Private Limited		
5,584 (31 March 2023 :5,584) 0% unsecured optionally convertible debentures of ₹ 100 each fully paid up #	0.25	0.25
<b>Total</b>	<b>482.13</b>	<b>1,299.58</b>
Aggregate book value of quoted investments	481.88	1,299.33
Aggregate book value of unquoted investments	0.25	0.25
Aggregate market value of quoted investments	481.88	1,299.33

\* ₹ Nil (31 March 2023: ₹ 9.32 crores) represents restricted balances towards DSRA obligation/collateral security for its debt obligations to lenders.

# Each debenture having face value of ₹ 100 each shall be convertible, at the option of the holder into 1 equity share of ₹ 10 each at any time after the expiry of 6 months and may be redeemed or renewed or converted upon maturity at the option of the debenture holder.

## 13 TRADE RECEIVABLES

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Unsecured</b>		
Considered good		
- Related parties (Refer note 53)	360.75	385.03
- Others	260.53	183.61
<b>Total</b>	<b>621.28</b>	<b>568.64</b>

Trade receivables are non-interest bearing and are normally settled as per payment terms mentioned in the contract.

For ageing of trade receivables outstanding as at 31 March 2024 and 31 March 2023 - Refer Note 43

## 14 CASH AND CASH EQUIVALENTS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
Cash on hand	0.03	0.05
<b>Balances with banks :</b>		
- In current accounts	54.23	31.19
- Deposit with original maturity of less than three months	171.08	228.62
<b>Total</b>	<b>225.34</b>	<b>259.86</b>

## Notes forming part of the standalone financial statements

## 15 BANK BALANCES (OTHER THAN 14 ABOVE)

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Balances with banks :</b>		
Deposits having maturity period less than twelve months	-	152.40
Held as margin money against guarantees and other commitments including collateral security (with various government authorities and banks)	200.89	57.03
Unclaimed dividend account #	0.88	0.94
<b>Total</b>	<b>201.77</b>	<b>210.37</b>

#There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Act as at the year end.

## 16 CURRENT FINANCIAL ASSETS - LOANS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Unsecured, considered good</b>		
Loans and advances		
- Related parties (Refer note 53)	39.51	83.84
- Other parties	-	0.05
<b>Total</b>	<b>39.51</b>	<b>83.89</b>

## 17 OTHER CURRENT FINANCIAL ASSETS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Secured, considered good</b>		
Security deposits - Others	6.40	1.20
<b>Unsecured, considered good</b>		
Security deposits		
- Related parties (Refer note 53)	0.07	0.07
- Others	5.95	2.52
Other receivables	32.07	60.24
<b>Total</b>	<b>44.49</b>	<b>64.03</b>

## 18 OTHER CURRENT ASSETS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Unsecured, considered good</b>		
Advance against goods and services	211.32	191.22
Mobilisation advance receivable	96.10	139.42
Prepaid expenses	4.78	3.60
Balances with government authorities - Indirect tax	108.68	94.86
<b>Total</b>	<b>420.88</b>	<b>429.10</b>

## Notes forming part of the standalone financial statements

## 19 ASSETS HELD-FOR-SALE

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
Assets held-for-sale (Refer note i and ii below)	103.58	116.23
<b>Total</b>	<b>103.58</b>	<b>116.23</b>

- i) On 9 June 2022, the Company has entered definitive agreement with Actis Highway Infra Limited ("Actis") and has obtained all necessary approvals for divestment of 49% equity stake in NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infrafacility Private Limited). The balance 51% shall be divested on fulfillment of certain conditions. The carrying value of equity shares amounting to ₹ 103.58 crores (12,335,567 equity shares of ₹ 10/- each fully paid up) (31 March 2023: ₹ 103.58 crores (12,335,567 equity shares of ₹ 10/- each fully paid up) has been shown as Assets held-for-sale. These equity shares have been pledged.
- ii) The Company has identified certain Property, plant and equipment ("PPE") amounting to ₹ 12.65 crores as at 31 March 2023, which are available for sale in its present conditions. The Company has taken necessary action and completed the sale during the current year.

## 20 EQUITY

## 20(a) - Equity share capital

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Authorised</b>		
275,000,000 (31 March 2023: 275,000,000) equity shares of ₹ 10/- each	275.00	275.00
	<b>275.00</b>	<b>275.00</b>

Issued, subscribed and paid up equity share capital and reconciliation of the number of shares outstanding and the amount of the equity share capital

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)	As at 31 March 2024	As at 31 March 2023 (Restated)
	Number of Shares		(₹ in crores)	
Outstanding at the beginning of the year, fully paid-up	149,983,056	149,783,056	149.98	149.78
Add : Pursuant to exercise of stock options (Refer note 49)	180,754	200,000	0.18	0.20
Less : Buy back (Refer note 74)	(11,750,000)	-	(11.75)	-
Outstanding at the end of the year, fully paid-up	<b>138,413,810</b>	<b>149,983,056</b>	<b>138.41</b>	<b>149.98</b>
Less: Treasury shares held under ESOP Trust (Refer note (i) below)	(1,900,000)	-	(1.90)	-
Outstanding at the end of the year, net of Treasury shares	<b>136,513,810</b>	<b>149,983,056</b>	<b>136.51</b>	<b>149.98</b>

## (i) Shares held under ESOP trust:

The Company has created an "Welspun Enterprises Employee Benefit Scheme - 2022" for providing share-based payment to its employees. For the purpose of the scheme, the Company purchases shares from the open market under ESOP trust.

The Company treats ESOP trust as its extension and shares held by ESOP trust are treated as treasury shares. Refer note 49.



## Notes forming part of the standalone financial statements

**Movement in treasury shares**

(₹ in crores)

	As at 31 March 2024		As at 31 March 2023 (Restated)	
	Number of equity shares	(₹ in crores)	Number of equity shares	(₹ in crores)
At the beginning of the year	-	-	-	-
Purchased during the year	2,000,000	2.00	-	-
Transferred to employees on exercise of ESOP shares	(100,000)	(0.10)	-	-
Outstanding at the end of the year	1,900,000	1.90	-	-

**(ii) Rights, preference and restriction on shares**

The Company has only one class of equity having par value of ₹ 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 in case 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) Disclosure of Shareholding of Promoters**

The details of the shares held by the promoters as at 31 March 2024 are as follows :

Promoters Name	Number of Shares	Percentage (%) of total shares	Percentage (%) change during the year
a) Balkrishan Goenka Trustee of Welspun Group Master Trust	67,538,885	48.79%	0.32%
b) Welspun Investments and Commercials Limited	4,625,210	3.34%	0.26%
c) Aryabhat Vyapar Private Limited	3,290,063	2.38%	0.18%
d) Rajesh R Mandawewala	120	0.00%	0.00%
e) Balkrishan Gopiram Goenka	84	0.00%	0.00%
f) Sitadevi Rameshkumar Mandawewala	600	0.00%	0.00%

The details of the shares held by the promoters as at 31 March 2023 are as follows :

Promoters Name	Number of Shares	Percentage (%) of total shares	Percentage (%) change during the year
a) Balkrishan Goenka Trustee of Welspun Group Master Trust	72,709,526	48.48%	(0.06%)
b) Welspun Investments and Commercials Limited	4,625,210	3.08%	0.33%
c) Aryabhat Vyapar Private Limited	3,290,063	2.19%	0.00%
d) Rajesh R Mandawewala	120	0.00%	-
e) Balkrishan Gopiram Goenka	84	0.00%	-
f) Sitadevi Rameshkumar Mandawewala	600	0.00%	-

**(iv) Details of shareholders holding more than 5% shares in the Company**

(₹ in crores)

	As at 31 March 2024		As at 31 March 2023 (Restated)	
	Number of equity shares	Percentage (%) Holding	Number of equity shares	Percentage (%) Holding
Balkrishan Goenka as Trustee of Welspun Group Master Trust	67,538,885	48.79%	72,709,526	48.48%

## Notes forming part of the standalone financial statements

**(v) 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.**

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
a) Equity shares allotted as fully paid up for consideration other than cash - Exercise of stock options (Refer note 49)	2,050,000	2,690,000
b) Equity shares bought back (Refer note 74)	11,750,000	-

**(vi) 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 49

**20(b) - Other equity**

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
Capital reserve	223.55	223.55
Capital reserve on business combination	(54.95)	(54.95)
Amalgamation reserve	5.21	5.21
Securities premium	732.16	953.08
Share options outstanding account	1.10	3.11
Capital Redemption Reserve	11.75	-
Treasury shares	(26.86)	-
General reserve	6.34	5.67
Retained earnings	1,387.45	1,179.17
<b>Total</b>	<b>2,285.75</b>	<b>2,314.85</b>
<b>(i) Capital reserve</b>		
As per last balance sheet	223.55	223.55
<b>(ii) Capital reserve on business combination</b>		
As per last balance sheet	(54.95)	-
Adjustments pursuant to business combination (Refer note 75)	-	(54.95)
	<b>(54.95)</b>	<b>(54.95)</b>
<b>(iii) Amalgamation reserve</b>		
As per last balance sheet	5.21	5.21
<b>(iv) Securities premium</b>		
As per last balance sheet	953.08	950.49
Utilised on buy back of shares (Refer note 74)	(223.25)	-
Exercise of share options	2.33	2.59
	<b>732.16</b>	<b>953.08</b>
<b>(v) Other reserves</b>		
<b>(a) Share options outstanding account</b>		
As per last balance sheet	3.11	9.94
Compensation options granted (Refer note 49)	1.09	1.49
Compensation options lapsed (Refer note 49)	(0.22)	(5.53)
Transfer to general reserve after exercise of options	(0.67)	-
Exercise of share options (Refer note 49)	(2.21)	(2.79)
	<b>1.10</b>	<b>3.11</b>
<b>(b) Capital Redemption Reserve</b>		
As per last balance sheet	-	-
Transfer from Retained earnings on account of buyback of shares (Refer note 74)	11.75	-
	<b>11.75</b>	<b>-</b>

## Notes forming part of the standalone financial statements

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>(c) Treasury shares</b>		
As per last balance sheet	-	-
Shares purchased in ESOP trust during the year	(28.27)	-
Shares transferred to employees on exercise of ESOP	1.41	-
	(26.86)	-
<b>(d) General reserve</b>		
As per last balance sheet	5.67	5.67
Transfer to general reserve on exercise of options	0.67	-
	<b>6.34</b>	<b>5.67</b>
<b>(e) Retained earnings</b>		
As per last balance sheet	1,179.17	549.54
Adjustments pursuant to business combinations (Refer note 75)	-	(0.34)
Total comprehensive income for the year	288.87	764.96
Transfer to Capital Redemption Reserve on account of buyback of shares (Refer note 74)	(11.75)	-
Tax on buyback of equity shares and buyback expenses (Refer note 74)	(54.58)	-
Loss on transfer of treasury shares	(0.63)	-
Interim dividend paid	-	(112.50)
Final dividend paid	(13.64)	(22.49)
	<b>1,387.45</b>	<b>1,179.17</b>
<b>Total</b>	<b>2,285.75</b>	<b>2,314.85</b>

## 21 CONTRACT LIABILITIES

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
Contract liabilities (Refer note 55) :		
- Other parties	189.14	198.74
<b>Total</b>	<b>189.14</b>	<b>198.74</b>

## 22 NON-CURRENT BORROWINGS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Secured</b>		
<b>Measured at amortised cost</b>		
Non-convertible debentures (Refer note (i) below)	-	291.68
<b>Total</b>	<b>-</b>	<b>291.68</b>
Less: Current maturities of long term borrowings (Refer note 26)	-	(291.68)
<b>Total</b>	<b>-</b>	<b>-</b>

## Nature of security and terms of repayments for long term borrowings

## i) Non-convertible debentures ('NCDs') ₹ Nil (31 March 2023 : ₹ 291.68 crores)

The Company had issued 1,750 rated, listed, secured, redeemable, Non-Convertible Debentures of ₹10 lacs each aggregating to ₹ 175.00 crores. The debentures bore an interest at 8.85% payable annually. Debentures were secured by way of first pari passu charge on loans, advances and other receivables (including ICDs) from Project SPVs, other than current assets of the Company by way of hypothecation at book value.

## Notes forming part of the standalone financial statements

Second pari passu charge on the Current assets of the Company at book value, and - Exclusive charge on Debt Service Reserve Account. The aggregate book value of the security i.e first pari passu charge and second pari passu charge on as aforesaid should provide minimum asset cover of 1.10 times during the tenure of the NCDs at all times to be tested on half yearly basis.

The Company had issued 2,000 rated, listed, secured, redeemable, Non-Convertible Debentures of ₹10 lacs each aggregating to ₹ 200.00 crores. The debentures bore an interest at an agreed upon annual rate of repo rate plus spread of 485 bps payable annually. Debentures were secured by way of first pari passu charge on the Current assets of the company at book value, first pari passu charge over plant and machinery and other moveable assets excluding those specifically charged to other Banks / Financial Institutions. The aggregate book value of the security i.e. First Pari passu charge and Second Pari passu charge as aforesaid should provide minimum asset cover of 1.10 times during the tenure of the NCDs at all times to be tested on half yearly basis.

The outstanding debentures as on 31 March 2023 has been repaid during the year ended 31 March 2024.

Number of Debentures	Face Value	Redemption date	Rate of Interest per annum
1,000 Secured Redeemable Non-Convertible Debentures (INE625G07028)	1,000,000	1 June 2023	Linked with Repo Rate
1,750 Secured Redeemable Non-Convertible Debentures (INE625G07010)	1,000,000	27 May 2023	8.85%
1,000 Secured Redeemable Non-Convertible Debentures (INE625G07028)	1,000,000	1 December 2022	Linked with Repo Rate

## 23 NON-CURRENT LEASE LIABILITIES

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
Lease liabilities (Refer note 56)	5.43	5.82
<b>Total</b>	<b>5.43</b>	<b>5.82</b>

## 24 NON-CURRENT PROVISIONS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
Provision for employee benefits	2.58	7.69
<b>Total</b>	<b>2.58</b>	<b>7.69</b>

## 25 CONTRACT LIABILITIES

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Contract liabilities (Refer note 55) :</b>		
- Related parties (Refer note 53)	144.51	113.28
- Other parties	146.26	330.61
<b>Total</b>	<b>290.77</b>	<b>443.89</b>

## Notes forming part of the standalone financial statements

## 26 CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Secured</b>		
<b>Measured at amortised cost</b>		
Current maturities of long-term borrowings (Refer Note 22) *	-	291.68
Bank overdraft @	0.00	-
Loans from other party **	180.92	171.65
<b>Unsecured</b>		
Loans from related parties ***	-	9.70
<b>Total</b>	<b>180.92</b>	<b>473.03</b>

\* includes interest accrued and not due of ₹ Nil (31 March 2023 : ₹ 16.82 crores)

@ Overdraft facility against fixed deposits from IDBI Bank Limited, repayable on demand. The overdraft facility is carrying interest of 8.31% per annum.

\*\* Amount received as per "Advance and Pledged Agreement" for the purpose of fulfilment of obligation under one of the EPC contract of Company. The loan is carrying interest @ 6% per annum compounded annually and is secured by first ranking exclusive charge by way of pledge of 11,851,817 equity shares in NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infrafacility Private Limited). It includes accrued interest of ₹ 11.68 crores (31 March 2023: ₹ 2.40 crores) (net of tax deducted at source). The repayment notice may be issued not earlier than 15 (fifteen) business days prior to the second closing date as defined in "Securities Subscription and Purchase Agreement".

\*\*\* Interest free loan repayable on demand.

## 27 CURRENT LEASE LIABILITIES

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
Lease liabilities (Refer note 56)	3.83	4.11
<b>Total</b>	<b>3.83</b>	<b>4.11</b>

## 28 TRADE PAYABLES

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
Dues of micro enterprises and small enterprises ('MSME') - (Refer note 54)	35.93	-
Dues of creditors other than micro enterprises and small enterprises		
- Acceptances	-	105.93
- Others	343.67	369.99
<b>Total</b>	<b>379.60</b>	<b>475.92</b>

## Notes forming part of the standalone financial statements

Trade payables are non-interest bearing and are normally settled as per payment terms mentioned in the contract.

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
- Related parties (Refer note 53)	3.06	2.62
- Others	376.54	473.30
<b>Total</b>	<b>379.60</b>	<b>475.92</b>

For ageing of trade payables outstanding as at 31 March 2024 and 31 March 2023 - Refer Note 44

## 29 CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
Security deposits/ retention money payable	200.07	234.91
Payable to employees	15.43	26.39
Interest rate swap payable (Refer Note 41 (A)(a)(i))	2.97	6.75
Unclaimed dividend	0.88	0.94
<b>Total</b>	<b>219.35</b>	<b>268.99</b>

## 30 CURRENT PROVISIONS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
Provision for employee benefits	1.73	3.80
Other provisions *	1.15	-
<b>Total</b>	<b>2.88</b>	<b>3.80</b>

## Movement of Other provisions

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>As per last balance sheet</b>	-	-
Add: Additions during the year	1.15	-
Less: Utilisation/ Write back during the year	-	-
<b>Total</b>	<b>1.15</b>	<b>-</b>

\* Provision for litigation related obligation, represents liabilities that are expected to materialise in respect of matters in appeal.

## 31 OTHER CURRENT LIABILITIES

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
Statutory dues payable	24.34	25.71
<b>Total</b>	<b>24.34</b>	<b>25.71</b>

## Notes forming part of the standalone financial statements

## 32 REVENUE FROM OPERATIONS

(₹ in crores)

	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
<b>Revenue from</b>		
- Engineering, Procurement and Construction	2,391.52	2,563.52
- Operation and Maintenance	13.50	56.77
<b>Other operating revenues</b>		
- Scrap sales	1.06	0.13
- Other material sales	32.86	30.99
- Claims received	11.50	24.97
<b>Total</b>	<b>2,450.44</b>	<b>2,676.38</b>

Refer note 53 for related parties transactions

## 33 OTHER INCOME

(₹ in crores)

	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
<b>Interest income on financial assets at amortised cost</b>		
- On bank deposits	15.79	7.98
- On loans and advances to related parties	0.19	15.80
<b>Interest income</b>		
- Financial assets measured at fair value through profit and loss ('FVTPL')	23.25	9.33
- On Income tax refund	-	0.91
- Others *	13.83	27.33
Dividend income on financial assets designated as fair value through profit and loss ('FVTPL')	6.79	0.61
Net gain on financial assets designated as fair value through profit and loss ('FVTPL')	37.24	30.43
Liabilities written back	2.00	0.57
Unwinding of discount on security deposits	0.11	0.09
Gain on sale of property, plant and equipment (net)	1.59	5.26
Rent income	1.04	0.12
Miscellaneous income	0.48	0.20
<b>Total</b>	<b>102.31</b>	<b>98.63</b>

\* Includes interest income recognised on mobilisation advances.

Refer note 53 for related parties transactions

## 34 COST OF MATERIALS

(₹ in crores)

	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
Inventories at the beginning of the year	86.29	48.00
Add: Purchases	389.24	428.41
	<b>475.53</b>	<b>476.41</b>
Less: Inventories at the end of the year	(103.15)	(86.29)
<b>Total</b>	<b>372.38</b>	<b>390.12</b>

## Notes forming part of the standalone financial statements

## 35 EMPLOYEE BENEFITS EXPENSE

(₹ in crores)

	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
Salaries and allowances	140.35	138.49
Contribution to provident and other funds	7.58	8.27
Share based payments to employees (Refer note 49)	0.88	(4.04)
Staff welfare expenses	9.01	5.42
<b>Total</b>	<b>157.82</b>	<b>148.14</b>

Refer note 53 for related parties transactions

## 36 FINANCE COSTS

(₹ in crores)

	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
Interest expenses on financial liabilities at amortised cost		
- Term loans	-	12.23
- Working capital	1.71	4.27
- Debentures	4.27	35.15
Net interest on net defined benefit liability	0.75	0.39
Interest on lease liability	1.05	1.12
Other interest costs	17.90	7.45
	<b>25.68</b>	<b>60.61</b>
Bank charges and other finance costs	7.73	14.91
<b>Total</b>	<b>33.41</b>	<b>75.52</b>

Refer note 53 for related parties transactions

## 37 DEPRECIATION

(₹ in crores)

	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
Depreciation on property, plant and equipment	4.67	5.62
Depreciation on right-of-use assets	5.04	3.97
<b>Total</b>	<b>9.71</b>	<b>9.59</b>

Refer note 53 for related parties transactions

## Notes forming part of the standalone financial statements

## 38 OTHER EXPENSES

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
Site expenses	36.74	16.52
Hire charges	21.46	16.73
Power, fuel and water charges	1.45	11.05
Repairs and maintenance :-		
- Property, plant and equipment	0.19	0.28
- Others	13.51	9.18
Rent	5.97	7.34
Rates and taxes	11.26	5.32
Insurance	4.87	12.67
Travelling and conveyance expense	12.95	10.38
Communication expenses	0.46	0.43
Legal and professional fees		
- Project	31.65	36.17
- Others	27.05	22.32
Freight and forwarding expenses	20.34	0.19
Business promotion and advertisement	2.14	7.34
Printing and stationary expenses	0.88	0.68
Directors sitting fees	1.97	0.75
Payment to Auditor :-		
- Audit fees (including fees for limited review)	0.46	0.42
- Certifications	0.15	0.07
- Reimbursement of expenses	0.03	0.02
Impairment provision / (Reversal) of financial instruments (net)	(0.46)	-
Donation	0.06	10.17
Corporate social responsibility (Refer note 63)	3.50	3.18
Miscellaneous expenses	11.42	5.96
<b>Total</b>	<b>208.05</b>	<b>177.16</b>

Refer note 53 for related parties transactions

## 39 INCOME TAX

## a) The major components of income tax are as under:

## i) Income tax related to items recognised in Statement of profit and loss during the year

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
<b>Current tax</b>		
Current tax on taxable income for the year	102.48	47.52
Current tax for earlier periods	6.23	-
<b>Total current tax expenses</b>	<b>108.71</b>	<b>47.52</b>
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	1.94	(0.58)
<b>Total deferred tax charge/ (credit)</b>	<b>1.94</b>	<b>(0.58)</b>
<b>Income tax expense reported in the statement of profit and loss</b>	<b>110.65</b>	<b>46.94</b>

## Notes forming part of the standalone financial statements

## ii) Deferred tax related to items recognized in other comprehensive income (OCI) during the year

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
Deferred tax on remeasurement (gains)/losses on defined benefit plan	(1.25)	1.03
<b>Deferred tax charged to other comprehensive income</b>	<b>(1.25)</b>	<b>1.03</b>

## b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
<b>Accounting profit before tax</b>	<b>395.80</b>	<b>814.96</b>
Income tax @ 25.168% (31 March 2023 : 25.168%)	99.61	205.11
Other non deductible expenses	1.17	9.85
Current tax for earlier periods	6.23	-
Other allowances for tax purpose	5.35	(15.38)
Effect of tax on exempt income	(1.71)	(0.15)
Utilisation of previously unrecognised tax losses	-	(152.49)
<b>Income tax expense charged to the statement of profit and loss</b>	<b>110.65</b>	<b>46.94</b>

## c) Deferred tax relates to the following:

	(₹ in crores)					
	Balance Sheet		Recognized in the statement of profit and loss		Recognized in OCI	
	31 March 2024	31 March 2023 (Restated)	31 March 2024	31 March 2023 (Restated)	31 March 2024	31 March 2023 (Restated)
<b>a) Taxable temporary differences</b>						
Depreciation on property, plant and equipment	(1.95)	(1.99)	0.04	(1.42)	-	-
Fair valuation of financial instruments	0.55	(3.04)	3.59	(0.13)	-	-
<b>Total (a)</b>	<b>(1.40)</b>	<b>(5.03)</b>	<b>3.63</b>	<b>(1.55)</b>	<b>-</b>	<b>-</b>
<b>b) Deductible temporary differences</b>						
Employee benefits / expenses allowable on payment basis	1.28	0.84	(1.70)	0.97	1.25	(1.03)
<b>Total (b)</b>	<b>1.28</b>	<b>0.84</b>	<b>(1.70)</b>	<b>0.97</b>	<b>1.25</b>	<b>(1.03)</b>
<b>Net deferred tax (assets)/liabilities (a-b)</b>	<b>(2.68)</b>	<b>(5.87)</b>				
<b>Deferred tax charge/(credit) (a+b)</b>			<b>1.94</b>	<b>(0.58)</b>		
<b>Deferred tax credit /(charge) (a+b)</b>					<b>1.25</b>	<b>(1.03)</b>

## d) Unrecognised deferred tax assets on unused tax losses

The Company has carried forward long term capital losses of ₹ 0.16 crores (31 March 2023 : ₹ Nil) that is available for offsetting against future taxable capital gains. Deferred tax assets of ₹ 0.04 crores (31 March 2023 : ₹ Nil) have not been recognized in respect of long term capital losses in view of uncertainty of future taxable capital gains. This losses can be carry forward till FY 2031-32.

## Notes forming part of the standalone financial statements

## 40 FAIR VALUE MEASUREMENTS

## Financial instruments by category

(₹ in crores)

	As at 31 March 2024		As at 31 March 2023 (Restated)	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
<b>Financial assets (other than investment in subsidiaries, associates and joint venture companies at cost)</b>				
<b>Non-current assets</b>				
Investments	184.71	-	183.24	-
Other financial assets	-	15.26	-	72.13
<b>Current assets</b>				
Investments	482.13	-	1,299.58	-
Trade receivables	-	621.28	-	568.64
Cash and cash equivalents	-	225.34	-	259.86
Other bank balances	-	201.77	-	210.37
Loans	-	39.51	-	83.89
Other financial assets	-	44.49	-	64.03
<b>Total financial assets</b>	<b>666.84</b>	<b>1,147.65</b>	<b>1,482.82</b>	<b>1,258.92</b>
<b>Non-current liabilities</b>				
Lease liabilities	-	5.43	-	5.82
<b>Current liabilities</b>				
Borrowings	-	180.92	-	473.03
Lease liabilities	-	3.83	-	4.11
Trade and other payables	-	379.60	-	475.92
Other financial liabilities	-	219.35	-	268.99
<b>Total financial liabilities</b>	<b>-</b>	<b>789.13</b>	<b>-</b>	<b>1,227.87</b>

## 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:

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.

(₹ in crores)

	As at 31 March 2024				
	Carrying Value	Fair Value	Level 1	Level 2	Level 3
<b>Financial assets measured at FVTPL</b>					
Non-current investments	184.71	184.71	0.04	-	184.67
Current investments	482.13	482.13	91.43	390.45	0.25
<b>Total</b>	<b>666.84</b>	<b>666.84</b>	<b>91.47</b>	<b>390.45</b>	<b>184.91</b>

## Notes forming part of the standalone financial statements

(₹ in crores)

	As at 31 March 2023 (Restated)				
	Carrying Value	Fair Value	Level 1	Level 2	Level 3
<b>Financial assets measured at FVTPL</b>					
Non-current investments	183.24	183.24	0.02	-	183.22
Current investments	1,299.58	1,299.58	403.72	895.61	0.25
<b>Total</b>	<b>1,482.82</b>	<b>1,482.82</b>	<b>403.74</b>	<b>895.61</b>	<b>183.47</b>

## Valuation techniques used to determine fair value

- Investments included in Level 1 of fair value hierarchy are based on prices quoted in stock exchange and/ or NAV declared by the funds.
- 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.
- 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.

## 41 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 - 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 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 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

The Company enters into interest rate swaps ('IRS') to manage exposure on its fixed rate or variable rate debt.

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
The fair value of interest rate swaps ('IRS')	2.97	6.75

## Notes forming part of the standalone financial statements

As at 31 March 2024 and 31 March 2023, underlying exposure to IRS was ₹300.00 crores and ₹300.00 crores respectively which was subject to variable interest rates.

The gain/(loss) due to fluctuation in fair value of IRS, recognised in the statement of profit and loss was ₹3.78 crores and ₹(4.47) crores for the year ended 31 March 2024 and 31 March 2023 respectively.

### Interest rate sensitivity :

Increase/decrease of 50 basis points in interest rates at the balance sheet date would result in an impact (decrease/increase of profit before tax) of ₹0.97 crores and ₹2.21 crores for the year ended 31 March 2024 and 31 March 2023 respectively.

### (ii) Other variable rate borrowings

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023 (Restated)
Variable rate borrowings *	-	100.00

\* excluding Ind AS adjustments relating to borrowings

### 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:

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
Interest rates : (Increase) by 50 basis points	-	(0.50)
Interest rates : Decrease by 50 basis points	-	0.50

### 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.

## Notes forming part of the standalone financial statements

### 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.

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023 (Restated)
Not due	-	-
Upto 6 months	427.47	538.17
More than 6 months	193.81	30.47
<b>Total</b>	<b>621.28</b>	<b>568.64</b>

No significant changes in estimation techniques or assumptions were made during the reporting year.

## 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 forecasts 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.

	(₹ in crores)				
As at 31 March 2024	Carrying amount	Total	Less than 1 Year	1 to 5 years	Beyond 5 years
Long term borrowings	-	-	-	-	-
Lease liabilities	9.26	11.48	4.33	6.74	0.41
Short term borrowings	180.92	180.92	180.92	-	-
Trade payables	379.60	379.60	379.60	-	-
Other financial liabilities	219.35	219.35	219.35	-	-

	(₹ in crores)				
As at 31 March 2023 (Restated)	Carrying amount	Total	Less than 1 Year	1 to 5 years	Beyond 5 years
Long term borrowings	291.68	291.68	291.68	-	-
Lease liabilities	9.93	11.74	4.11	7.22	0.41
Short term borrowings	181.35	181.48	181.48	-	-
Trade payables	475.92	475.92	475.92	-	-
Other financial liabilities	268.99	268.99	268.99	-	-

## Notes forming part of the standalone financial statements

**42 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 less cash and cash equivalents (excluding earmarked cash and cash equivalents balances) and current investments.

				(₹ in crores)	
		As at 31 March 2024	As at 31 March 2023 (Restated)		
Net debts	A	(526.30)	(1,229.24)		
Total capital	B	2,422.26	2,464.83		
Capital and net debt	C = A + B	1,895.96	1,235.59		
<b>Gearing ratio</b>	<b>A / C</b>	<b>Not applicable</b>	<b>Not applicable</b>		

The Company had a surplus position as on 31 March 2024 and 31 March 2023 and hence gearing ratio is not applicable.

**43 AGEING SCHEDULE OF TRADE RECEIVABLES**

							(₹ in crores)	
	Outstanding for following periods from due date of payment					Total		
	< 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years			
<b>As on 31 March 2024</b>								
Undisputed trade receivables -considered good	427.47	78.70	106.96	2.16	5.99	621.28		
Undisputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-		
Undisputed trade receivables -credit impaired	-	-	-	-	-	-		
Disputed trade receivables -considered good	-	-	-	-	-	-		
Disputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-		
Disputed trade receivables -credit impaired	-	-	-	-	-	-		
<b>Total</b>	<b>427.47</b>	<b>78.70</b>	<b>106.96</b>	<b>2.16</b>	<b>5.99</b>	<b>621.28</b>		

## Notes forming part of the standalone financial statements

							(₹ in crores)	
	Outstanding for following periods from due date of payment					Total		
	< 6 months	6 months - 1 year	1 - 2 years	2 - 3 yrs	> 3 years			
<b>As on 31 March 2023 (Restated)</b>								
Undisputed trade receivables -considered good	538.17	12.82	11.24	5.74	0.67	568.64		
Undisputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-		
Undisputed trade receivables -credit impaired	-	-	-	-	-	-		
Disputed trade receivables -considered good	-	-	-	-	-	-		
Disputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-		
Disputed trade receivables -credit impaired	-	-	-	-	-	-		
<b>Total</b>	<b>538.17</b>	<b>12.82</b>	<b>11.24</b>	<b>5.74</b>	<b>0.67</b>	<b>568.64</b>		

**44 AGEING SCHEDULE OF TRADE PAYABLES**

								(₹ in crores)	
	Unbilled	Outstanding for following periods from due date of payment					Total		
		Not Dues	< 1 year	1 - 2 years	2 - 3 yrs	> 3 years			
<b>As on 31 March 2024</b>									
Dues of MSME	-	16.41	19.52	-	-	-	35.93		
Dues of Creditors other than MSME including accrued liabilities	225.20	67.04	49.87	0.82	0.26	0.48	343.67		
Disputed Dues - MSME	-	-	-	-	-	-	-		
Disputed Dues - Others	-	-	-	-	-	-	-		
<b>Total</b>	<b>225.20</b>	<b>83.45</b>	<b>69.39</b>	<b>0.82</b>	<b>0.26</b>	<b>0.48</b>	<b>379.60</b>		

								(₹ in crores)	
	Unbilled	Outstanding for following periods from due date of payment					Total		
		Not Dues	< 1 year	1 - 2 years	2 - 3 yrs	> 3 years			
<b>As on 31 March 2023 (Restated)</b>									
Dues of MSME	-	-	-	-	-	-	-		
Dues of Creditors other than MSME including accrued liabilities	95.14	177.06	196.89	3.15	1.62	2.06	475.92		
Disputed Dues - MSME	-	-	-	-	-	-	-		
Disputed Dues - Others	-	-	-	-	-	-	-		
<b>Total</b>	<b>95.14</b>	<b>177.06</b>	<b>196.89</b>	<b>3.15</b>	<b>1.62</b>	<b>2.06</b>	<b>475.92</b>		



## Notes forming part of the standalone financial statements

### 45 TRANSACTION WITH STRUCK OFF COMPANIES

The following table summarises the transactions with the companies struck off under section 248 of the Act or section 560 of Companies Act, 1956 for the year ended / as at 31 March 2024 and 31 March 2023:

(₹ in crores)					
Name of the Struck off Companies	Nature of transactions	As at 31 March 2024	As at 31 March 2023 (Restated)	Relationship with the Company	
Jayman Engineering Private Limited	Payables	-	0.01	Other party	
Revenue Bull Tech Private Limited	Payables	-	0.13	Other party	
Munna Enterprises Private Limited	Payables	-	0.00	Other party	

### 46 ADDITIONAL REGULATORY DISCLOSURE - RATIOS

(₹ in crores)					
	Measure (in times/ in percentage)	31 March 2024	31 March 2023 (Restated)	% Change	Reasons
Current Ratio	In times	2.30	2.00	14.9%	-
Debt-Equity Ratio	In times	0.07	0.19	(61.1%)	Due to repayment of debts
Debt Service Coverage Ratio (DSCR)	In times	1.04	0.69	51.1%	Due to repayment of debts
Return on Equity (ROE)	In percentage	11.7%	35.2%	(66.9%)	Due to exceptional profit
Inventory Turnover Ratio	In times	3.93	5.81	(32.3%)	Due to increase in inventory level for projects
Trade Receivables Turnover Ratio	In times	4.12	6.08	(32.2%)	Due to reduction in revenue from operations
Trade Payables Turnover Ratio	In times	4.09	4.84	(15.6%)	-
Net Capital Turnover Ratio	In times	1.46	2.19	(33.2%)	Due to reduction in revenue from operations
Net Profit Ratio	In percentage	11.6%	28.7%	(59.4%)	Due to exceptional profit in previous year
Return on Capital Employed (ROCE)	In percentage	16.8%	12.6%	32.9%	Due to improved EBITDA margin
Return on investment (ROI)	In percentage	7.6%	7.4%	1.9%	-

#### Formulae for Computation of Ratios are as follows :

Current Ratio	Current assets/ Current liabilities
Debt - Equity Ratio	Debts / (Paid up equity share capital + Other equity)
	- Debt includes long term borrowings + short term borrowings + current maturities of long term borrowings
Debt Service Coverage Ratio (DSCR)	(Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest on long term debts) / (Interest on long term debts for the period + Principal repayment on long term debts during the period)
Return on Equity (ROE)	Net Profit after tax / Average shareholders equity
Inventory Turnover Ratio	Cost of material/ Average inventory
Trade Receivables Turnover Ratio	Revenue from operations/ Average of opening and closing trade receivables
Trade Payables Turnover Ratio	Purchase of services and other expenses / Average of opening and closing trade payables

## Notes forming part of the standalone financial statements

Net Capital Turnover Ratio	Revenue from operations/ Average Working capital i.e. current assets - current liabilities
Net Profit Ratio	Net Profit / Revenue from operations
Return on Capital Employed (ROCE)	Earning before Interest and Tax / Capital employed
Return on investment (ROI)	Capital Employed = Networth + Non-current lease liabilities
	Income generated from invested funds/ Average invested fund in treasury investment

### 47 EARNINGS PER SHARE (EPS)

(₹ in crores)		
	As at 31 March 2024	As at 31 March 2023 (Restated)
Profit for the year (₹ in crores)	285.15	768.02
Weighted average number of equity shares for Basic EPS (Number of shares)	137,199,711	149,964,837
Weighted average number of equity shares for Diluted EPS (Number of shares)	138,848,892	150,334,001
Nominal value of equity shares (₹)	10	10
Basic EPS (₹)	20.78	51.21
Diluted EPS (₹)	20.54	51.09

### 48 CONTINGENCIES AND COMMITMENTS

#### Contingent liabilities (to the extent not provided for)

##### i) Claims against the Company not acknowledged as debts

(₹ in crores)		
	As at 31 March 2024	As at 31 March 2023 (Restated)
Disputed labour cess demand	4.90	4.69
Stamp duty payable on concession agreement disputed in respect of BOT Projects	-	1.15
Disputed income tax liability	15.38	16.80
Disputed service tax liability	5.75	5.67
Disputed value added tax liability	1.42	1.42
Disputed Goods and Service tax liability	9.62	-
Other claims against the Company	2.98	28.96
Letter of credit outstanding	-	2.29
	<b>40.05</b>	<b>60.98</b>

- The amount represents the best possible estimate arrived at on the basis of available information. The Company has engaged reputed professionals to protect its interest and has been advised that it has strong legal positions against such disputes.
- The Company has received legal notices of claims / lawsuits filed against it relating to other matters. In the opinion of the management, no material liability is likely to arise on account of such claims/ law suits. The Company has filed claims / counter claims for various matters and engaged reputed professionals to protect the interest of the Company.
- During the year, five erstwhile subsidiaries (SPVs) of the Company received show cause notices (SCNs) from the Additional Director DGGI, Mumbai Zonal Unit, disputing the time of supply of construction services provided by the SPVs under Hybrid Annuity Model. The management believes that no material liability is likely to result from these notices.

## Notes forming part of the standalone financial statements

## ii) Guarantees excluding financial guarantees

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023 (Restated)
Bank guarantees issued	561.70	676.73
	<b>561.70</b>	<b>676.73</b>

## iii) Financial guarantees

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Guarantee given for the facilities granted</b>		
- Subsidiaries and joint venture entities	403.23	382.00
- Others	-	315.16
	<b>403.23</b>	<b>697.16</b>

The Company is providing corporate guarantee for any shortfall in amount received from the client against the debt obligation of its subsidiaries and joint venture entities. The same has been disclosed as contingent liabilities above in line with Ind AS requirements.

**Commitments**

- i) The Company has an outstanding commitments of ₹133.53 crores (31 March 2023 ₹218.00 crores) towards equity contribution in its SPVs under the financing arrangement tied up with bankers.

**49 SHARE BASED PAYMENT**

- a) In accordance with the "Welspun Enterprises Limited - Employees Stock Option Plan 2017" ("Scheme 1"), the company has granted 3,000,000 equity shares (maximum 2,000,000 equity shares to the "Managing Director") at zero cost on 10 October 2017. The fair value of the above stock option of ₹ 41.79 crores is calculated at the fair value of ₹ 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 ₹ Nil (31 March 2023 - ₹ (5.07) crores) is shown as "Share based payment to employees" in the statement of profit and loss (Refer note 35).

- b) In accordance with the "Welspun Enterprises Limited - Employee Stock Option Plan 2022" ("Scheme 2"), the company has granted 461,305 equity shares at exercise price of ₹ 97.55 per share on 30 April 2022. The fair value of the above stock option of ₹ 1.74 crores is calculated at the fair value of ₹ 37.91 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 ₹ (0.16) crores (31 March 2023 - ₹ 0.28 crores) is shown as "Share based payment to employees" in the statement of profit and loss (Refer note 35).

- c) In accordance with the "Welspun Enterprises Employee Benefit Scheme - 2022" ("Scheme 3"), the company has granted 400,000 equity shares at exercise price of ₹ 88.00 per share on 16 September 2022. The fair value of the above stock option of ₹ 2.68 crores is calculated at the fair value of ₹ 67.14 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 ₹ 1.04 crores (31 March 2023 - ₹ 0.75 crores) is shown as "Share based payment to employees" in the statement of profit and loss (Refer note 35).

## Notes forming part of the standalone financial statements

The salient features of the Schemes are as under:

## (i) Vesting

Scheme 1 and Scheme 2 : Vesting of ESOP's 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:

ESOP Schemes	Number of ESOP	Date of Grant	Date of Vesting
Scheme - 1	600,000	10-Oct-17	9-Oct-18
Scheme - 1	600,000	10-Oct-17	9-Oct-19
Scheme - 1	600,000	10-Oct-17	9-Oct-20
Scheme - 1	600,000	10-Oct-17	9-Oct-21
Scheme - 1	600,000	10-Oct-17	14-Jul-22
Scheme - 2	92,261	30-Apr-22	30-Apr-23
Scheme - 2	92,261	30-Apr-22	20-Oct-23
Scheme - 2	92,261	30-Apr-22	20-Oct-24
Scheme - 2	92,261	30-Apr-22	20-Oct-25
Scheme - 2	92,261	30-Apr-22	20-Oct-26

**Scheme 3 :** Vesting of ESOP's shall commence after 1 year from the date of grant and it may extend upto maximum of 4 years from the date of grant. Vesting of options will be on yearly basis and can vary from Grantee to Grantee at the discretion of the committee. The Vesting Schedule is as under:

ESOP Schemes	Number of ESOP	Date of Grant	Date of Vesting
Scheme - 3	100,000	16-Sep-22	15-Sep-23
Scheme - 3	100,000	16-Sep-22	15-Sep-24
Scheme - 3	100,000	16-Sep-22	15-Sep-25
Scheme - 3	100,000	16-Sep-22	15-Sep-26

## (ii) Exercise:

**Scheme 1 and Scheme 2 :** 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. In the event of abandonment of employment/ termination of employment, all ESOPs granted including the Vested Options which were not exercised at the time of abandonment/ termination, shall stand cancelled.

**Scheme 3 :** Options can be exercised in either a) Cash Route : The Grantee will receive the Shares equivalent to the number of the Options exercised in accordance with the terms and conditions of the Scheme and as mentioned in grant letter after the Grantee has made the payment of the Exercise Price and applicable income tax, or b) Cashless Route : The Grantee will receive difference between the selling price and the Exercise Price for the Options exercised by the Grantee after deducting taxes payable on exercise/sale, if any, and other amounts, expenses and charges due from the Grantee (including that in connection with the sale of shares).

In the event of cessation of employment due to death or permanent incapacity, all the options granted would be exercisable within a period of six months from the date of death/ date of permanent disability, respectively, failing which all the unexercised Options shall lapse irrevocably. 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

## Notes forming part of the standalone financial statements

due to resignation prior to retirement, all the vested options shall be exercisable by the Grantee by last day of employment in the Organization or before expiry of exercise period, whichever is earlier and all unvested options will stand cancelled.

	Scheme 1	Scheme 2	Scheme 3
<b>Date of Grant</b>	10-Oct-17	30-Apr-22	16-Sep-22
<b>Number of Options Granted</b>	3,000,000	461,305	400,000
<b>Exercise Period</b>	Capable of being exercised in 1 or more tranches in multiple of 5,000 shares within 3 years from date of Vesting	Capable of being exercised in 1 or more tranches within 1 year from date of Vesting or such longer period as may be determined by Nomination and Remuneration Committee.	Exercisable within 1 year from date of last vesting.
<b>Exercise Price Per Share</b>	₹ Nil	₹ 97.55	₹ 88.00

Scheme 1	31 March 2024		31 March 2023 (Restated)	
	No. of Stock Options	Weighted Average Exercise Price (₹)	No. of Stock Options	Weighted Average Exercise Price (₹)
Options outstanding at the beginning of the year	150,000	Nil	750,000	Nil
Options granted during the year	-	Nil	-	Nil
Options exercised during the year	150,000	Nil	200,000	Nil
Options cancelled/ lapsed during the year	-	Nil	400,000	Nil
Options outstanding at the end of the year *	-	Nil	150,000	Nil
Options vested but not exercised at the end of the year	-	Nil	150,000	Nil

\* includes options vested but not exercised

Scheme 2	31 March 2024		31 March 2023 (Restated)	
	No. of Stock Options	Weighted Average Exercise Price (₹)	No. of Stock Options	Weighted Average Exercise Price (₹)
Options outstanding at the beginning of the year	153,770	97.55	-	-
Options granted during the year	-	-	461,305	97.55
Options exercised during the year	30,754	97.55	-	-
Options cancelled/ lapsed during the year	123,016	97.55	307,535	97.55
Options outstanding at the end of the year	-	-	153,770	97.55
Options vested but not exercised at the end of the year	-	-	-	-

## Notes forming part of the standalone financial statements

Scheme 3	31 March 2024		31 March 2023 (Restated)	
	No. of Stock Options	Weighted Average Exercise Price (₹)	No. of Stock Options	Weighted Average Exercise Price (₹)
Options outstanding at the beginning of the year	400,000	88.00	-	-
Options granted during the year	-	-	400,000	88.00
Options exercised during the year	100,000	88.00	-	-
Options cancelled/ lapsed during the year	-	-	-	-
Options outstanding at the end of the year	300,000	88.00	400,000	88.00
Options vested but not exercised at the end of the year	-	-	-	-

## (iii) Information in respect of options outstanding as at 31 March 2024

	No. of Stock Options	Weighted average remaining life in months	Weighted Average Exercise Price (₹)
Scheme 1	-	-	Nil
Scheme 2	-	-	97.55
Scheme 3	300,000	17.50	88.00

## Information in respect of options outstanding as at 31 March 2023 (Restated)

	No. of Stock Options	Weighted average remaining life in months	Weighted Average Exercise Price (₹)
Scheme 1	150,000	-	Nil
Scheme 2	153,770	8.66	97.55
Scheme 3	400,000	23.50	88.00

## (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 :

	Scheme - 1	Scheme - 2	Scheme - 3
Variables :-			
Price of the underlying share in the market at the time of option granted	139.30	88.95	124.95
Expected Volatility of share price	45.14%	49.65%	50.43%
Risk free rate (on the basis of tenure) (% pa)	6.43% to 6.69%	6.46%	6.91%
Exercise price	Nil	97.55	88.00
Time to maturity (in years)	2 to 6	5	4
Dividend yield	0%	1.69%	1.20%
Fair Value of Option	139.30	37.91	67.14

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.

## Notes forming part of the standalone financial statements

## (v) Effect of share-based payment plan on the Balance sheet and Statement of profit and loss:

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023 (Restated)
Share options outstanding account (Refer note 20(b)(iv) (a))	1.10	3.11
Share based payments to employees (Refer note 35)	0.88	(4.04)

**50 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".

**51 EXCEPTIONAL ITEMS (NET)**

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
Gain on sale of non-current investments (Refer note 58)	-	582.23
Reversal of provision for Welspun Maxsteel Limited (WMSL) obligations	-	24.26
Impairment on financial instruments (Refer note 6)	-	(22.64)
Bad debts w.r.t. receivables of Mohali Project	-	(18.99)
	-	<b>564.86</b>

**52 GRATUITY AND OTHER POST EMPLOYMENT BENEFITS PLANS**

The disclosures of employee benefit as defined in the Ind AS 19 - "Employee Benefits" are given below :

- 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.
- 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 :-**

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
Current service cost	1.83	1.63
Interest cost (net)	0.50	0.17
<b>Net expenses recognised in statement of profit and loss</b>	<b>2.33</b>	<b>1.79</b>

## Notes forming part of the standalone financial statements

**ii. Net expenses recognised during the year in other comprehensive income (OCI)**

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	0.05	4.81
Actuarial (gains) / losses arising from changes in experience assumptions	(5.02)	(0.36)
Actuarial (gains) / losses for the year on plan assets	-	(0.36)
<b>Net expenses recognised in other comprehensive income</b>	<b>(4.97)</b>	<b>4.09</b>

**iii. Net liability recognised in the balance sheet**

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
Fair value of plan assets	5.93	3.74
Present value of obligation	6.28	11.91
<b>Net liability recognized in balance sheet</b>	<b>0.35</b>	<b>8.17</b>

**iv. Reconciliation of opening and closing balances of defined benefit obligation**

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
Defined benefit obligation as at the beginning of the year	11.91	5.91
Service cost	1.83	1.63
Interest cost	0.89	0.43
Actuarial (gain) / loss on obligation	(4.97)	4.45
Benefits paid from fund	(0.64)	(0.51)
Benefits directly paid by the Company	(2.74)	-
<b>Defined benefit obligation at the end of the year</b>	<b>6.28</b>	<b>11.91</b>

**v. Reconciliation of opening and closing balance of fair value of plan assets**

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
Fair values of plan assets at the beginning of the year	3.74	3.63
Return on plan assets, excluding interest income	0.39	0.62
Employer contribution	0.96	-
Benefits paid from fund	(0.64)	(0.51)
Other adjustments	1.48	-
<b>Fair value of plan assets at year end</b>	<b>5.93</b>	<b>3.74</b>

## Notes forming part of the standalone financial statements

## vi. Reconciliation of opening and closing balance of net defined benefit obligation

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
Net defined benefit obligation as at the beginning of the year	8.17	2.28
Current service cost	1.83	1.63
Interest cost (net)	0.50	0.17
Actuarial (gain) / loss on obligation	(4.97)	4.09
Benefits directly paid by the Company	(2.74)	-
Contribution paid to the fund	(0.96)	-
Other adjustments	(1.48)	-
<b>Net defined benefit obligation at the end of the year</b>	<b>0.35</b>	<b>8.17</b>

## vii. Actuarial assumptions

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023 (Restated)
Mortality Table	100% of Indian assured lives Mortality (2012-14)	100% of Indian assured lives Mortality (2012-14)
Discount rate (per annum)	7.22%	7.50%
Rate of escalation in salary (per annum)	6.00%	6.00%
Attrition rate	30% up to age 30, 30% from age 31 to 44 and 30% thereafter	30% up to age 30, 30% from age 31 to 44 and 30% thereafter

## ix. Quantitative sensitivity analysis

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Impact of change in discount rate</b>		
Present value obligation at the end of the year	6.28	11.91
Impact due to increase of 0.50%	(0.10)	(0.16)
Impact due to decrease of 0.50%	0.07	0.16
<b>Impact of change in salary increase</b>		
Present value obligation at the end of the year	6.28	11.91
Impact due to increase of 0.50%	0.07	0.16
Impact due to decrease of 0.50%	(0.10)	(0.16)

Sensitivities related to mortality and withdrawals are considered immaterial, therefore the impact of changes stemming from these factors has not been calculated. Sensitivities concerning the rate of pension increase during payment, pre-retirement pension growth rate, and life expectancy are not relevant in this context.

## Notes forming part of the standalone financial statements

## x. Maturity analysis of projected benefit obligation: from the fund

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023 (Restated)
Year ended		
31-Mar-24	-	5.14
31-Mar-25	3.08	5.24
31-Mar-26	3.68	6.23
31-Mar-27	4.42	7.32
31-Mar-28	4.84	8.52
31-Mar-29	6.42	-

The weighted average duration of defined benefit obligation is 8.19 years (31 March 2023 - 47.62 years)

## Notes

- Amounts recognized as an expense and included in the Note 35 "Employee benefits expense" are gratuity ₹0.35 crores, net of Other adjustments of ₹(1.48) crores (31 March 2023 ₹1.63 crores) and leave encashment ₹1.58 crores (31 March 2023 ₹0.63 crores). Net interest cost on defined benefit obligation recognised in Note 36 under "Finance costs" is ₹0.75 crores (31 March 2023 ₹0.39 crores).
- 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.
- Contribution to provident and other funds which is a defined plan is recognized as an expense in Note 35 of the financial statements.

## 53 DISCLOSURE AS REQUIRED BY IND AS 24 - RELATED PARTY DISCLOSURES

## a) Particulars of subsidiaries/ Controlled Structured Entity

Direct subsidiaries	Principal activities	Extent of holding		Principal place of business
		As at 31 March 2024	As at 31 March 2023 (Restated)	
Welspun Projects (Himmatnagar Bypass) Private Limited	Infrastructure	100%	100%	India
Welspun Project (Kim Mandvi Corridor) Private Limited	Infrastructure	100%	100%	India
Dewas Waterprojects Works Private Limited @	Infrastructure	76%	76%	India
Welspun Build-Tech Private Limited	Infrastructure	100%	100%	India
Welspun Natural Resources Private Limited (Refer note 57) \$\$	Oil and Gas exploration	-	-	India
Welspun Delhi Meerut Expressway Private Limited \$	Infrastructure	-	-	India
ARSS Bus Terminal Private Limited	Infrastructure	100%	100%	India
Grenoble Infrastructure Private Limited	Infrastructure	49%	49%	India
DME Infra Private Limited	Infrastructure	100%	100%	India
Welspun Sattanathapuram Nagapattinam Road Private Limited @@	Infrastructure	70%	70%	India
Welspun Road Infra Private Limited \$	Infrastructure	-	-	India
Welsteel Enterprises Private Limited	Infrastructure	49%	49%	India
Welspun Aunta-Simaria Project Private Limited #	Infrastructure	74%	74%	India
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracility Private Limited) ^^	Infrastructure	-	-	India
Welspun-Kaveri Infracility JV *	Infrastructure	70%	70%	India
Welspun EDAC JV Private Limited **	Infrastructure	80%	80%	India
Welspun New Energy Limited ***	Infrastructure	-	100%	India

## Notes forming part of the standalone financial statements

(₹ in crores)

Direct subsidiaries	Principal activities	Extent of holding		Principal place of business
		As at 31 March 2024	As at 31 March 2023 (Restated)	
Mounting Renewable Energy Limited ##	Infrastructure	-	-	India
NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited) ^ \$	Infrastructure	-	-	India
NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited) ^ \$	Infrastructure	-	-	India
NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited) ^^ \$	Infrastructure	-	-	India
Welspun Michigan Engineers Limited (formerly known as Michigan Engineers Private Limited) ###	Infrastructure	50.10%	-	India

\* Controlled Structured Entity

\*\* became subsidiary w.e.f. 6 June 2022

\*\*\* became subsidiary w.e.f. 31 January 2023 and ceases to be a subsidiary w.e.f. 27 November 2023

^ became subsidiary w.e.f. 28 September 2022 and ceased to be joint venture entity

^^ became subsidiary w.e.f. 5 September 2022 and ceased to be joint venture entity

^^^ ceased to be subsidiary and became associate w.e.f. 22 December 2022 (Refer note 58)

\$ ceased to be subsidiary w.e.f. 22 December 2022 (Refer note 58)

\$\$ Liquidated on 12 February 2024

@ In addition to aforesaid stake, 24% are held through Welspun Project (Kim Mandvi Corridor) Private Limited

@@ In addition to aforesaid stake, 14.65% are held through Grenoble Infrastructure Private Limited

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

## became step-down subsidiary w.e.f. 2 September 2023 and ceases to be step-down subsidiary w.e.f. 27 November 2023

### became subsidiary w.e.f. 27 July 2023

## b) Joint venture companies

(₹ in crores)

Name of the Entities	Extent of holding		Principal place of business
	As at 31 March 2024	As at 31 March 2023 (Restated)	
RGY Roads Private Limited (Refer note 75)	-	-	India
Corbello Trading Private Limited (Refer note 75)	-	-	India
NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited) ^	-	-	India
NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited) ^	-	-	India
NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited) ^^	-	-	India

^ became subsidiary w.e.f. 28 September 2022 and ceased to be joint venture entity

^^ became subsidiary w.e.f. 5 September 2022 and ceased to be joint venture entity

## Notes forming part of the standalone financial statements

## c) Associates

(₹ in crores)

Name of the Entities	Extent of holding		Principal place of business
	As at 31 March 2024	As at 31 March 2023 (Restated)	
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracore Private Limited) ^^^	51%	51%	India
Adani Welspun Exploration Limited (Refer note 57)	35%	35%	India

^^^ ceased to be subsidiary and became associate w.e.f. 22 December 2022 (Refer note 58)

## d) Trust under the Control of Welspun Enterprises Limited

Welspun Enterprises Employees Welfare Trust  
(w.e.f. 12 July 2022)

## e) 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. Ajay Hans *	Managing Director
Ms. Dipali Goenka	Non Independent Director
Mr. Rajesh R. Mandawewala	Non Independent Director
Dr. Aruna Sharma	Independent Director
Mr. Mohan Tandon **	Independent Director
Mr. Raghav Chandra	Independent Director
Dr. Anoop Kumar Mittal	Independent Director
Mr. Sudhir Mital ***	Independent Director
Mr. S. Madhavan ###	Independent Director
Mr. Lalit Jain #	Chief Financial Officer
Mr. Sanjay Sultania ##	Chief Financial Officer
Mr. Rajesh Jain @	Chief Human Resources Officer
Ms. Nidhi Tanna @@	Company Secretary
Ms. Priya Pakhare @@@	Company Secretary

\$ Managing Director ('MD') till 31 March 2022 and re-appointed as Managing Director ('MD') w.e.f. 8 August 2022

\* Appointed as Managing Director ('MD') w.e.f. 1 April 2022 and ceased to be MD w.e.f. 7 August 2022

\*\* Ceased to be Independent Director w.e.f. 31 March 2024

\*\*\* Appointed w.e.f. 12 May 2022

# Appointed as Interim Chief Financial Officer w.e.f. 1 February 2023 and Chief Financial Officer w.e.f. 19 May 2023

## Appointed as Chief Financial Officer w.e.f. 11 October 2021 and resigned w.e.f. 9 January 2023

### Appointed as Independent Director w.e.f. 1 April 2024

@ Appointed as Chief Human Resources Officer w.e.f. 2 February 2022

@@ Appointed as Company Secretary w.e.f. 1 January 2023

@@@ Ceased to be Company Secretary w.e.f. 30 November 2022

## Notes forming part of the standalone financial statements

**f) Other related parties with whom transactions have taken place or balances outstanding at the year end**

Welspun Living Limited (formerly known as Welspun India Limited), Welspun Corp Limited, Welspun Steel Limited, Welspun Realty Private Limited, Welspun Global Brands Limited, Welspun Foundation for Health and Knowledge, Welspun Energy Thermal Private Limited (Formerly known as Solarsys Infra Projects Private Limited); Welspun Multiventures LLP; Welassure Private Limited; Welspun Global Services Private Limited; Welspun Specialty Solutions Limited; Welspun Transformation Services Limited; Welspun DI Pipes Limited; MGN Agro Properties Private Limited; Welspun Group Master Trust; Welspun Metallics Limited, Methodical Investment & Trading Co. Private Limited, Anjar TMT Steel Private Limited, DBG Multiventures LLP, Welspun One Logistics Parks Development Management Private Limited, Mounting Renewable Power Limited.

**g) Transactions with related parties**

Nature of transactions	₹ in crores	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
<b>Construction contract revenue (including unbilled work-in-progress)</b>	<b>1,600.63</b>	<b>1,581.01</b>
<b>Subsidiaries</b>		
Welspun Sattanathapuram Nagapattinam Road Private Limited	274.35	170.19
Welspun Road Infra Private Limited	-	140.03
Welspun Aunta-Simaria Project Private Limited	305.19	171.96
Welspun EDAC JV Private Limited	256.85	17.22
<b>Joint Venture Companies / Subsidiaries</b>		
NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited)	-	27.39
NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited)	-	12.28
NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited)	-	45.03
<b>Subsidiary / Associate</b>		
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapacity Private Limited)	153.73	447.51
<b>Controlled Structured Entity</b>		
Welspun-Kaveri Infracapacity JV	610.51	549.40
<b>Advisory and consultancy income</b>	<b>0.56</b>	<b>0.78</b>
<b>Subsidiaries</b>		
Welspun Sattanathapuram Nagapattinam Road Private Limited	-	0.00
Welspun Road Infra Private Limited	-	0.04
<b>Joint Venture Companies / Subsidiaries</b>		
NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited)	-	0.15
NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited)	-	0.00
NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited)	-	0.02
<b>Subsidiary / Associate</b>		
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapacity Private Limited)	0.56	0.57
<b>Operation and maintenance income</b>	<b>4.05</b>	<b>49.06</b>

## Notes forming part of the standalone financial statements

Nature of transactions	₹ in crores	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
<b>Subsidiaries</b>		
Welspun Delhi Meerut Expressway Private Limited	-	4.37
Welspun Road Infra Private Limited	-	21.07
<b>Joint Venture Companies / Subsidiaries</b>		
NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited)	-	2.91
NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited)	-	10.13
NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited)	-	3.77
<b>Subsidiary / Associate</b>		
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapacity Private Limited)	4.05	6.81
<b>Interest income</b>	<b>0.19</b>	<b>0.01</b>
<b>Subsidiary</b>		
Welspun Michigan Engineers Limited	0.19	-
<b>Associate</b>		
Adani Welspun Exploration Limited	-	0.01
<b>Dividend income</b>	<b>-</b>	<b>0.57</b>
<b>Other Related Party</b>		
Welspun Global Services Limited	-	0.57
<b>Interest income on loans and advances #</b>	<b>-</b>	<b>15.79</b>
<b>Subsidiaries</b>		
Welspun Natural Resources Private Limited	-	14.35
<b>Joint Venture Companies / Subsidiaries</b>		
NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited)	-	0.48
NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited)	-	0.96
<b>Interest expense on lease liability #</b>	<b>0.14</b>	<b>0.19</b>
<b>Other Related Parties</b>		
Welspun Realty Private Limited	0.14	0.19
Welspun Multiventures LLP	-	0.00
<b>Right-to-use an underlying asset #</b>	<b>-</b>	<b>1.96</b>
<b>Other Related Party</b>		
Welspun Realty Private Limited	-	1.96
<b>Obligation to make lease payment #</b>	<b>-</b>	<b>1.96</b>
<b>Other Related Party</b>		
Welspun Realty Private Limited	-	1.96
<b>Repayment of lease obligation #</b>	<b>0.50</b>	<b>0.53</b>
<b>Other Related Parties</b>		
Welspun Realty Private Limited	0.50	0.50
Welspun Corp Limited	-	0.01
Welspun Multiventures LLP	-	0.02
<b>Rent expenses</b>	<b>0.65</b>	<b>0.51</b>

## Notes forming part of the standalone financial statements

Nature of transactions	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
<b>Other Related Parties</b>		
Welspun Realty Private Limited	0.50	0.50
Welspun Corp Limited	-	0.01
Methodical Investment & Trading Co. Private Limited	0.15	-
Welspun Multiventures LLP	-	0.01
<b>Office expenses/Cleaning expenses/Guest house expense/Rates and taxes</b>	<b>0.40</b>	<b>0.31</b>
<b>Other Related Parties</b>		
Welassure Private Limited	0.31	0.31
Welspun Global Brands Limited	0.09	-
<b>Corporate Social Responsibility</b>	<b>3.50</b>	<b>3.18</b>
<b>Other Related Party</b>		
Welspun Foundation for Health and Knowledge	3.50	3.18
<b>Retainership Expenses</b>	<b>1.06</b>	<b>2.00</b>
<b>Other Related Party</b>		
Welspun Living Limited (formerly known as Welspun India Limited)	1.06	2.00
<b>Purchase of Materials</b>	<b>12.08</b>	<b>2.26</b>
<b>Other Related Parties</b>		
Anjar TMT Steel Private Limited	3.77	-
Welspun Corp Limited	2.04	-
Welspun Global Brands Limited	0.01	1.06
Welspun DI Pipes Limited	6.26	1.20
<b>Sales promotion</b>	<b>0.97</b>	<b>-</b>
<b>Other Related Party</b>		
Welspun Global Brands Limited	0.97	-
<b>Professional Fees</b>	<b>9.77</b>	<b>3.17</b>
<b>Other Related Parties</b>		
Welspun Global Services Limited	0.03	0.30
Welspun Transformation Services Limited	9.74	2.87
<b>Royalty expenses</b>	<b>2.06</b>	<b>-</b>
<b>Other Related Party</b>		
Welspun Multiventure LLP	2.06	-
<b>Reimbursement of expenses (Recovery)</b>	<b>6.27</b>	<b>0.23</b>
<b>Subsidiaries</b>		
Welspun Aunta-Simaria Project Private Limited	0.26	-
Welspun EDAC JV Private Limited	0.37	-
Welspun Sattanathapuram Nagapattinam Road Private Limited	1.37	-
<b>Associate</b>		
Adani Welspun Exploration Limited	1.19	0.16
<b>Controlled Structured Entity</b>		
Welspun-Kaveri Infraprojects JV	2.88	-
<b>Other Related Parties</b>		
Mounting Renewable Power Limited	0.20	-
Welspun Corp Limited	-	0.07
<b>Staff welfare expenses</b>	<b>0.12</b>	<b>0.85</b>

## Notes forming part of the standalone financial statements

Nature of transactions	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
<b>Other Related Parties</b>		
Welspun Global Brands Limited	0.09	0.37
Welspun Corp Limited	-	0.48
Welspun Transformation Services Limited	0.03	-
<b>Interest expenses</b>	<b>-</b>	<b>0.06</b>
<b>Other Related Party</b>		
MGN Agro Properties Private Limited	-	0.06
<b>Sale of Material</b>	<b>-</b>	<b>4.95</b>
<b>Other Related Parties</b>		
Welspun Living Limited (formerly known as Welspun India Limited)	-	4.92
Welspun Metallics Limited	-	0.03
<b>Rent Income</b>	<b>1.04</b>	<b>0.12</b>
<b>Associate</b>		
Adani Welspun Exploration Limited	1.00	0.10
<b>Other Related Parties</b>		
Welspun Living Limited (formerly known as Welspun India Limited)	0.01	0.01
Welspun Global Brands Limited	0.01	0.01
Welspun Speciality Solutions Limited	0.01	0.01
Welspun One Logistics Parks Development Management Private Limited	0.01	-
<b>Loans/ deposits/ advances given</b>	<b>178.75</b>	<b>387.81</b>
<b>Subsidiaries</b>		
ARSS Bus Terminal Private Limited	0.02	0.02
Dewas Waterprojects Works Private Limited	2.36	3.16
Welspun Projects (Himmatnagar Bypass) Private Limited	0.06	0.05
Welspun Project (Kim Mandvi Corridor) Private Limited	0.00	0.01
Welspun Build-Tech Private Limited	-	0.01
Welspun Natural Resources Private Limited	-	9.37
Welspun Delhi Meerut Expressway Private Limited	-	4.42
DME Infra Private Limited	0.00	0.01
Welsteel Enterprises Private Limited	0.00	0.01
Welspun Aunta-Simaria Project Private Limited	33.96	15.72
Grenoble Infrastructure Private Limited	0.00	0.01
Welspun Sattanathapuram Nagapattinam Road Private Limited	83.36	53.35
Welspun Road Infra Private Limited	-	20.88
Welspun Michigan Engineers Limited	25.00	-
Welspun EDAC JV Private Limited	3.40	14.52
Welspun New Energy Limited	8.89	-
<b>Joint Venture Companies / Subsidiaries</b>		
NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited)	-	10.49
NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited)	-	48.55
NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited)	-	53.89



## Notes forming part of the standalone financial statements

Nature of transactions	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
<b>Controlled Structured Entity</b>		
Welspun-Kaveri Infraprojects JV	16.73	9.70
<b>Subsidiary / Associate</b>		
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapacity Private Limited)	4.97	143.64
<b>Repayments of loans/ advances given</b>	<b>85.24</b>	<b>761.86</b>
<b>Subsidiaries</b>		
Dewas Waterprojects Works Private Limited	1.94	4.26
Welspun Build-Tech Private Limited	0.01	0.05
Welspun Projects (Himmatnagar Bypass) Private Limited	0.14	-
Welspun Project (Kim Mandvi Corridor) Private Limited	0.00	-
Welspun Delhi Meerut Expressway Private Limited	-	4.42
Welspun Natural Resources Private Limited	-	0.03
Welspun Road Infra Private Limited	-	67.07
Welspun Aunta-Simaria Project Private Limited	7.88	20.39
Welspun Sattanathapuram Nagapattinam Road Private Limited	12.17	9.81
Welspun Michigan Engineers Limited	25.00	-
Welspun New Energy Limited	8.89	-
Welspun EDAC JV Private Limited	6.05	11.86
Welsteel Enterprises Private Limited	0.05	-
<b>Joint Venture Companies / Subsidiaries</b>		
NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited)	-	34.91
NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited)	-	79.58
NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited)	-	89.15
<b>Controlled Structured Entity</b>		
Welspun-Kaveri Infraprojects JV	18.14	11.56
<b>Subsidiary / Associate</b>		
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapacity Private Limited)	4.97	428.72
<b>Associate</b>		
Adani Welspun Exploration Limited	-	0.05
<b>Security deposits taken</b>	<b>0.02</b>	<b>0.02</b>
<b>Other Related Parties</b>		
Welspun Living Limited (formerly known as Welspun India Limited)	-	0.01
Welspun One Logistics Parks Development Management Private Limited	0.02	-
Welspun Global Brands Limited	-	0.01
<b>Security deposits given</b>	<b>0.09</b>	-
<b>Other Related Party</b>		
Methodical Investment & Trading Co. Private Limited	0.09	-
<b>Security deposit given refunded</b>	-	<b>0.05</b>

## Notes forming part of the standalone financial statements

Nature of transactions	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
<b>Other Related Party</b>		
Welspun Multiventures LLP	-	0.05
<b>Borrowings taken</b>	<b>1.67</b>	<b>34.70</b>
<b>Subsidiaries</b>		
Welspun Projects (Himmatnagar Bypass) Private Limited	-	2.00
Welspun Build-Tech Private Limited	1.67	7.70
<b>Other Related Party</b>		
MGN Agro Properties Private Limited	-	25.00
<b>Borrowing repaid</b>	<b>11.37</b>	<b>25.00</b>
<b>Other Related Parties</b>		
Welspun Build-Tech Private Limited	9.37	-
Welspun Projects (Himmatnagar Bypass) Private Limited	2.00	-
MGN Agro Properties Private Limited	-	25.00
<b>Trade advances repaid/ adjusted</b>	-	<b>9.37</b>
<b>Subsidiary</b>		
Welspun Delhi Meerut Expressway Private Limited	-	9.37
<b>Mobilisation advance repaid/ adjusted</b>	-	<b>44.24</b>
<b>Subsidiary / Associate</b>		
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapacity Private Limited)	-	44.24
<b>Inter-corporate deposit given</b>	-	<b>4.50</b>
<b>Associate</b>		
Adani Welspun Exploration Limited	-	4.50
<b>Inter-corporate deposit adjusted to application money for CCDs (Including accrued interest net of tax)</b>	-	<b>4.51</b>
<b>Associate</b>		
Adani Welspun Exploration Limited	-	4.51
<b>Purchase of property, plant and equipment</b>	<b>0.05</b>	-
<b>Other Related Party</b>		
Welspun Living Limited (formerly known as Welspun India Limited)	0.05	-
<b>Sale of property, plant and equipment</b>	<b>0.41</b>	-
<b>Other Related Parties</b>		
Welassure Private Limited	0.40	-
Welspun Metallica Limited	0.01	-
<b>Conversion of Compulsorily Convertible Debenture ('CCD') to Optionally Convertible Debentures ('OCD')</b>	<b>7.12</b>	<b>17.12</b>
<b>Subsidiary</b>		
Welspun Build-Tech Private Limited	7.12	17.12
<b>Conversion of loan/ advance to Equity shares</b>	<b>23.79</b>	-
<b>Subsidiary</b>		
Welspun Sattanathapuram Nagapattinam Road Private Limited	23.79	-
<b>Conversion of loan/ advance to Compulsorily Convertible Debentures</b>	<b>114.06</b>	<b>500.51</b>

## Notes forming part of the standalone financial statements

Nature of transactions	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
<b>Subsidiaries</b>		
Welspun Natural Resources Private Limited	-	500.51
Welspun Sattanathapuram Nagapattinam Road Private Limited	114.06	-
<b>Conversion of Compulsorily Convertible Debentures to Equity Shares</b>	-	<b>500.51</b>
<b>Subsidiary</b>		
Welspun Natural Resources Private Limited	-	500.51
<b>Redemption of Compulsorily Convertible Debentures</b>	-	<b>221.51</b>
<b>Subsidiary</b>		
Welspun Delhi Meerut Expressway Private Limited	-	21.55
<b>Joint Venture Companies/ Subsidiaries</b>		
NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited)	-	61.89
NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited)	-	77.04
NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited)	-	61.03
<b>Redemption of Optionally Convertible Debentures</b>	<b>8.91</b>	<b>390.42</b>
<b>Subsidiaries</b>		
Welspun Delhi Meerut Expressway Private Limited	-	29.00
Welspun Road Infra Private Limited	-	14.99
Welspun Build-Tech Private Limited	8.91	-
<b>Subsidiary / Associate</b>		
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracility Private Limited)	-	140.39
<b>Joint Venture Companies / Subsidiaries</b>		
NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited)	-	57.27
NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited)	-	83.14
NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited)	-	65.63
<b>Provision for impairment of investments</b>	<b>1.11</b>	<b>25.70</b>
<b>Subsidiaries</b>		
Welspun Build-Tech Private Limited	1.10	7.65
ARSS Bus Terminal Private Limited	-	11.92
Welspun Project (Kim Mandvi Corridor) Private Limited	-	3.07
DME Infra Private Limited	0.01	3.07
<b>Purchase of equity shares of Welspun New Energy Limited</b>	-	<b>0.01</b>
<b>Other related party</b>		
Welspun Group Master Trust	-	0.01
<b>Investment in equity shares</b>	-	<b>0.58</b>
<b>Subsidiary</b>		
Welspun EDAC JV Private Limited	-	0.01

## Notes forming part of the standalone financial statements

Nature of transactions	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
<b>Other Related Party</b>		
Welspun Transformation Services Limited	-	0.57
<b>Sale of equity shares of Welspun New Energy Limited</b>	<b>0.01</b>	-
<b>Other Related Parties</b>		
MGN Agro Properties Private Limited	0.01	-
DBG Multiventures LLP	0.00	-
<b>Investment in Compulsorily convertible debentures</b>	<b>34.42</b>	<b>4.51</b>
<b>Subsidiary</b>		
Grenoble Infrastructure Private Limited	10.20	-
<b>Associate</b>		
Adani Welspun Exploration Limited	24.22	4.51
<b>Bank guarantee given/ (discharged) for advance received by Subsidiaries/ Controlled Structured Entity / Associate / Other Related Party</b>	<b>(6.10)</b>	<b>79.45</b>
<b>Subsidiaries</b>		
Welspun Sattanathapuram Nagapattinam Road Private Limited	(118.33)	(47.58)
Welspun Sattanathapuram Nagapattinam Road Private Limited	50.11	-
Welspun Aunta-Simaria Project Private Limited	40.64	-
<b>Controlled Structured Entity</b>		
Welspun-Kaveri Infracprojects JV	172.86	151.16
Welspun-Kaveri Infracprojects JV	(176.38)	(18.73)
<b>Associate</b>		
Adani Welspun Exploration Limited	-	(5.40)
<b>Other Related Party</b>		
Mounting Renewable Power Limited	25.00	-
<b>Bank guarantee given/ (discharged) for performance security of Subsidiaries/ Controlled Structured Entity / Associate</b>	<b>(109.02)</b>	<b>191.48</b>
<b>Subsidiaries</b>		
Dewas Waterprojects Works Private Limited	-	(2.50)
Welspun EDAC JV Private Limited	(100.00)	138.56
<b>Controlled Structured Entity</b>		
Welspun-Kaveri Infracprojects JV	18.75	55.42
Welspun-Kaveri Infracprojects JV	(22.74)	-
<b>Associate</b>		
Adani Welspun Exploration Limited	(5.03)	-
<b>Corporate guarantee given/ (discharged) for advance received of Subsidiaries/ Controlled Structured Entity / Associate *</b>	<b>(69.66)</b>	-
<b>Subsidiary</b>		
Welspun Aunta-Simaria Project Private Limited	(69.66)	-
<b>Corporate guarantee given/ (discharged) for performance security of Subsidiaries/ Controlled Structured Entity / Associate *</b>	<b>40.00</b>	-
<b>Subsidiaries</b>		
Welspun EDAC JV Private Limited	100.00	-
Welspun Sattanathapuram Nagapattinam Road Private Limited	(60.00)	-
<b>Advances for business purpose</b>	-	<b>0.09</b>
Mr Rajesh R. Mandawewala	-	0.09

## Notes forming part of the standalone financial statements

Nature of transactions	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
<b>Directors Sitting Fees paid/ provided</b>	<b>1.97</b>	<b>0.75</b>
Mr. Mohan Tandon	0.65	0.18
Dr. Aruna Sharma	0.33	0.13
Mr. Raghav Chandra	0.38	0.18
Dr. Anoop Kumar Mittal	0.32	0.16
Mr Sudhir Mital	0.29	0.11
<b>Remuneration paid/ provided to KMP ^</b>	<b>20.92</b>	<b>30.52</b>
Short term benefits **	20.92	30.52

^ excludes retirement benefits (employer PF contribution, gratuity, leave encashment etc)

\* Release of performance guarantees represent the release of performance bank guarantee of SPV. Consequently the corporate guarantee given to the bankers of SPV to that extent stands extinguished.

\*\* excludes ₹2.54 crores (31 March 2023 ₹1.50 crores) paid from Adani Welspun Exploration Limited to Mr. Sandeep Garg

# Represents transactions related to Ind AS adjustments

**\* Closing balances as at**

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Loans, advances and deposits given</b>	<b>39.59</b>	<b>85.10</b>
<b>Subsidiaries</b>		
Dewas Waterprojects Works Private Limited	2.31	1.89
Welspun Projects (Kim Mandvi Corridor) Private Limited	0.58	0.58
Welspun Projects (Himmatnagar Bypass) Private Limited	-	0.08
ARSS Bus Terminal Private Limited	0.29	0.27
Welspun Build-Tech Private Limited	-	0.01
Welsteel Enterprises Private Limited	-	0.04
Welspun Aunta-Simaria Project Private Limited	36.28	10.21
Welspun Sattanathapuram Nagapattinam Road Private Limited	-	66.67
DME Infra Private Limited	0.04	0.03
Grenoble Infrastructure Private Limited	0.02	0.02
Welspun EDAC JV Private Limited	-	2.64
<b>Controlled Structured Entity</b>		
Welspun-Kaveri Infraprojects JV	-	1.41
<b>Other Related Parties</b>		
Welspun Transformation Services Private Limited	-	1.18
Welspun Living Limited (formerly known as Welspun India Limited)	-	0.00
Welspun Corp Limited	0.07	0.07
<b>Trade and other receivables (including Contract Assets)</b>	<b>381.73</b>	<b>417.15</b>
<b>Subsidiaries</b>		
Welspun Sattanathapuram Nagapattinam Road Private Limited	179.31	59.79
Welspun Aunta-Simaria Project Private Limited	50.19	60.29
Welspun EDAC JV Private Limited	25.41	70.68
Welspun Projects (Himmatnagar Bypass) Private Limited	0.02	-

## Notes forming part of the standalone financial statements

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Controlled Structured Entity</b>		
Welspun-Kaveri Infraprojects JV	15.67	87.44
<b>Associates</b>		
Adani Welspun Exploration Limited	0.69	0.18
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapital Private Limited)	109.20	138.30
<b>Other related parties</b>		
Welspun Living Limited (formerly known as Welspun India Limited)	0.41	0.40
Welspun Global Brands Limited	0.02	0.01
Welspun Metallica Limited	0.01	0.04
Welspun Specialty Solutions Limited	0.01	0.01
Welspun One Logistics Parks Development Management Private Limited	0.00	-
Methodical Investment & Trading Co. Private Limited	0.09	-
Mounting Renewable Power Limited	0.23	-
Welassure Private Limited	0.47	0.01
<b>Right-to-use an underlying asset</b>	<b>1.18</b>	<b>1.60</b>
<b>Other Related Parties</b>		
Welspun Realty Private Limited	1.18	1.57
Welspun Multiventures LLP	-	0.03
<b>Lease Liabilities</b>	<b>1.21</b>	<b>1.64</b>
<b>Other Related Parties</b>		
Welspun Realty Private Limited	1.21	1.61
Welspun Multiventures LLP	-	0.03
<b>Trade Payables/ Other Payables/ Deposits received</b>	<b>3.11</b>	<b>2.66</b>
<b>Other related parties</b>		
Welspun DI Pipes Limited	1.50	0.33
Welspun Transformation Services Private Limited	0.80	1.05
Welspun Speciality Solutions Limited	0.01	0.01
Welassure Private Limited	0.03	-
Welspun Living Limited (formerly known as Welspun India Limited)	0.08	0.65
Welspun Global Brands Limited	0.01	0.10
Welspun Global Services Limited	0.09	-
Welspun One Logistics Parks Development Management Private Limited	0.02	-
Welspun Multiventures LLP	0.05	-
Welspun Metallica Limited	0.00	-
Welspun Corp Limited	0.52	0.52
<b>Short term borrowings</b>	<b>-</b>	<b>9.70</b>
<b>Subsidiaries</b>		
Welspun Projects (Himmatnagar Bypass) Private Limited	-	2.00
Welspun Build-Tech Private Limited	-	7.70
<b>Contract liabilities</b>	<b>144.51</b>	<b>113.28</b>
<b>Subsidiaries</b>		
Welspun Aunta-Simaria Project Private Limited	55.18	3.35
Welspun Sattanathapuram Nagapattinam Road Private Limited	46.28	8.96
Welspun EDAC JV Private Limited	-	91.01

## Notes forming part of the standalone financial statements

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Associate</b>		
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infrafacility Private Limited)	-	9.95
<b>Controlled Structured Entity</b>		
Welspun-Kaveri Infraprojects JV	43.05	-
<b>Provision for impairment of investments</b>	<b>37.43</b>	<b>36.32</b>
<b>Subsidiaries</b>		
Welspun Build-Tech Private Limited	8.22	7.12
ARSS Bus Terminal Private Limited	12.45	12.45
DME Infra Private Limited	0.01	-
Welspun Project (Kim Mandvi Corridor) Private Limited	16.75	16.75
<b>Investment in equity shares</b>	<b>345.41</b>	<b>183.35</b>
<b>Subsidiaries</b>		
Welspun Projects (Himmatnagar Bypass) Private Limited	2.33	2.33
Welspun Project (Kim Mandvi Corridor) Private Limited	6.73	6.73
Dewas Waterprojects Works Private Limited	0.01	0.01
Welspun Build-Tech Private Limited	0.01	0.01
ARSS Bus Terminal Private Limited	31.01	31.01
Grenoble Infrastructure Private Limited	0.00	0.00
DME Infra Private Limited	0.01	0.01
Welspun Sattanathapuram Nagapattinam Road Private Limited	23.80	0.01
Welsteel Enterprises Private Limited	0.05	0.05
Welspun Aunta-Simaria Project Private Limited	0.74	0.74
Welspun EDAC JV Private Limited	0.01	0.01
Welspun Michigan Engineers Limited	137.07	-
Welspun New Energy Limited	-	0.01
<b>Associates</b>		
Adani Welspun Exploration Limited	38.16	38.16
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infrafacility Private Limited)	103.58	103.58
<b>Other related parties</b>		
Welassure Private Limited	0.27	0.12
Welspun Transformation Services Private Limited	1.40	0.57
Welspun Global Services Private Limited	0.23	0.00
<b>Investment in compulsorily convertible debentures</b>	<b>629.65</b>	<b>498.49</b>
<b>Subsidiaries</b>		
Welspun Build-Tech Private Limited	-	7.12
Welspun Project (Kim Mandvi Corridor) Private Limited	10.02	10.02
Dewas Waterprojects Works Private Limited	38.72	38.72
Welspun Sattanathapuram Nagapattinam Road Private Limited	135.76	21.70
Welspun Aunta-Simaria Project Private Limited	34.82	34.82
<b>Associate</b>		
Adani Welspun Exploration Limited	410.33	386.11
<b>Investment in optionally convertible debentures</b>	<b>190.94</b>	<b>182.53</b>

## Notes forming part of the standalone financial statements

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Subsidiaries</b>		
Dewas Waterprojects Works Private Limited	50.49	50.49
Welspun Build-Tech Private Limited	8.21	10.00
Welspun Aunta-Simaria Project Private Limited	81.44	81.44
Welsteel Enterprises Private Limited	34.75	34.75
Welspun Sattanathapuram Nagapattinam Road Private Limited	5.85	5.85
Grenoble Infrastructure Private Limited	10.20	-
<b>Bank guarantee issued and outstanding for advance received by Subsidiaries/ Joint Arrangements/ Associate / Other related parties</b>	<b>425.74</b>	<b>431.85</b>
<b>Subsidiaries</b>		
Welspun Aunta-Simaria Project Private Limited	40.64	-
Welspun Sattanathapuram Nagapattinam Road Private Limited	104.69	172.91
<b>Controlled Structured Entity</b>		
Welspun-Kaveri Infraprojects JV	255.42	258.94
<b>Other related party</b>		
Mounting Renewable Power Limited	25.00	-
<b>Bank guarantee issued and outstanding towards performance security of Subsidiaries/ Joint Arrangements/ Associate</b>	<b>135.96</b>	<b>244.98</b>
<b>Subsidiaries</b>		
Dewas Waterprojects Works Private Limited	1.21	1.21
Welspun EDAC JV Private Limited	38.56	138.56
<b>Controlled Structured Entity</b>		
Welspun-Kaveri Infraprojects JV	81.79	85.78
<b>Associate</b>		
Adani Welspun Exploration Limited	14.40	19.43
<b>Corporate guarantee outstanding for performance security of Subsidiaries/ Joint Arrangements/ Associate</b>	<b>100.00</b>	<b>60.00</b>
<b>Subsidiaries</b>		
Welspun EDAC JV Private Limited	100.00	-
Welspun Sattanathapuram Nagapattinam Road Private Limited	-	60.00
<b>Corporate guarantee outstanding for advance received by Subsidiaries/ Joint Arrangements/ Associate</b>	<b>149.27</b>	<b>218.93</b>
<b>Subsidiaries</b>		
Welspun EDAC JV Private Limited	149.27	149.27
Welspun Aunta-Simaria Project Private Limited	-	69.66

\* Closing balances are considered after considering the Ind AS adjustments to make comparable with financial statements for reporting purpose.

**Notes :**

- During the earlier year, the Company had given guarantee for Dewas Waterprojects Works Private Limited ('DWWPL') for its debt obligations to lenders, pursuant to which maximum exposure aggregates to ₹4.01 crores (31 March 2023 ₹4.34 crores).

- An undertaking (financial guarantee as per Ind AS) is given to lenders for debt obligations to be given to Welspun Aunta-Simaria Private Limited ('WASPL'), maximum exposure towards this is ₹149.95 crores (31 March 2023 ₹98.73 crores).

- All transactions with related parties are made on arm's length basis in the ordinary course of business.

## Notes forming part of the standalone financial statements

**54 DISCLOSURE REQUIRED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ('THE ACT') ARE GIVEN AS FOLLOWS :-**

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023 (Restated)
a) Principal amount payable to the suppliers under the Act		
- For capital goods	-	-
- For others	35.93	-
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 under 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

**55 A) Disclosure pertaining to Ind AS 115 " Revenue from Contracts with Customers**

The Company believes that the information provided under Note 32 Revenue from Operations, is sufficient to meet the disclosure objectives with respect to disaggregation of revenue under Ind AS 115, Revenue from Contracts with Customers.

**B) Contract Balances**

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023 (Restated)
Trade receivables	621.28	568.64
Contract assets	397.05	394.68
Contract liabilities	479.92	642.63

**C) Reconciliation of contract assets and liabilities:**

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
<b>Contract Assets</b>		
<b>Due from contract customers (contract assets)</b>		
<b>At the beginning of the year</b>	<b>394.68</b>	<b>291.90</b>
Cost incurred plus attributable profits on contracts-in -progress	2,068.66	2,278.00
Progress billings made towards contracts -in - progress	2,066.29	2,175.22
<b>At the end of the reporting year</b>	<b>397.05</b>	<b>394.68</b>

## Notes forming part of the standalone financial statements

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023 (Restated)
<b>Contract liabilities</b>		
<b>Advance from contract customers (contract liabilities)</b>		
<b>At the beginning of the year</b>	<b>642.63</b>	<b>456.43</b>
Revenue recognised during the year	322.86	285.52
Progress billings made towards contracts-in -progress	160.15	471.72
<b>At the end of the reporting year</b>	<b>479.92</b>	<b>642.63</b>

- i) The contract assets primarily relate to the Company's rights to consideration for performance obligation satisfied but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. Invoices are raised on the customers based on the agreed contractual terms and are collected as per agreed payment terms.
- ii) The contract liability primarily relates to the advances from customer towards on-going EPC projects. Revenue is recognised from the contract liability as and when such performance obligations are satisfied.

**D)** There are no reconciliation items between revenue from contracts with customers and revenue recognised with contract price.

**E) Revenue recognition for future related to performance obligations that are unsatisfied (or partially satisfied)**

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹12,200 crores out of which 27% (31 March 2023 : ₹10,100 crores out of which 30%) is expected to be recognised as revenue in the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

**56 LEASES**

The Company has building premises being used for its operation having lease term between 0.5 years and 10 years.

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>A Details of right-of-use assets held by the Company is as follows:</b>		
<b>Opening balance</b>	<b>9.04</b>	<b>11.05</b>
Add : Additions during the year	4.28	1.96
Less : Deletion during the year	-	-
Less : Depreciation expenses	(5.04)	(3.97)
<b>Net carrying amount</b>	<b>8.28</b>	<b>9.04</b>
<b>B Details of lease liability of the Company is as follows:</b>		
<b>Opening balance</b>	<b>9.94</b>	<b>11.32</b>
Add: Additions during the year	4.21	1.96
Less: Deletion during the year	-	-
Add: Accretion of interest	1.05	1.12
Less: Payments	(5.94)	(4.46)
<b>Net carrying amount</b>	<b>9.26</b>	<b>9.94</b>

## Notes forming part of the standalone financial statements

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023 (Restated)
Lease liability (Non Current)	5.43	5.82
Lease liability (Current)	3.83	4.11
	<b>9.26</b>	<b>9.93</b>
<b>C The following are the amounts recognised in the statement of profit or loss:</b>		
Depreciation expense of right-of-use assets	5.04	3.97
Interest expense on lease liabilities	1.05	1.12
<b>Total amount recognised in the statement of profit or loss</b>	<b>6.09</b>	<b>5.09</b>

The Company had total cash outflows for leases of ₹5.94 crores (31 March 2023 ₹4.46 crores). The Company also had non-cash additions to right-of-use assets of ₹4.28 crores (31 March 2023 : ₹1.96 crores) and lease liabilities of ₹4.21 crores (31 March 2023 : ₹1.96 crores).

**57** During the year ended 31 March 2023, the Board of Directors and the shareholders of Welspun Natural Resources Private Limited ('WNRPL') approved the scheme of voluntary liquidation of WNRPL vide resolution dated 18 January 2023 in their respective meetings. Further, pursuant to such resolutions, Insolvency Professional was appointed as the liquidator of WNRPL. Subsequently, the liquidator has distributed all the assets (including equity shares and debentures held in Adani Welspun Exploration Limited ('AWEL')) of WNRPL to its shareholder i.e. Welspun Enterprises Limited ('WEL') on 27 February 2023 and consequent to such distribution, WEL has become an equity shareholder and debenture holder of AWEL.

Pursuant to liquidation, 4,654,997 Equity Shares and 45,384,543 Compulsorily Convertible Debentures (CCD's) held by WNRPL in AWEL are now held by WEL. Subsequently, AWEL has allotted 450,591 CCD's to WEL and now WEL holds 35% directly in AWEL.

**58** During the year ended 31 March 2023, the Company has complied with all necessary Conditions Precedents (CP) of definitive agreement entered with Actis Highway Infra Limited ("Actis") on 9 June 2022 and has obtained all necessary approvals for divestment of Highway Portfolio. The Highway Portfolio comprises of 5 completed HAM (Hybrid Annuity Model) Assets (Welspun Delhi Meerut Expressway Private Limited ('DME'), Welspun Road Infra Private Limited ('WRIPL'), NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited) ('CGRG'), NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited) ('GSY'), NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited) ('CTHPL')) and one operating BOT-Toll asset (NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapacity Private Limited) ('WIFPL')) (Refer note 19(i)). Accordingly, the aforesaid equity stake has been transferred to Actis for a consideration of ₹818.17 crores (towards equity shares) and profit of ₹582.23 crores (net of expenses related to sale) is disclosed as 'exceptional item' (Refer note 51) in the Statement of Profit and Loss.

**59 DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED U/S 186 OF THE ACT**

- The Company is engaged in the business of providing infrastructural facilities as specified under Schedule VI of 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.
- There are no investments other than as disclosed in Note 6 and 12 forming part of the financial statements.

## Notes forming part of the standalone financial statements

**60 DISCLOSURE AS REQUIRED BY SCHEDULE V (A) (2) OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

	(₹ in crores)			
	Balance as at 31 March 2024 @	Maximum amount outstanding during the year ended 31 March 2024	Balance as at 31 March 2023(Restated) @	Maximum amount outstanding during the year ended 31 March 2023
<b>i. Loans and advances in the nature of loans to subsidiary</b>				
Welspun Project (Kim Mandvi Corridor) Private Limited	0.58	0.58	0.58	0.58
Welspun Projects (Himmatnagar Bypass) Private Limited	-	0.13	0.08	0.08
ARSS Bus Terminal Private Limited	0.29	0.29	0.27	0.27
Dewas Waterprojects Works Private Limited	2.31	2.42	1.89	3.03
Welspun Build-Tech Private Limited	-	0.01	0.01	0.05
Welspun Sattanathapuram Nagapattinam Road Private Limited	-	117.54	66.67	66.67
DME Infra Private Limited	0.04	0.04	0.03	0.03
Grenoble Infrastructure Private Limited	0.02	0.02	0.02	0.02
Welspun Road Infra Private Limited #	-	-	-	47.98
Welsteel Enterprises Private Limited	-	0.05	0.04	0.04
Welspun Aunta-Simaria Project Private Limited	36.28	38.56	10.21	18.19
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapacity Private Limited) \$	-	-	-	356.51
Welspun EDAC JV Private Limited	-	2.86	2.64	11.79
NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited) * #	-	-	-	28.00
NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited) * #	-	-	-	77.57
NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited) ** #	-	-	-	78.41
Welspun New Energy Limited ***	-	8.88		

## Notes forming part of the standalone financial statements

(₹ in crores)

	Balance as at 31 March 2024 @	Maximum amount outstanding during the year ended 31 March 2024	Balance as at 31 March 2023 (Restated) @	Maximum amount outstanding during the year ended 31 March 2023
Welspun Michigan Engineers Limited (formerly known as Michigan Engineers Private Limited) ##	-	25.00	-	-
<b>ii. Loans and advances in the nature of loans to Controlled Structured Entity</b>				
Welspun-Kaveri Infraprojects JV	-	16.42	1.41	9.58
<b>iii. Loans and advances in the nature of loans to Associate</b>				
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracility Private Limited) \$	-	3.54	-	356.51
<b>iv. Loans and advances in the nature of loans to firms/ companies in which directors are interested</b>	Nil	Nil	Nil	Nil
<b>v. Investment by the loanee in the shares of the Company</b>	Nil	Nil	Nil	Nil

\* became subsidiary w.e.f 28 September 2022 and ceased to be Joint venture company

\*\* became subsidiary w.e.f 5 September 2022 and ceased to be Joint venture company

\*\*\* became subsidiary w.e.f. 31 January 2023 and ceases to be a subsidiary w.e.f. 27 November 2023

# ceased to be subsidiary w.e.f. 22 December 2022 (Refer note 58)

## became subsidiary w.e.f. 27 July 2023

@ Closing balances are considered after considering the Ind AS adjustments to make comparable with financial statements for reporting purpose.

\$ ceased to be subsidiary and became associate w.e.f. 22 December 2022 (Refer note 58)

## 61 DIVIDEND ON EQUITY SHARES

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
Dividend proposed for the year ended 31 March 2024 ₹3 per equity share (31 March 2023 ₹1.00 per share)	41.52	14.99

Proposed dividends on equity shares are subject to approval of shareholders at the annual general meeting and are not recognised as a liability as at reporting date.

During the year ended 31 March 2023, the Company has paid ₹ 7.50 per share as special dividend amounting to ₹ 112.50 crores.

## Notes forming part of the standalone financial statements

## 62 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:

(₹ in crores)

	Long term borrowings (including current maturities)	Short term borrowings (net)	Equity share capital	Securities Premium
<b>As at 31 March 2023 (Restated)</b>	<b>291.68</b>	<b>181.35</b>	<b>149.98</b>	<b>953.08</b>
Cash inflow	-	0.00	0.03	0.27
Cash outflow	(291.68)	(9.70)	(11.75)	(223.25)
Non-cash items - other changes (Refer note below (b))	-	9.27	0.15	2.06
<b>As at 31 March 2024</b>	<b>-</b>	<b>180.92</b>	<b>138.41</b>	<b>732.16</b>

## b) Non-cash investing and financing activities for the current year

- Other Non-cash changes in short term borrowings are related to interest accrued but not due on borrowings.
- Other Non-cash changes in equity share capital and securities premium are on account of equity shares allotted pursuant to exercise of stock option (Refer note 49)

## 63 CORPORATE SOCIAL RESPONSIBILITY ('CSR')

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
Details of related party - Contribution to Welspun Foundation for Health & Knowledge ('WFHK')	3.50	3.18
Amount required to be spent as per Section 135 of the Act	3.46	3.18
<b>Amount spent by WFHK during the year on:</b>		
Construction/ acquisition of an asset	-	-
On purposes other than above	3.50	4.46*
Shortfall at the end of the year	-	-
<b>Total of previous year shortfall</b>	<b>-</b>	<b>-</b>

## Nature of CSR activities :

Promoting education and healthcare, empowerment of women and socially backward, ensuring road safety, ensuring environmental sustainability, development of art and culture, disaster relief, livelihood enhancement project and permissible administrative expenses.

\* It includes ₹ 1.28 crores utilised for CSR activities from "Welspun Foundation for Health and Knowledge - Unspent CSR Amount FY 2021-22".

## Notes forming part of the standalone financial statements

### Other Statutory Information

- 64** The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 65** The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Act) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- 66** The Company does not have any charges or satisfaction of charges which are yet to be registered with the Registrar of Companies (ROC) beyond the statutory period, except for satisfaction of certain charges amounting to ₹76.55 crores. The Company has initiated suitable steps to ensure satisfaction of the same.
- 67** The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.
- 68** The Company does not have any transactions which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 69** The Company has not traded or invested in Crypto currency or virtual currency during the financial year.
- 70** The Company has complied with the requirement of monthly stock statements and quarterly information statements to the lenders.
- 71 UTILIZATION OF BORROWED FUNDS AND SECURITIES PREMIUM**
- a) During the year ended 31 March 2024, the Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b) No fund (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ('funding parties') with the understanding, whether recorded in writing or otherwise, that the Company shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding parties ('Ultimate Beneficiaries') or provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 72** The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- 73** The Company has granted loans which are repayable on demand during the year to related parties as defined in clause (76) of section 2 of the Act are as under.

### As at 31 March 2024

(₹ in crores)

Aggregate amount of loans:	Promoters	Directors	KMPs	Related Parties
Repayable on demand (A)	-	-	-	39.51
Agreement does not specify any terms or period of repayment (B)	-	-	-	-
<b>Total C = (A+B)</b>	-	-	-	<b>39.51</b>
<b>Long term loans (D)</b>	-	-	-	-
<b>Total E = (C + D)</b>	-	-	-	<b>39.51</b>
<b>Percentage of loans to the total carrying value of loans</b>				<b>100.00%</b>

## Notes forming part of the standalone financial statements

### As at 31 March 2023 (Restated)

(₹ in crores)

Aggregate amount of loans:	Promoters	Directors	KMPs	Related Parties
Repayable on demand (A)	-	-	-	83.84
Agreement does not specify any terms or period of repayment (B)	-	-	-	-
<b>Total C = (A+B)</b>	-	-	-	<b>83.84</b>
<b>Long term loans (D)</b>	-	-	-	-
<b>Total E = (C + D)</b>	-	-	-	<b>83.84</b>
<b>Percentage of loans to the total carrying value of loans</b>	-	-	-	<b>100.00%</b>

### 74 BUY BACK OF EQUITY SHARES

Pursuant to the approval from the Board of Directors and Shareholders, the Company has bought back 11,750,000 equity shares of ₹10/- each from the shareholders of the company by way of a tender offer route at a price of ₹ 200 per equity share for an aggregate amount of ₹ 235 Crores in accordance with the provisions of the Act and SEBI (Buy Back of Securities) Regulations, 1998, which has resulted into reduction of equity share capital.

The buyback resulted in a cash outflow of ₹ 235 crores (excluding transaction cost and tax on buyback). The excess cost of buyback of ₹ 223.25 crores (excluding transaction cost and tax on buyback) over par value of shares were offset from securities premium and ₹ 54.58 crores towards tax on buy back and transaction cost (net of tax) were set off from retained earnings.

In accordance with relevant statutory provision, the Company has created Capital Redemption Reserve of ₹ 11.75 Crores, equal to nominal value of shares bought back as an appropriation from retained earnings.

The buyback Committee of the Company, at its meeting held on 12 April 2023, approved the completion and closure of the buyback.

### 75 SCHEME OF AMALGAMATION

On 21 April 2023, the Board of Directors approved the Scheme of Amalgamation ("the Scheme") of wholly owned subsidiaries, viz. Welspun Infraconstruct Private Limited ("WIPL"), Welspun Kaveri Infraprojects JV Private Limited ("WKIJPL"), Corbello Trading Private Limited ("CTPL"), RGY Roads Private Limited ("RGPL"), with the Company. The Appointed Date for the Scheme is 1 April 2022 for WIPL, 6 May 2022 for WKIJPL, 5 September 2022 for CTPL and 28 September 2022 for RGPL. The Scheme was filed with National Company Law Tribunal (NCLT), Ahmedabad, Gujarat on 21 June 2023. The final hearing was held on 11 January 2024 and the Order was received on 6 February 2024.

#### As per the said Scheme:

- i) All the assets and liabilities as appearing in the books of WIPL, WKIJPL, CTPL and RGPL have been recorded in the books of the Company at their respective book values and inter-company balances, if any have been cancelled.
- ii) In accordance with the requirements of Para 9(iii) of Appendix C of Ind AS 103 - "Business Combinations", the audited standalone financial statements of the Company in respect of prior period have been restated. No fresh shares were issued to effect the merger as these entities are wholly owned subsidiary of the Company.

Pursuant to Amalgamation, the increase / (decrease) in the previous published Balance Sheet and Statement of Profit and Loss are summarised as below:



## Notes forming part of the standalone financial statements

## Impact on the Standalone Balance Sheet as on 31 March 2023:

	(₹ in crores)			
Particulars	WIPL	WKIJPL	CTPL	RGPL
<b>Assets</b>				
Non-current investments	(0.01)	(0.01)	-	-
Cash and cash equivalents	0.02	0.00	0.02	0.02
Current assets (other than Cash and cash equivalents)	(0.25)	0.00	(0.07)	(0.07)
	<b>(0.24)</b>	<b>(0.01)</b>	<b>(0.05)</b>	<b>(0.05)</b>
<b>Equity and liabilities</b>				
Other equity	(0.25)	(0.01)	(0.06)	(0.06)
Current liabilities	0.01	0.00	0.01	0.01
	<b>(0.24)</b>	<b>(0.01)</b>	<b>(0.05)</b>	<b>(0.05)</b>

## Impact on the standalone statement of profit and loss for the year ended 31 March 2023:

	(₹ in crores)			
Particulars	WIPL	WKIJPL	CTPL	RGPL
Total Income	0.00	0.00	0.00	0.00
Other expenses (Other than Exceptional items)	0.01	0.00	0.01	0.04
Exceptional items - Expenses / Gain	-	-	16.19	38.77
<b>Profit before tax</b>	<b>(0.01)</b>	<b>(0.00)</b>	<b>16.18</b>	<b>38.73</b>
Tax expenses	-	-	-	-
<b>Profit after tax</b>	<b>(0.01)</b>	<b>(0.00)</b>	<b>16.18</b>	<b>38.73</b>
Other comprehensive income / (loss)	-	-	-	-
<b>Total comprehensive income / (loss)</b>	<b>(0.01)</b>	<b>(0.00)</b>	<b>16.18</b>	<b>38.73</b>

**76 CORE INVESTMENT COMPANIES (CIC)**

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

**77** During the year ended 31 March 2024, the Board of Directors of Company approved the transfer of Company's entire shareholding in one of its wholly owned subsidiary viz. Welspun New Energy Limited ("WNEL") to the Promoter Group entities at arm's length, pursuant to this, effective 27 November 2023, WNEL ceases to be a subsidiary of the Company.

**78 CONCESSION ARRANGEMENTS - MAIN FEATURES**

(i) Name of the concession/ project	New 2000 MLD Water Treatment Plant at Bhandup Complex
(ii) Description of arrangements	Development of New 2000 MLD Water Treatment Plant at Bhandup Complex including Civil, Mechanical, Electrical and Instrumentation Works on Design, Build and Operate Contract
(iii) Significant terms of arrangements :	Period of Completion of Works - 48 months (inclusive of monsoon) from the date of commencement of work O & M : 15 years

## Notes forming part of the standalone financial statements

**79** 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

**Hitendra Bhandari**  
Partner  
Membership Number 107832

Place: Mumbai  
Date: 21 May 2024

**For and on behalf of the Board**

**Balkrishan Goenka**  
Chairman  
DIN 00270175

**Lalit Jain**  
Chief Financial Officer

Place: Mumbai  
Date: 21 May 2024

**Sandeep Garg**  
Managing Director  
DIN 00036419

**Nidhi Tanna**  
Company Secretary

# Independent Auditor's Report

To  
The Members of  
**Welspun Enterprises Limited**

## 1. OPINION

We have audited the accompanying Consolidated Financial Statements of **Welspun Enterprises Limited** (the "Holding Company" or the "Company" including Welspun Enterprises Employees Welfare Trust) and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which includes 18 Joint Operations of the Group consolidated on a proportionate basis, and its associate companies, which comprise the consolidated balance sheet as at 31 March 2024, the consolidated statement of profit and loss (including consolidated 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 material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the audit reports of other auditors on separate financial statements and on other financial information of subsidiaries and associate 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 2024, and its consolidated profit, consolidated total comprehensive income, 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 2024. 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 matters	How our audit addressed the key audit matter
<b>Revenue recognition for long term construction contracts</b> (Refer note 3(B)(ii) of the Consolidated Financial Statements).	
<ul style="list-style-type: none"> <li>The Group's significant portion of business is undertaken through long term construction contracts. Revenue from these contracts is recognized over the period of time in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers</li> </ul>	<p>Our audit procedures for revenue recognition included the following:</p> <ul style="list-style-type: none"> <li>Read the Group's revenue recognition accounting policies and assessed compliance in terms of Ind AS 115.</li> <li>Obtained an understanding of the process, evaluated the design, and tested the operating effectiveness of the controls over revenue recognition with focus on determination of progress of completion, recording of costs incurred and estimation of costs to complete the remaining contract obligations through inspection of evidence of performance of these controls;</li> </ul>

## Key audit matters

- Due to the nature of the contracts, revenue is recognised over a period of time using percentage of completion method (input method) which is determined based on proportion of contract costs incurred to date compared to estimated total contract costs, which involves significant judgments, identification of contractual obligations and the Group's rights to receive payments for performance completed till date, changes in scope and consequential revised contract price and recognition of the liability for loss making contracts.

## How our audit addressed the key audit matter

- Performed tests of details, on a sample basis, and read the underlying customer contracts for terms and conditions, performed review of costs incurred with estimated costs to identify significant variations and assess whether those variations have been considered in estimating the remaining costs to complete and consequential determination of stage of completion, which formed the basis of revenue recognition under the input method;
- Assessed the management's evaluation process to recognize revenue over a period of time, status of completion for projects and total cost estimates;
- On sample basis, evaluated contracts with including contracts with low or negative margins, contracts with significant changes in planned cost estimates, contracts with significant contract assets and contract liabilities and significant overdue net receivable positions for contracts and tested assessed these exceptions with its correlation to with the underlying contracts and relevant documents for the year.
- Assessed presentation and disclosure requirements in compliance with Ind AS 115.

## 4. OTHER INFORMATION

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the financial statements and our auditor's report thereon. The Holding Company's Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available 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.

When we read the Holding Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

## 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 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 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 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 associate companies are responsible for assessing the ability of the Group and of its associate 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 associate companies are responsible for overseeing the financial reporting process of the Group and of its associate 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 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 associate 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 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements 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. OTHER MATTERS

We did not audit the financial statements, in respect of 11 subsidiaries, whose financial statements include total assets of ₹ 1,230.24 crores as at 31 March, 2024, total revenue of ₹ 1,388.56 crores, total net profit after tax of ₹ 27.25 crores and total comprehensive profit of ₹ 27.21 crores for the year ended 31 March 2024 and total cash inflows of ₹ 19.15 crores for the year ended 31 March 2024 on that date. These financial statements have been audited by other auditors, whose financial statements and auditor's reports have been furnished to us by the management.

The consolidated financial Statements also include the Group's share of net loss after tax of ₹ 0.56 crores and total comprehensive loss of ₹ 0.58 crores for the year ended 31 March, 2024, in respect of an associate, which is part of continued operations of the Group, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management.

Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid

subsidiaries and associate, is based solely on the reports of such other auditors.

The consolidated financial statements also includes unaudited financial statements and other unaudited financial information in respect of an associate, part of discontinued operations of the group, whose unaudited financial statement include the Group's share of net loss after tax of ₹ 29.44 Crores and total comprehensive loss of ₹ 29.44 Crores for the year ended 31 March, 2024 based on their financial statements which have not been reviewed by their auditor and have been approved and furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of the associate and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associate is based solely on such unaudited financial statements furnished to us by the management.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

## 8. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- A. As required by Section 143 (3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of the subsidiaries and associate companies as noted in the 'Other Matters' section, we report to the extent applicable, 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 consolidated 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, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the other auditors of its subsidiaries and associate companies which are incorporated in India, none of the directors of the Group and its associate companies incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies and its associate companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report;
- g) In our opinion and based on the consideration of reports of other auditors of the subsidiaries and associates incorporated in India, the managerial remuneration for the year ended 31 March 2024 has been paid / provided by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate company in its consolidated financial statements. (Refer note 52 and 58(B)(a) of consolidated financial statements)
- 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;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and its associate company, incorporated in India during the year ended 31 March 2024.
- iv. (a) The respective managements of the Holding Company and its subsidiaries and its associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and its associate respectively that, to the best of its knowledge and belief, as disclosed in the note 69 C (a) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and associate to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries and its associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The respective managements of the Holding Company and its subsidiaries and its associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief, as disclosed in the note 69 C (b) to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries and its associate from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and its associate shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (iv) (a) and (iv) (b) above contain any material misstatement.
- v. As stated in note 64 to the consolidated financial statements
- a. The final dividend proposed in the previous year, declared and paid by the company during the year is in accordance with Section 123 of the Act, as applicable.
- b. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Based on our examination, which included test checks and the audits conducted by the respective auditors of the subsidiaries and associate companies incorporated in India, whose financial statements were audited under the Act, it has been observed that the Holding Company, its subsidiaries, and associate companies have used accounting software to maintain their books of account. This software includes a feature for recording an audit trail (edit log), which has been operational throughout the year for all relevant transactions recorded in the software. No instances were found where the audit trail feature was tampered with.
- B. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries and associates company included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

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

**Hitendra Bhandari**  
Partner  
Membership Number 107832  
Mumbai, 21 May 2024  
UDIN: 24107832BKEOCT7119

## Annexure - A to the Independent Auditor's 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 8A(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 2024.**

We have audited the internal financial controls over financial reporting of **Welspun Enterprises Limited** ("the Holding Company") and its subsidiaries companies which includes one of the Group's 18 joint operations which is a company incorporated in India, and associate companies incorporated in India as at 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding company, its subsidiaries and associate 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 and associate 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, its subsidiaries and associate 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 with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 subsidiaries and associate 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 and associate 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 consolidated 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 subsidiaries and associate company 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 2024, based on the internal control over financial reporting criteria established by the Holding Company, its subsidiaries and associate company 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 11 subsidiaries and 1 associate company incorporated in India is based on corresponding reports of the auditors of such companies. Our opinion is not modified in respect of this matter.

For **MGB & Co LLP**

Chartered Accountants

Firm Registration Number 101169W/W-100035

**Hitendra Bhandari**

Partner

Membership Number 107832

Mumbai, 21 May 2024

UDIN: 24107832BKEOCT7119

# Consolidated Balance Sheet

as at 31 March 2024

	Notes	₹ in crores)	
		As at 31 March 2024	As at 31 March 2023
<b>Assets</b>			
<b>1. Non-current assets</b>			
(a) Property, plant and equipment	4	150.44	10.79
(b) Right-of-use assets	5	8.70	9.04
(c) Capital work-in-progress	4	6.72	6.55
(d) Goodwill on consolidation		83.41	-
(e) Intangible assets	6	46.63	49.87
(f) Investments in an associate	58	281.19	257.55
(g) Financial assets			
(i) Investments	7	1.98	0.71
(ii) Receivables under service concession arrangement	8	1,047.93	752.81
(iii) Other financial assets	9	29.27	80.92
(h) Deferred tax assets (net)	43	19.77	5.88
(i) Non-current tax assets (net)	10	52.79	49.76
(j) Other non-current assets	11	8.87	9.42
<b>Total non-current assets</b>		<b>1,737.70</b>	<b>1,233.29</b>
<b>2. Current assets</b>			
(a) Inventories	12	156.64	86.41
(b) Contract assets	13	642.90	645.34
(c) Financial assets			
(i) Investments	14	482.13	1,299.58
(ii) Trade receivables	15	428.68	325.82
(iii) Cash and cash equivalents	16	252.30	327.40
(iv) Bank balances other than (iii) above	17	231.81	214.20
(v) Loans	18	-	0.05
(vi) Other financial assets	19	130.41	64.07
(d) Other current assets	20	660.49	632.57
<b>Total current assets</b>		<b>2,985.36</b>	<b>3,595.43</b>
Assets classified as held-for-sale and discontinued operations	21	225.67	277.45
<b>Total assets</b>		<b>4,948.73</b>	<b>5,106.17</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
(a) Equity share capital	22(a)	136.51	149.98
(b) Other equity	22(b)	2,186.86	2,206.03
Equity attributable to equity holders of the Holding Company		<b>2,323.37</b>	<b>2,356.01</b>
Non-controlling interests	59	166.81	5.97
<b>Total equity</b>		<b>2,490.18</b>	<b>2,361.98</b>
<b>Liabilities</b>			
<b>1. Non-current liabilities</b>			
(a) Contract liabilities	23	189.14	354.85
(b) Financial liabilities			
(i) Borrowings	24	558.21	286.91
(ii) Lease liabilities	25	5.43	5.83
(iii) Other financial liabilities	26	15.07	-
(c) Provisions	27	49.07	8.00
(d) Deferred tax liabilities (net)	43	56.21	48.74
<b>Total non-current liabilities</b>		<b>873.13</b>	<b>704.33</b>
<b>2. Current liabilities</b>			
(a) Contract liabilities	28	653.30	757.14
(b) Financial liabilities			
(i) Borrowings	29	194.26	466.70
(ii) Lease liabilities	30	4.20	4.11
(iii) Trade payables	31		
- Dues of micro enterprises and small enterprises		42.13	-
- Dues of creditors other than micro enterprises and small enterprises		420.92	481.67
(iv) Other financial liabilities	32	223.04	269.33
(c) Provisions	33	3.17	3.85
(d) Other current liabilities	34	33.79	57.04
(e) Current tax liabilities (net)	35	10.61	-
<b>Total current liabilities</b>		<b>1,585.42</b>	<b>2,039.85</b>
<b>Total equity and liabilities</b>		<b>4,948.73</b>	<b>5,106.17</b>

Notes forming part of the consolidated financial statements

1 to 79

As per our report of even date

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

**Hitendra Bhandari**  
Partner  
Membership Number 107832

Place: Mumbai  
Date: 21 May 2024

For and on behalf of the Board

**Balkrishan Goenka**  
Chairman  
DIN 00270175

**Lalit Jain**  
Chief Financial Officer

Place: Mumbai  
Date: 21 May 2024

**Sandeep Garg**  
Managing Director  
DIN 00036419

**Nidhi Tanna**  
Company Secretary

# Consolidated Statement of Profit and Loss

for the year ended 31 March 2024

	Notes	₹ in crores)	
		Year ended 31 March 2024	Year ended 31 March 2023
<b>Income</b>			
Revenue from operations	36	2,872.28	2,758.19
Other income	37	191.03	143.45
<b>Total income</b>		<b>3,063.31</b>	<b>2,901.64</b>
<b>Expenses</b>			
Cost of materials consumed	38	470.89	390.12
Sub-contracting charges		1,479.46	1,724.71
Employee benefits expense	39	172.87	149.46
Finance costs	40	109.79	118.76
Depreciation and amortisation expense	41	27.56	13.10
Other expenses	42	323.62	246.26
<b>Total expenses</b>		<b>2,584.19</b>	<b>2,642.40</b>
<b>Profit before share of profit of an associate and joint venture companies</b>		<b>479.12</b>	<b>259.23</b>
Share of profit / (loss) in associate and joint venture companies	58	(0.58)	(0.79)
<b>Profit before exceptional items and tax</b>		<b>478.54</b>	<b>258.44</b>
Exceptional items (net)	54	-	482.99
<b>Profit before tax from continuing operations</b>		<b>478.54</b>	<b>741.43</b>
<b>Tax expense</b>			
- Current tax - current year		124.66	47.66
- earlier year		6.12	(0.02)
- Deferred tax (credit) / charge		(1.08)	9.37
<b>Total tax expense</b>		<b>129.70</b>	<b>57.01</b>
<b>Profit from continuing operations</b>		<b>348.84</b>	<b>684.42</b>
<b>Discontinued Operations</b>			
Profit / (Loss) before tax from discontinued operations		(29.44)	56.22
Tax expenses of discontinued operations		-	14.58
<b>Net Profit / (loss) from discontinued operations</b>		<b>(29.44)</b>	<b>41.64</b>
<b>Profit for the year</b>		<b>319.40</b>	<b>726.06</b>
<b>Other comprehensive income (OCI)</b>			
Items that will not be reclassified to profit or loss			
- Remeasurement gains/(losses) on defined benefit plans		4.93	(4.06)
Income tax effect on above		(1.24)	1.02
Share of OCI of associate		-	(0.08)
<b>Other comprehensive income for the year (net of tax)</b>		<b>3.69</b>	<b>(3.12)</b>
<b>Total comprehensive income for the year</b>		<b>323.09</b>	<b>722.94</b>
<b>Profit from continuing operations attributable to:</b>			
Owners of the Holding Company		324.53	681.12
Non-controlling interest		24.31	3.30
<b>Profit / (Loss) from discontinuing operations attributable to:</b>			
Owners of the Holding Company		(29.44)	41.64
Non-controlling interest		-	-
<b>Profit from continuing and discontinuing operations attributable to:</b>			
Owners of the Holding Company		295.09	722.76
Non-controlling interest		24.31	3.30
<b>Total comprehensive income attributable to:</b>			
Owners of the Holding Company		298.78	719.63
Non-controlling interest		24.31	3.30
<b>Earnings per equity share of ₹10 each fully paid up</b>	51		
<b>a) From continuing operations</b>			
Basic (₹)		23.65	45.42
Diluted (₹)		23.37	45.31
<b>b) From discontinuing operations</b>			
Basic (₹)		(2.15)	2.78
Diluted (₹)		(2.15)	2.77
<b>c) From continuing and discontinuing operations</b>			
Basic (₹)		21.51	48.19
Diluted (₹)		21.25	48.08

Notes forming part of the consolidated financial statements

1 to 79

As per our report of even date

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

**Hitendra Bhandari**  
Partner  
Membership Number 107832

Place: Mumbai  
Date: 21 May 2024

For and on behalf of the Board

**Balkrishan Goenka**  
Chairman  
DIN 00270175

**Lalit Jain**  
Chief Financial Officer

Place: Mumbai  
Date: 21 May 2024

**Sandeep Garg**  
Managing Director  
DIN 00036419

**Nidhi Tanna**  
Company Secretary

# Consolidated Statement of cash flows

for the year ended 31 March 2024

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023
<b>A Cash flow from operating activities</b>		
Profit before tax on continued operations	478.54	741.43
Profit / (Loss) before tax on discontinued operations	(29.44)	56.22
<b>Profit before tax</b>	<b>449.10</b>	<b>797.65</b>
<b>Adjustments for</b>		
Depreciation and amortisation expense	27.56	13.10
Gain on sale/discard of property, plant and equipment (net)	(1.64)	(5.26)
Bad debts written off	0.25	19.00
Interest income	(138.16)	(113.63)
Finance costs	109.79	118.76
Remeasurement (gains)/losses on defined benefit plans	2.32	6.10
Net gain on financial assets designated as FVTPL	(37.74)	(22.83)
Capital work-in-progress written off	-	57.26
Loss from discontinued operations	29.44	-
Other provisions	44.92	-
Share of loss from associate and joint venture companies	0.58	6.36
Reversal of impairment provision of financial instruments	(1.57)	-
Net gain on sale of non-current investments	(0.05)	-
Gain on sale of 'Highway Portfolio'	-	(377.97)
Fair value gain on dilution of control	-	(119.79)
Gain on fair valuation of previously held equity interest	-	(61.44)
Impairment of goodwill on consolidation	-	24.23
Reversal of provisions no longer required	(2.02)	(24.95)
Unwinding of discount on security deposits	(0.11)	(0.10)
Share based payments to employees	0.88	(4.04)
Dividend income on financial assets designated as FVTPL	(7.12)	(0.61)
<b>Operating profit before working capital changes</b>	<b>476.43</b>	<b>311.84</b>
<b>Adjustments for</b>		
(Increase) / decrease in trade and other receivables	(264.93)	(468.69)
(Increase) / decrease in inventories	22.56	(38.34)
(Decrease) / increase in trade and other payables	(455.11)	616.74
<b>Cash generated from / (used in) operating activities</b>	<b>(221.05)</b>	<b>421.56</b>
Direct taxes paid (net of refunds)	(123.42)	(76.89)
<b>Net cash generated from / (used in) operating activities (A)</b>	<b>(344.47)</b>	<b>344.67</b>
<b>B Cash flow from investing activities</b>		
Purchase of property, plant and equipment (including capital work-in-progress and capital advances)	(70.32)	(6.27)
Purchase of intangible assets	(0.26)	(150.60)
Sale of property, plant and equipment (including assets classified as held-for-sale)	20.69	27.32
Profit on sale of current investments (net)	55.32	13.95
Proceeds from redemption of optionally convertible debentures of others	1.57	-
Investment in joint venture companies	-	(24.63)
Investment in associate	(24.22)	(12.00)
Investment made for acquisition of subsidiaries	(137.08)	-
Investment in other equity	-	(0.57)
Proceeds from sale of investment (Equity/ optionally convertible debentures/compulsorily convertible debentures) (net of selling expenses)	0.01	1,396.65
Loans given	(4.97)	(133.33)
Repayment received of loans	5.02	224.17
Decrease / (increase) in other bank balances and restricted investments (net)	45.20	(107.15)
Inter-corporate deposits given	-	(1.35)
Dividend received	7.12	0.61
Interest received	50.37	61.81
<b>Net cash generated from / (used in) investing activities (B)</b>	<b>(51.55)</b>	<b>1,288.60</b>

# Consolidated Statement of cash flows

for the year ended 31 March 2024

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023
<b>C Cash flow from financing activities</b>		
Buyback of equity shares including transaction cost and tax on buy back	(289.58)	-
Proceeds from issue of equity shares under ESOP scheme	0.30	-
Payment for purchase of treasury shares	(30.27)	-
Proceeds from sale of treasury shares	0.88	-
Proceeds from long-term borrowings	272.36	125.00
Repayment of long-term borrowings	(284.29)	(327.70)
Increase in short-term borrowings	-	194.24
Decrease in short term borrowings	(25.41)	(25.00)
(Decrease)/ increase in short-term borrowings from bank (net)	4.95	59.00
Finance costs paid	(116.60)	(89.79)
Principal payment of lease liabilities	(5.01)	(4.45)
Dividend paid	(13.64)	(134.98)
<b>Net cash generated from / (used in) financing activities (C)</b>	<b>(486.31)</b>	<b>(203.68)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(882.33)</b>	<b>1,429.59</b>
Cash and cash equivalents at the beginning of the year	1,599.42	261.64
Cash and cash equivalents on sale of Highway Projects	-	(91.81)
<b>Add: Cash and cash equivalents on acquisition of subsidiary</b>	<b>6.55</b>	<b>-</b>
<b>Cash and bank balances at the end of the year</b>	<b>723.64</b>	<b>1,599.42</b>

## Notes:

	Year ended 31 March 2024	Year ended 31 March 2023
1. Break up of cash and cash equivalents are as follows		
Current investments (exclusive of fair value adjustments)	471.34	1,272.02
Cash and cash equivalents	252.30	327.40
<b>Total</b>	<b>723.64</b>	<b>1,599.42</b>

- 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 67.
- The impact of non-cash transactions have not been given in the above cash flow statement, details of which are given in note 67
- 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

**Hitendra Bhandari**  
Partner  
Membership Number 107832

Place: Mumbai  
Date: 21 May 2024

**For and on behalf of the Board**

**Balkrishan Goenka**  
Chairman  
DIN 00270175

**Lalit Jain**  
Chief Financial Officer

Place: Mumbai  
Date: 21 May 2024

**Sandeep Garg**  
Managing Director  
DIN 00036419

**Nidhi Tanna**  
Company Secretary

# Consolidated Statement of changes in equity

for the year ended 31 March 2024

## A. EQUITY SHARE CAPITAL

(i) Current Year	(₹ in crores)				
	Balance as at 01 April 2023	Changes in equity share capital due to prior period errors	Restated Balance as at 01 April 2023	Changes in equity share capital	Balances As at 31 March 2024
	149.98	-	149.98	(13.47)	136.51
(ii) Previous Year	(₹ in crores)				
	Balance as at 01 April 2022	Changes in equity share capital due to prior period errors	Restated Balance as at 01 April 2022	Changes in equity share capital	Balances as at 31 March 2023
	149.78	-	149.78	0.20	149.98

## B. Other equity

Notes	Reserves and surplus					Total	Non-controlling interests	Total		
	Capital reserve	Amalgamation reserve	Securities premium	Share options outstanding account	Capital Redemption Reserve				Treasury shares	General reserve
<b>Balance as at 01 April 2023 (A)</b>	264.24	5.21	953.08	3.11	-	5.67	974.74	2,206.03	5.97	2,212.00
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
<b>Restated Balance as at 01 April 2023 (B)</b>	264.24	5.21	953.08	3.11	-	5.67	974.74	2,206.03	5.97	2,212.00
Profit for the year	-	-	-	-	-	-	295.09	295.09	24.31	319.40
Other comprehensive income	-	-	-	-	-	-	3.69	3.69	(0.00)	3.69
<b>Total comprehensive income for the year (C)</b>	-	-	-	-	-	-	298.78	298.78	24.31	323.09
Compensation options granted	53	-	-	1.09	-	-	-	1.09	-	1.09
Compensation options lapsed	53	-	-	(0.22)	-	-	-	(0.22)	-	(0.22)
Exercise of share options	53	-	2.33	(2.21)	-	-	-	0.12	-	0.12
Transfer to general reserve on exercise of options	-	-	-	(0.67)	-	0.67	-	-	-	-
Shares purchased in ESOP trust	-	-	-	-	-	(28.27)	-	(28.27)	-	(28.27)
Shares transferred to employees on exercise of ESOP	-	-	-	-	-	1.41	-	1.41	-	1.41
Loss on transfer of treasury shares	-	-	-	-	-	(0.63)	-	(0.63)	-	(0.63)
Final dividend paid	64	-	-	-	-	(13.64)	-	(13.64)	-	(13.64)
Transfer on account of buyback of shares	75	-	-	-	11.75	-	(11.75)	-	-	-
Buy back of shares (including tax and buyback expenses)	75	-	(223.25)	-	-	(54.58)	(277.83)	-	-	(277.83)
Non-controlling interest	71	-	-	-	-	-	-	-	136.53	136.53
<b>Total (D)</b>	-	-	(220.92)	(2.01)	11.75	(26.86)	0.67	(80.60)	(317.95)	136.53
<b>Balance as at 31 March 2024 (E = B+C+D)</b>	264.24	5.21	732.16	1.10	11.75	(26.86)	6.34	1,192.92	2,186.86	166.81
										2,353.67

# Consolidated Statement of changes in equity

for the year ended 31 March 2024

Notes	Reserves and surplus					Total	Non-controlling interests	Total		
	Capital reserve	Amalgamation reserve	Securities premium	Share options outstanding account	Capital Redemption Reserve				Treasury shares	General reserve
<b>Balance as at 01 April 2022 (A)</b>	279.93	5.21	950.49	9.93	-	5.67	390.08	1,641.31	2.68	1,643.99
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
<b>Restated Balance as at 01 April 2022 (B)</b>	279.93	5.21	950.49	9.93	-	5.67	390.08	1,641.31	2.68	1,643.99
Profit for the year	-	-	-	-	-	-	722.75	722.75	3.30	726.06
Other comprehensive income for the year	-	-	-	-	-	-	(3.04)	(3.04)	-	(3.04)
<b>Total comprehensive income for the year (C)</b>	-	-	-	-	-	-	719.71	719.71	3.30	723.01
Compensation options granted	53	-	-	1.49	-	-	-	1.49	-	1.49
Compensation options lapsed	53	-	-	(5.53)	-	-	-	(5.53)	-	(5.53)
Exercise of share options	53	-	2.59	(2.79)	-	-	-	(0.20)	-	(0.20)
Interim dividend paid	64	-	-	-	-	-	(112.49)	(112.49)	-	(112.49)
Final dividend paid	64	-	-	-	-	-	(22.48)	(22.48)	-	(22.48)
Reversal of gain on bargain purchase	74A	(15.68)	-	-	-	-	-	(15.68)	-	(15.68)
Non-controlling interest	71	-	-	-	-	-	-	-	(0.01)	(0.01)
Share of an associate	56	-	-	-	-	-	(0.08)	(0.08)	-	(0.08)
<b>Total (D)</b>	(15.68)	-	2.59	(6.82)	-	-	(135.05)	(154.97)	(0.01)	(154.98)
<b>Balance as at 31 March 2023 (E = B+C+D)</b>	264.24	5.21	953.08	3.11	-	5.67	974.74	2,206.03	5.97	2,212.00

## Nature and purpose of reserves

### a) Capital reserve

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

### b) Amalgamation reserve

It represents reserve arising out of amalgamation of subsidiaries with the Company.

### c) 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 Act.

### d) Share options outstanding account

Share based payment reserve is created as required by Ind AS 102 'Share Based Payment' on the employee stock option scheme operated by the Company for its employees.

### e) Capital Redemption Reserve

As per section 69 of the Act, where a Company buyback its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to the capital redemption reserve account. This reserve can be utilised in accordance with the provisions of the Act.



# Consolidated Statement of changes in equity

for the year ended 31 March 2024

## f) Treasury shares

Treasury shares represent a company's own equity that has been purchased from open market and held by the Welspun Enterprises Employees Welfare Trust ("ESOP Trust").

## g) General reserve

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

## h) Retained Earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Group.

Notes forming part of the standalone financial statements 1 to 79

As per our report of even date

### For MGB & Co LLP

Chartered Accountants  
Firm Registration Number 101169W/W-100035

### Hitendra Bhandari

Partner  
Membership Number 107832

Place: Mumbai  
Date: 21 May 2024

### For and on behalf of the Board

#### Balkrishan Goenka

Chairman  
DIN 00270175

#### Lalit Jain

Chief Financial Officer

Place: Mumbai  
Date: 21 May 2024

#### Sandeep Garg

Managing Director  
DIN 00036419

#### Nidhi Tanna

Company Secretary

# Notes forming part of the consolidated financial statements

## 1 CORPORATE INFORMATION

Welspun Enterprises Limited (hereinafter referred to as "WEL" or "the Company" or "the Holding Company" including Welspun Enterprises Employees Welfare Trust) 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'), associates and joint venture companies is engaged in road and water infrastructure development (Engineering, Procurement and Construction ('EPC'), Hybrid Annuity Model (HAM) 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 and water infrastructure projects. The registered office of the Company is Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370110.

The Consolidated Financial Statements (hereinafter referred to as "CFS") of the group for the year ended 31 March 2024 were authorised for issue by the Board of Directors at their meeting held on 21 May 2024.

## 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), relevant provision of Schedule III (as amended) 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 on going concern basis, accrual basis and under the historical cost convention, except for the following that are measured at fair value:

- Certain financial assets and liabilities. (Refer accounting policy regarding financial instruments).
- Non current assets held-for-sale - measured at fair value less cost to sell
- Defined benefit plan assets and liabilities
- Share based payment

The Consolidated Financial Statements are presented in Indian rupees (INR) with values rounded off to the nearest crores, except otherwise stated. Zero '0' denotes amount less than ₹ 50,000/-

## 3 (A) PRINCIPLES OF CONSOLIDATION AND EQUITY ACCOUNTING

### i) Subsidiaries

- The consolidated financial statements incorporate the financial statements of WEL and entities controlled by WEL and its subsidiaries.
- 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.
- 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 Holding 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 Holding Company i.e. year ended 31 March 2024.
- 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.
- 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	Extent of holding		Country of Incorporation
	31 March 2024	31 March 2023	
Welspun Projects (Himmatnagar Bypass) Private Limited	100.00%	100.00%	India
Welspun Project (Kim Mandvi Corridor) Private Limited	100.00%	100.00%	India
Dewas Waterprojects Works Private Limited	100.00%	100.00%	India
Welspun Build-Tech Private Limited	100.00%	100.00%	India
Welspun Natural Resources Private Limited (liquidated) (Refer note 59)	-	-	India
Welspun Delhi Meerut Expressway Private Limited <sup>§</sup>	-	-	India
ARSS Bus Terminal Private Limited	100.00%	100.00%	India
Grenoble Infrastructure Private Limited	49.00%	49.00%	India
DME Infra Private Limited	100.00%	100.00%	India
Welspun Sattanathapuram Nagapattinam Road Private Limited	84.65%	84.65%	India
Welspun Road Infra Private Limited <sup>§</sup>	-	-	India
Welsteel Enterprises Private Limited	49.00%	49.00%	India
Welspun Aunta-Simaria Project Private Limited	86.74%	86.74%	India
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapacity Private Limited) <sup>§§</sup>	-	-	India
Welspun-Kaveri Infracapacity JV *	70.00%	70.00%	India
Welspun EDAC JV Private Limited **	80.00%	80.00%	India
Welspun New Energy Limited ***	-	100.00%	India
Mounting Renewable Energy Limited #	-	-	India
MBL (GSY) Road Limited ^ §	-	-	India
MBL (CGRG) Road Limited ^ §	-	-	India
Chikhali - Tarsod Highways Private Limited ^^ §	-	-	India
Welspun Michigan Engineers Limited (formerly known as Michigan Engineers Private Limited) ###	50.10%	-	India

\* Controlled Structured Entity

\*\* became subsidiary w.e.f. 6 June 2022

\*\*\* became subsidiary w.e.f. 31 January 2023 and ceases to be a subsidiary w.e.f. 27 November 2023

^ became subsidiary w.e.f. 28 September 2022 and ceased to be joint venture entity

^^ became subsidiary w.e.f. 5 September 2022 and ceased to be joint venture entity

§ ceased to be subsidiary w.e.f. 22 December 2022

§§ ceased to be subsidiary w.e.f. 22 December 2022 and became associate

# became step-down subsidiary w.e.f. 2 September 2023 and ceases to be step-down subsidiary w.e.f. 27 November 2023

### became subsidiary w.e.f. 27 July 2023

## Notes forming part of the consolidated financial statements

## ii) Associates 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.

- d) 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.
- e) 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.
- f) The carrying amount of equity accounted investments are tested for impairment.

## g) List of investments in associates and joint venture companies accounted for using "Equity method" are as under:

Name of the Associates/ joint venture companies	Extent of Holding		Country of Incorporation
	31 March 2024	31 March 2023	
<b>Associates</b>			
Adani Welspun Exploration Limited	35.00%	35.00%	India
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapacity Private Limited) \$	51.00%	51.00%	India
<b>Joint venture companies</b>			
RGY Roads Private Limited ^	-	-	India
MBL (GSY) Road Limited ^	-	-	India
MBL (CGRG) Road Limited ^	-	-	India
Corbello Trading Private Limited ^^	-	-	India
Chikhali - Tarsod Highways Private Limited ^^	-	-	India

\$ ceased to be subsidiary and became associate w.e.f. 22 December 2022

^ became subsidiary w.e.f. 28 September 2022 and ceased to be joint venture entity

^^ became subsidiary w.e.f. 5 September 2022 and ceased to be joint venture entity

## Notes forming part of the consolidated financial statements

### iii) Interests in joint operations

When the Group has joint control of the arrangement based on contractually determined right to the assets and obligations for liabilities, it recognises such interests as joint operations. Joint control exists when the decisions about the relevant activities (i.e. activities that significantly affects the investee's returns) require unanimous consent of the parties sharing the control. In respect of its interests in joint operations, the Group recognises its share in assets, liabilities, income and expenses line-by-line in the standalone financial statements of the entity which is party to such joint arrangement, thereby forms part of the consolidated financial statements. Interests in joint operations are included in the segments to which they relate.

#### List of joint operations considered in CFS (Refer note 72)

Name of joint operations	Proportion of effective ownership interest (%)	Country of Incorporation
	31 March 2024	
Patel Michigan Joint Venture	90.00%	India
MEPL MCPL Joint Venture	50.00%	India
MEPL-GYAN JV	51.00%	India
J Kumar-MEPL JV	49% in Mithi and 40% in PST 1 and PST 2	India
Reliance Michigan Joint Venture LT	51.00%	India
Reliance & Michigan Joint Venture KVL	60.00%	India
Reliance Michigan (JV) MM	60.00%	India
Reliance Michigan Joint Venture Mithi River	49.00%	India
Relcon Michigan Joint Venture Jog	49.00%	India
MEPL-Speco (JV)	51.00%	India
APS-Michigan JV	50.00%	India
Onsite Michigan JV	50.00%	India
Michigan Savitar Consortium	51.00%	India
R K Madhani-MEPL (JV)	49.00%	India
R K Madhani-MEPL-LRS (JV)	28.00%	India
MEPL ANC Joint Venture	51.00%	India
Skyway-Michigan (JV)	49.00%	India
Michigan RPS Joint Venture	51.00%	India

### 3 (B) MATERIAL 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 year

The group classifies all other liabilities as non-current.

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

## Notes forming part of the consolidated financial statements

### 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 Group expects to be entitled in exchange for those goods or services.

#### a) Construction contract revenue

The Group 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 Group creates or enhances an asset that the customer controls.

The Group 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) Revenue from Build Operate Transfer business

- Toll revenue from operations is recognised on an accrual basis which coincides with the collection of toll.
- Revenue from supply of water are accounted as and when the right to receive the same arises and it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

#### c) Services revenue

The Group performs maintenance and other services (advisory and consultancy).

Revenue is recognised in the accounting period in which the services are rendered.

#### d) 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 Group collects goods and service tax on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue.

#### e) 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 Key Indicators. 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 Group 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.

#### 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 Group 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

## Notes forming part of the consolidated financial statements

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 Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). 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

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged off in Statement of profit and loss, immediately in the period in which such costs are incurred.

### h) Financing components

The Group 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 Group does not adjust any of the transaction prices for the time value of money. However, in case financing element is present then the Group 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 recognised using EIR on net carrying value (net of ECL) of debt instruments.

### 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.

## Notes forming part of the consolidated financial statements

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.

In the financial asset model, the amount due from the grantor meets the definition of a receivable which is measured at fair value. Based on business model assessment, the Group measures such financial assets at amortised cost. The amount initially recognised plus the cumulative interest on that amount is calculated using the effective interest method. 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 (including Service concession arrangements) that came into existence after the transition date are amortised on straight line method ('SLM') basis over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

### 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 Act. 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. Property, plant and equipment, costing individually ₹ 5,000 or less are depreciated fully in the year of purchase.

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

Assets descriptions	Useful life (in years)
Buildings	30 to 60
Plant and machinery	2 to 20
Furniture and fixtures	10
Vehicles	8 to 10
Office and other equipments	3 to 5
Computers (including networking equipments)	3 to 6

## Notes forming part of the consolidated financial statements

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 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.

### 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

Intangible assets not ready for the intended use as on the date of the Balance Sheet are disclosed as "Intangible Assets Under Development"

### vii) Oil & Gas Asset

Expenditure incurred prior to obtaining the right(s) to explore, develop and produce oil and gas are expensed off in the year of incurrence to the extent of the efforts not successful. The pro-rated cost of the successful efforts and Exploratory/appraisal drilling costs are initially capitalized within "Exploratory Work in Progress" on a block by block basis until the success or otherwise of the block is established. The success or failure of each exploration/appraisal effort is judged on a block basis. Exploration Assets are subject to impairment test on an annual basis.

On establishment of technical feasibility and commercial viability, the respective cost centre as shown under Exploratory work-in-progress are reclassified under Development Well. The Capital work-in-progress is allocated amongst the Development Wells and Production Facilities in proportionate basis.

Where results of seismic studies or exploration drilling indicate the presence of oil & gas reserves which are ultimately not considered commercially recoverable and no additional exploratory activity is firmly planned, all related costs are written off to the statement of profit and loss in the year of cessation of the exploration activity.

Any payment made towards fulfilment of commitment under the Contracts from earlier periods continues to be included under Exploration and Evaluation Assets at its carried value.

When a block or cost centre is relinquished, the accumulated costs are charged off as an expensed during the said year.

## Notes forming part of the consolidated financial statements

### viii) 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.

### ix) Valuation of Inventories

Raw materials, components and consumables (chemicals) are valued at lower of cost and net realizable value. Cost is determined on weighted average basis.

### x) 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 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.

### xi) 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.

### xii) 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.

### xiii) Share based payments

Employees 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).

## Notes forming part of the consolidated financial statements

### Employee stock options

The fair value of the options granted under the Employees Stock Option Schemes 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.

### xiv) 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.

### xv) 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 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 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

## Notes forming part of the consolidated financial statements

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.

### xvi) Foreign Currency transactions

The Group's financial statements are presented in INR rupees in crores, 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 Group's monetary items at the closing rate 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.

### xvii) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the

amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term of useful lives of the leased assets.

The right-of-use assets are also subject to impairment. Refer to the material accounting policies - Impairment of non-financial assets.

#### ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments).

#### iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of rented premises (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised

## Notes forming part of the consolidated financial statements

as expense on a straight-line basis over the lease term.

### xviii) 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.

### xix) 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.

### xx) 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 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 occurrence or non occurrence 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.

### 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 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

## Notes forming part of the consolidated financial statements

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. 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

## Notes forming part of the consolidated financial statements

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

- 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

## Notes forming part of the consolidated financial statements

- 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.

### E. Derivatives

The Group uses interest rate swaps to hedge its variability in cash flows from

interest payments arising from floating rate liabilities i.e. when interests are paid according to benchmark market interest rates. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the statement of profit and loss.

### xxii) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- a) fair values of the assets transferred;
- b) liabilities incurred to the former owners of the acquired business;
- c) equity interests issued by the group; and
- d) fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- a) consideration transferred;
- b) amount of any non-controlling interest in the acquired entity, and
- c) acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there



## Notes forming part of the consolidated financial statements

is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate

### xxiii) Non-current assets held for sale and discontinued operations

Non-current assets (including disposal groups) are classified as held-for-sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets classified as held-for-sale are measured at lower of their carrying amount and fair value less cost to sell. Non-current assets classified as held-for-sale are not depreciated or amortised from the date when they are classified as held-for-sale.

Non-current assets classified as held-for-sale and the assets and liabilities of a disposal group classified as held-for-sale are presented separately from the other assets and liabilities in the Consolidated Balance Sheet.

A discontinued operation is a component of the entity that has been disposed off or is classified as held-for-sale and represents a separate major line of business or geographical area of operations and; is part of a single co-ordinated plan to dispose of such a line of business or area of operations.

The results of discontinued operations are presented separately in the Consolidated Statement of Profit and Loss.

### xxiv) Treasury Shares

The Group has created an Welspun Enterprises Employees Welfare Trust ('EWT'). The Group uses EWT as a vehicle for distributing shares to employees under the employee stock option schemes. The Group treats EWT as its extension and shares held by EWT are treated as treasury shares.

Own equity instruments that are held by the trust are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the other equity.

### xxv) 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

## Notes forming part of the consolidated 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.

### xxvi) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors of the Holding Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

### xxvii) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on

the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

## 3 (C) 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 respect 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 55.

## Notes forming part of the consolidated financial statements

### 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 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 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.

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 44).

### 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 53.

### h) Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to

## Notes forming part of the consolidated financial statements

exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the

incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

### 3 (D) RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

## Notes forming part of the consolidated financial statements

## 4 PROPERTY, PLANT AND EQUIPMENT

	Land - Freehold#	Buildings	Plant and machinery	Furniture and fixtures	Vehicles	Office and other equipments	Computers	Total
<b>Gross carrying amount</b>								
<b>Balance as at 01 April 2022</b>	<b>17.47</b>	<b>2.29</b>	<b>37.00</b>	<b>1.98</b>	<b>12.49</b>	<b>4.11</b>	<b>2.44</b>	<b>77.78</b>
Additions	-	0.07	1.50	0.44	0.07	1.28	1.73	5.09
Disposals	(0.01)	(1.60)	(15.77)	(0.01)	(7.15)	(0.08)	(0.00)	(24.62)
Transferred to discontinued operations (Refer Note 73)	-	-	-	-	-	(0.03)	-	(0.03)
Reclassification as held-for-sale (Refer Note 73)	(17.10)	-	-	-	-	-	-	(17.10)
<b>Balance as at 31 March 2023</b>	<b>0.37</b>	<b>0.75</b>	<b>22.74</b>	<b>2.41</b>	<b>5.41</b>	<b>5.28</b>	<b>4.16</b>	<b>41.12</b>
Acquired pursuant to business combination (Refer note 72)	30.20	3.58	119.92	0.26	4.25	0.36	0.30	158.87
Reclassification from Assets classified as held-for-sale *	0.16	-	-	-	-	-	-	0.16
Additions	-	-	75.99	0.40	1.05	1.21	1.87	80.52
Disposals	(0.20)	-	(9.38)	(0.42)	(2.36)	(1.61)	(0.60)	(14.57)
<b>Balance as at 31 March 2024</b>	<b>30.53</b>	<b>4.33</b>	<b>209.27</b>	<b>2.65</b>	<b>8.35</b>	<b>5.24</b>	<b>5.73</b>	<b>266.10</b>
<b>Accumulated depreciation</b>								
<b>Upto 01 April 2022</b>	-	0.27	25.93	1.27	7.93	2.74	1.08	39.22
Additions	-	0.18	1.85	0.39	0.83	0.99	1.38	5.62
Disposals	-	(0.24)	(9.18)	(0.01)	(5.00)	(0.07)	(0.00)	(14.51)
<b>Upto 31 March 2023</b>	-	<b>0.20</b>	<b>18.59</b>	<b>1.65</b>	<b>3.76</b>	<b>3.66</b>	<b>2.46</b>	<b>30.33</b>
Acquired pursuant to business combination (Refer note 72)	-	2.66	72.76	0.16	2.05	0.26	0.20	78.09
Additions	-	0.11	14.45	0.34	1.09	1.08	1.62	18.69
Disposals	-	-	(7.42)	(0.33)	(1.81)	(1.38)	(0.50)	(11.44)
<b>Upto 31 March 2024</b>	-	<b>2.97</b>	<b>98.38</b>	<b>1.82</b>	<b>5.09</b>	<b>3.62</b>	<b>3.78</b>	<b>115.66</b>
<b>Net carrying amount</b>								
<b>Balance as at 31 March 2024</b>	<b>30.53</b>	<b>1.36</b>	<b>110.89</b>	<b>0.83</b>	<b>3.26</b>	<b>1.62</b>	<b>1.95</b>	<b>150.44</b>
<b>Balance as at 31 March 2023</b>	<b>0.37</b>	<b>0.55</b>	<b>4.15</b>	<b>0.76</b>	<b>1.65</b>	<b>1.62</b>	<b>1.70</b>	<b>10.79</b>

## Notes forming part of the consolidated financial statements

Net carrying amount	As at 31 March 2024	As at 31 March 2023 (Restated)
Property, plant and equipment	150.44	10.79
Capital work-in-progress	6.72	6.55

## Ageing for Capital work-in-progress as at 31 March 2024 is as follows :

	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Project in progress	0.17	-	-	-	0.17
Project suspended till resolution of dispute (Refer note 65)	-	-	-	6.55	6.55

## Ageing for Capital work-in-progress as at 31 March 2023 is as follows :

	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Project in progress	-	-	-	-	-
Project suspended till resolution of dispute (Refer note 65)	-	-	-	6.55	6.55

## Note

For details of property, plant and equipment pledged as security, Refer note 24 and 29

\* During the current year, the Group has reclassified ₹ 0.16 crores from "Non Current assets held for sale" to "Property, plant and equipment" as the criteria to classify assets as held for sale no longer met as on 31 March 2024.

**Note:** # Includes value of immovable property of ₹ Nil (Original value of ₹ 0.36 crores) at Pune for which the title deeds are not held in the name of the Company.

Description of property	Original value (₹ in crores)	Held in name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of Company
Freehold land at Village - Indapur Dist. Pune	0.36	Mr. Mahadev Shankar Gurgude & Mr. Chittaranjan Patil	No	Since October 2010	Dispute before the Court of Baramati Civil Court. The owner and his power of attorney holder did not fulfill their obligations under the Agreement to sell.

## Notes forming part of the consolidated financial statements

## 5 RIGHT-OF-USE ASSETS

(₹ in crores)

	Leased premises	Total
<b>Gross carrying amount</b>		
<b>Balance as at 01 April 2022</b>	20.05	20.05
Additions	1.96	1.96
Disposals	-	-
<b>Balance as at 31 March 2023</b>	<b>22.01</b>	<b>22.01</b>
Acquired pursuant to business combination (Refer note 72)	1.37	1.37
Additions	4.28	4.28
<b>Balance as at 31 March 2024</b>	<b>27.66</b>	<b>27.66</b>

(₹ in crores)

	Leased premises	Total
<b>Accumulated depreciation</b>		
<b>Upto 1 April 2022</b>	9.00	9.00
Additions	3.97	3.97
Disposals	-	-
<b>Upto 31 March 2023</b>	<b>12.97</b>	<b>12.97</b>
Acquired pursuant to business combination (Refer note 72)	0.65	0.65
Additions	5.34	5.34
Disposals	-	-
<b>Upto 31 March 2024</b>	<b>18.96</b>	<b>18.96</b>

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
<b>Net carrying amount</b>		
Right-of-use assets	8.70	9.04

## 6 INTANGIBLE ASSETS

(₹ in crores)

	Dewas Water Supply Project	Mukarba Chowk - Panipat Toll Road Project	Other intangible assets	Total
<b>Gross carrying amount</b>				
<b>Balance as at 01 April 2022</b>	63.31	1,768.16	-	1,831.47
Additions	-	150.60	-	150.60
Transferred to discontinued operations (Refer Note 73)	-	(1,918.76)	-	(1,918.76)
<b>Balance as at 31 March 2023</b>	<b>63.31</b>	<b>-</b>	<b>-</b>	<b>63.31</b>
Acquired pursuant to business combination (Refer note 72)	-	-	0.50	0.50
Additions	-	-	0.26	0.26
<b>Balance as at 31 March 2024</b>	<b>63.31</b>	<b>-</b>	<b>0.76</b>	<b>64.07</b>

## Notes forming part of the consolidated financial statements

	Dewas Water Supply Project	Mukarba Chowk - Panipat Toll Road Project	Other intangible assets	Total
<b>Accumulated amortisation</b>				
<b>Upto 1 April 2022</b>	9.94	-	-	9.94
Additions *	3.51	61.56	-	65.07
Transferred to discontinued operations	-	(61.56)	-	(61.56)
<b>Upto 31 March 2023</b>	<b>13.44</b>	<b>-</b>	<b>-</b>	<b>13.44</b>
Acquired pursuant to business combination (Refer note 72)	-	-	0.47	0.47
Additions	3.52	-	0.01	3.53
<b>Upto 31 March 2024</b>	<b>16.96</b>	<b>-</b>	<b>0.48</b>	<b>17.45</b>

\* includes amortisation on continuing operations and discontinuing operations.

	Dewas Water Supply Project	Mukarba Chowk - Panipat Toll Road Project	Other intangible assets	Total
<b>Net carrying amount</b>				
<b>Balance as at 31 March 2024</b>	46.35	-	0.28	46.63
<b>Balance as at 31 March 2023</b>	49.87	-	-	49.87

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
<b>Net carrying amount</b>		
Intangible assets	46.63	49.87

## Notes forming part of the consolidated financial statements

## 7 NON-CURRENT INVESTMENTS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
<b>Non-current investments</b>		
<b>Investment at fair value through profit and loss</b>		
<b>Investment in equity instruments - Quoted</b>		
Union Bank of India (Formerly known as Corporation Bank Limited)		
2,640 (31 March 2023 : 2,640) equity Shares of ₹ 10/- each fully paid up	0.04	0.02
<b>Investment in equity instruments - Unquoted</b>		
Welspun Energy Thermal Private Limited (Formerly known as Solarsys Infra Projects Private Limited)		
1,549 (31 March 2023:1,549) equity shares of ₹ 10 each fully paid up	-	-
Welassure Private Limited		
1,900 (31 March 2023: 1,900) equity shares of ₹ 10 each fully paid up	0.27	0.12
Welspun Global Services Private Limited		
1,900 (31 March 2023: 1,900) equity shares of ₹ 10 each fully paid up	0.23	0.00
Ecstatic Engineering Consultants Private Limited		
480 (31 March 2023: 480) equity shares of ₹ 10 each fully paid up	0.03	0.00
Welspun Transformation Services Limited		
570,000 (31 March 2023: 570,000) equity shares of ₹ 10 each fully paid up	1.41	0.57
<b>Investment in Government Securities</b>		
Indira Vikash Patra	-	0.00
<b>Investments in Debentures</b>		
<b>Unquoted</b>		
Welspun Energy Thermal Private Limited		
Nil (31 March 2023 : 1,570,832) 0% unsecured optionally convertible debentures of ₹ 10 each fully paid up (at fair value through profit and loss) @	-	-
<b>Total</b>	<b>1.98</b>	<b>0.71</b>
Aggregate book value of quoted investments	0.04	0.02
Aggregate book value of unquoted investments	1.94	0.69
Aggregate market value of quoted investments	0.04	0.02

@ Each debenture having face value of ₹ 10 each shall at the option of the Company be converted into appropriate number of equity shares of ₹ 10 each fully paid up, not later than 10 years from the date of allotment of optionally convertible debentures.

## Notes forming part of the consolidated financial statements

## 8 RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENT

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Service concession receivables	1,047.93	752.81
<b>Total</b>	<b>1,047.93</b>	<b>752.81</b>

## 9 NON-CURRENT FINANCIAL ASSETS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
<b>Secured</b>		
Security deposits- considered good	-	1.58
<b>Unsecured</b>		
Security deposits- considered good	2.53	1.99
Retention receivables	11.42	-
Bank deposits having original maturity of more than twelve months Held as margin money against borrowings, guarantees and other commitments including collateral securities (with various government authorities and banks)	15.32	69.76
Bank deposits having maturity of more than twelve months	-	7.59
<b>Total</b>	<b>29.27</b>	<b>80.92</b>

## 10 NON-CURRENT TAX ASSETS (NET)

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
<b>Balances with government authorities :</b>		
- Direct tax (net of provision for taxation)	52.79	49.76
<b>Total</b>	<b>52.79</b>	<b>49.76</b>

## 11 OTHER NON-CURRENT ASSETS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Capital advances	5.84	1.68
Prepaid expenses	2.92	4.98
Balances with government authorities - Indirect taxes	0.11	2.76
<b>Total</b>	<b>8.87</b>	<b>9.42</b>

## 12 INVENTORIES

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Raw materials (including consumables)	156.64	86.41
<b>Total</b>	<b>156.64</b>	<b>86.41</b>

## Notes forming part of the consolidated financial statements

## 13 CONTRACT ASSETS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
Contract assets (Refer note 62)		
- Related parties (Refer note 56)	20.49	-
- Others	622.41	645.34
<b>Total</b>	<b>642.90</b>	<b>645.34</b>

## 14 CURRENT INVESTMENTS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Investments at fair value through profit and loss</b>		
<b>I. Quoted</b>		
Investment in bonds	390.45	895.61
Investment in mutual funds #	88.86	402.30
<b>Investment in equity shares</b>		
NMDC Limited	2.02	1.11
100,000 (31 March 2023:100,000) shares of face value of ₹ 1/- each fully paid up		
NMDC Steel Limited	0.55	0.31
100,000 (31 March 2023 : 100,000) shares of face value of ₹ 1/- each fully paid up		
<b>II Unquoted</b>		
Ecstatic Engineering Consultants Private Limited		
5,584 (31 March 2023 :5,584) 0% unsecured optionally convertible debentures of ₹ 100 each fully paid up (at fair value) ##	0.25	0.25
<b>Total</b>	<b>482.13</b>	<b>1,299.58</b>
Aggregate book value of quoted investments	481.88	1,299.33
Aggregate book value of unquoted investments	0.25	0.25
Aggregate market value of quoted investments	481.88	1,299.33

# ₹ Nil (31 March 2023: ₹ 9.32 crores) represents restricted balances towards DSRA obligation/collateral security for its debt obligations to lenders.

## Each debenture having face value of ₹ 100 each shall be convertible, at the option of the holder into 1 equity share of ₹ 10 each 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.

## 15 TRADE RECEIVABLES

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Unsecured</b>		
Considered good		
- Related parties (Refer note 56)	90.57	138.48
- Others	338.11	187.34
<b>Total</b>	<b>428.68</b>	<b>325.82</b>

Trade receivables are non-interest bearing and are normally settled as per payment terms mentioned in the contract.

For ageing of trade receivables outstanding as at 31 March 2024 and 31 March 2023 - Refer note 47

## Notes forming part of the consolidated financial statements

## 16 CASH AND CASH EQUIVALENTS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Balances with banks :</b>		
- In current accounts	77.09	37.43
- Deposits with banks having original maturity period of less than three months	175.14	289.92
Cash on hand	0.07	0.05
<b>Total</b>	<b>252.30</b>	<b>327.40</b>

## 17 BANK BALANCES (OTHER THAN 16 ABOVE)

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Balances with banks</b>		
Deposits having maturity period less than twelve months	-	154.40
Held as margin money against guarantees and other commitments including collateral security (with various government authorities and banks)	230.93	58.85
Unclaimed dividend account #	0.88	0.95
<b>Total</b>	<b>231.81</b>	<b>214.20</b>

# There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Act as at the year end.

## 18 CURRENT FINANCIAL ASSETS - LOANS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Unsecured, considered good</b>		
Loans and advances		
- Other	-	0.05
<b>Total</b>	<b>-</b>	<b>0.05</b>

## 19 OTHER CURRENT FINANCIAL ASSETS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Secured, considered good</b>		
Security deposits - Others	59.74	1.20
<b>Unsecured, considered good</b>		
Security deposits		
- Related parties (Refer note 56)	0.07	0.07
- Others	30.47	2.56
Other receivables	40.13	60.24
<b>Total</b>	<b>130.41</b>	<b>64.07</b>

## Notes forming part of the consolidated financial statements

## 20 OTHER CURRENT ASSETS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
Advance against goods and services	216.67	192.57
Advances to employees	0.05	-
Mobilisation advances receivable	96.10	139.42
Prepaid expenses	30.16	22.29
Balance with government authorities - Indirect taxes	317.51	278.29
<b>Total</b>	<b>660.49</b>	<b>632.57</b>

## 21 ASSETS CLASSIFIED AS HELD-FOR-SALE AND DISCONTINUED OPERATIONS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Assets classified as held-for-sale and discontinued operations	225.67	277.45
<b>Total</b>	<b>225.67</b>	<b>277.45</b>

- i) On 09 June 2022, the Group has entered definitive agreement with Actis Highway Infra Limited ("Actis") and has obtained all necessary approvals for divestment of 49% equity stake in NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infrafacility Private Limited) ('WIFPL'). The balance 51% shall be divested on fulfillment of certain conditions. The carrying value of the associate WIFPL amounting to ₹ 225.67 crores, 12,335,567 equity shares of ₹ 10/- each fully paid up) (31 March 2023: ₹ 255.12 crores, 12,335,567 equity shares of ₹ 10/- each fully paid up)) has been shown as Assets held-for-sale. These equity shares has been pledged. (Refer note 58).
- ii) The Group has identified certain Property, plant and equipment ('PPE') amounting to ₹ 22.33 crores as at 31 March 2023, which are available for sale in its present conditions. The Group has taken necessary action and completed the sale during the current year.

## 22 EQUITY

## 22(a) - Equity share capital

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
<b>Authorised</b>		
275,000,000 (31 March 2023: 275,000,000) equity shares of ₹ 10/- each	275.00	275.00
	<b>275.00</b>	<b>275.00</b>

**Issued, subscribed and paid up equity share capital and reconciliation of the number of shares outstanding and the amount of the equity share capital**

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
	Number of Shares		(₹ in crores)	
Outstanding at the beginning of the year, fully paid-up	149,983,056	149,783,056	149.98	149.78
Add : Pursuant to exercise of stock options (Refer note 53)	180,754	200,000	0.18	0.20
Less : Buy back (Refer note 75)	(11,750,000)	-	(11.75)	-
<b>Outstanding at the end of the year, fully paid-up</b>	<b>138,413,810</b>	<b>149,983,056</b>	<b>138.41</b>	<b>149.98</b>
Less: Treasury shares held under ESOP Trust (Refer note (i) below)	(1,900,000)	-	(1.90)	-
<b>Outstanding at the end of the year, net of Treasury shares</b>	<b>136,513,810</b>	<b>149,983,056</b>	<b>136.51</b>	<b>149.98</b>

## Notes forming part of the consolidated financial statements

## (i) Shares held under ESOP trust:

The Group has created an "Welspun Enterprises Employee Benefit Scheme - 2022" for providing share-based payment to its employees. For the purpose of the scheme, the Group purchases shares from the open market under ESOP trust.

The Group treats ESOP trust as its extension and shares held by ESOP trust are treated as treasury shares. Refer note 53.

## Movement in treasury shares

(₹ in crores)

	As at 31 March 2024		As at 31 March 2023	
	Number of equity shares	(₹ in crores)	Number of equity shares	(₹ in crores)
Outstanding at the beginning of the year	-	-	-	-
Purchased during the year	2,000,000	2.00	-	-
Transferred to employees on exercise of ESOP shares	(100,000)	(0.10)	-	-
<b>Outstanding at the end of the year</b>	<b>1,900,000</b>	<b>1.90</b>	<b>-</b>	<b>-</b>

## (ii) Rights, preference and restriction on shares

The Company has only one class of equity shares having par value of ₹ 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) Disclosure of Shareholding of Promoters

The details of the shares held by the promoters as at 31 March 2024 are as follows :

Promoters Name	No of Shares	% of total shares	% change during the year
a) Balkrishan Goenka Trustee of Welspun Group Master Trust	67,538,885	48.79%	0.32%
b) Welspun Investments and Commercials Limited	4,625,210	3.34%	0.26%
c) Aryabhat Vyapar Private Limited	3,290,063	2.38%	0.18%
d) Rajesh R Mandawewala	120	0.00%	0.00%
e) Balkrishan Gopiram Goenka	84	0.00%	0.00%
f) Sitadevi Rameshkumar Mandawewala	600	0.00%	0.00%

The details of the shares held by the promoters as at 31 March 2023 are as follows :

Promoters Name	No of Shares	% of total shares	% change during the year
a) Balkrishan Goenka Trustee of Welspun Group Master Trust	72,709,526	48.48%	(0.06%)
b) Welspun Investments and Commercials Limited	4,625,210	3.08%	0.33%
c) Aryabhat Vyapar Private Limited	3,290,063	2.19%	0.00%
d) Rajesh R Mandawewala	120	0.00%	-
e) Balkrishan Gopiram Goenka	84	0.00%	-
f) Sitadevi Rameshkumar Mandawewala	600	0.00%	-

## Notes forming part of the consolidated financial statements

**(iv) Details of shareholders holding more than 5% shares in the Company**

(₹ in crores)

	As at 31 March 2024		As at 31 March 2023	
	Number of equity shares	% Holding	Number of equity shares	% Holding
Balkrishan Goenka as Trustee of Welspun Group Master Trust	67,538,885	48.79%	72,709,526	48.48%

**(v) 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.**

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
a) Equity shares allotted as fully paid up for consideration other than cash - Exercise of stock options	2,050,000	2,690,000
b) Equity shares bought back (Refer note 75)	11,750,000	-

**(vi) Shares reserved for issue under options**

For details of shares reserved for issue under the share based payment plan, please refer note 53

**22(b) - Other equity**

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Capital reserve	264.24	264.24
Amalgamation reserve	5.21	5.21
Securities premium	732.16	953.08
Share options outstanding account	1.10	3.11
Capital redemption reserve	11.75	-
Treasury shares	(26.86)	-
General reserve	6.34	5.67
Retained earnings	1,192.92	974.74
<b>Total</b>	<b>2,186.86</b>	<b>2,206.03</b>
<b>(i) Capital reserve</b>		
As per last balance sheet	264.24	279.93
Reversal of gain on bargain purchase (Refer note 74 A)	-	(15.69)
	<b>264.24</b>	<b>264.24</b>
<b>(ii) Amalgamation reserve</b>		
As per last balance sheet	5.21	5.21
<b>(iii) Securities premium</b>		
As per last balance sheet	953.08	950.49
Exercise of share options	2.33	2.59
Utilised on buy back of shares (Refer note 75)	(223.25)	-
	<b>732.16</b>	<b>953.08</b>
<b>(iv) Other reserves</b>		
<b>(a) Share options outstanding account</b>		
As per last balance sheet	3.11	9.93
Compensation options granted (Refer note 53)	1.09	1.49
Compensation options lapsed (Refer note 53)	(0.22)	(5.53)
Transfer to general reserve on exercise of options	(0.67)	-
Share options exercised (Refer note 53)	(2.21)	(2.79)
	<b>1.10</b>	<b>3.11</b>

## Notes forming part of the consolidated financial statements

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
<b>(b) Capital Redemption Reserve</b>		
As per last balance sheet	-	-
Transfer from Retained earnings on account of buyback of shares (Refer note 75)	11.75	-
	<b>11.75</b>	<b>-</b>
<b>(c) Treasury shares</b>		
As per last balance sheet	-	-
Shares purchased in ESOP trust during the year	(28.27)	-
Shares transferred to employees on exercise of ESOP	1.41	-
	<b>(26.86)</b>	<b>-</b>
<b>(d) General reserve</b>		
As per last balance sheet	5.67	5.67
Transfer to general reserve on exercise of options	0.67	-
	<b>6.34</b>	<b>5.67</b>
<b>(e) Retained earnings</b>		
As per last balance sheet	974.72	390.08
Profit for the year	295.09	722.75
Other comprehensive income ('OCI') for the year	3.69	(3.04)
Interim dividend paid	-	(112.49)
Final dividend paid	(13.64)	(22.48)
Transfer to Capital Redemption Reserve on account of buyback of shares (Refer note 75)	(11.75)	-
Tax on buyback of equity shares and buyback expenses (Refer note 75)	(54.58)	-
Loss on transfer of treasury shares	(0.63)	-
Share of an associate in OCI	-	(0.08)
	<b>1,192.92</b>	<b>974.72</b>
<b>Total</b>	<b>2,186.86</b>	<b>2,206.03</b>

**23 CONTRACT LIABILITIES**

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Contract liabilities (Refer note 62)		
- Other parties	189.14	354.85
<b>Total</b>	<b>189.14</b>	<b>354.85</b>

**24 NON-CURRENT BORROWINGS**

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
<b>Secured</b>		
Term loans from banks	569.53	290.29
Non-convertible debentures	-	291.68
Term loans from financial institutions	2.02	-
<b>Total</b>	<b>571.55</b>	<b>581.97</b>
Less: Current maturities of long term borrowings (Refer note 29)	(13.34)	(295.06)
	<b>558.21</b>	<b>286.91</b>



## Notes forming part of the consolidated financial statements

## Term loans from banks / financial institutions / NCDs

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>In Holding Company</b>		
Non-convertible debentures	-	291.68
<b>In Subsidiary Companies</b>		
Union Bank of India	408.63	204.10
Central Bank of India	88.48	42.79
Axis Bank Limited	59.43	43.40
Mahindra & Mahindra Financial Services Limited	2.02	-
Equitas Small Finance Bank Limited	0.12	-
Yes Bank Limited	12.87	-
	<b>571.55</b>	<b>581.97</b>

## Nature of security and terms of repayments for long term borrowings

## A In Holding Company

## i) Non-convertible debentures ('NCDs')

The Group had issued 1,750 rated, listed, secured, redeemable, Non-Convertible Debentures of ₹10 lacs each aggregating to ₹ 175.00 crores. The debentures bore an interest at 8.85% payable annually. Debentures were secured by way of first pari passu charge on loans, advances and other receivables (including ICDs) from Project SPVs, other than current assets of the Company by way of Hypothecation at book value. Second pari passu charge on the Current assets of the Company at book value, and - Exclusive charge on Debt Service Reserve Account. The aggregate book value of the security i.e First Pari passu charge and Second Pari passu charge as aforesaid should provide minimum asset cover of 1.10 times during the tenure of the NCDs at all times to be tested on half yearly basis.

The Group had issued 2,000 rated, listed, secured, redeemable, Non-Convertible Debentures of ₹10 lacs each aggregating to ₹ 200.00 crores. The debentures bore an interest at an agreed upon annual rate of repo rate plus spread of 485 bps payable annually. Debentures were secured by way of first pari passu charge on the Current assets of the company at book value, first pari passu charge over P&M and other moveable assets excluding those specifically charged to other Banks / Financial Institutions. The aggregate book value of the security i.e First Pari passu charge on and Second Pari passu charge as aforesaid should provide minimum asset cover of 1.10 times during the tenure of the NCDs at all times to be tested on half yearly basis.

The outstanding debentures as on 31 March 2023 has been repaid during the year ended 31 March 2024.

Number of Debentures	Face Value	Redemption date	Rate of Interest per annum
1,000 Secured Redeemable Non-Convertible Debentures (INE625G07028)	1,000,000	1 June 2023	Linked with Repo Rate
1,750 Secured Redeemable Non-Convertible Debentures (INE625G07010)	1,000,000	27 May 2023	8.85%
1,000 Secured Redeemable Non-Convertible Debentures (INE625G07028)	1,000,000	1 December 2022	Linked with Repo Rate

## Notes forming part of the consolidated financial statements

## B In Subsidiaries

## i) Union Bank of India and Central Bank of India

₹ 408.63 crores (31 March 2023: ₹ 204.10 crores) borrowings from Union Bank of India and ₹ 88.48 crores (31 March 2023: ₹ 42.79 crores) borrowings from Central Bank of India.

- Pledge of 51% of the shareholding & first pari passu charge on all the Borrower's immovable properties including leasehold rights, if any, both present and future, save and except Project Assets;
- First pari passu charge on all Borrower's tangible moveable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future, save and except Project Assets;
- Lien over all accounts of the Borrower including the Escrow Account and the Sub-Accounts (or any account in substitution thereof) and all funds from time to time deposited therein, that may be opened in accordance with this Common Loan Agreement, the Supplementary Escrow Agreement, or any of the other Project Documents subject to and without prejudice to the rights of NHA1 under the Concession Agreement and Escrow Agreement;
- A first charge on all intangible assets of the Borrower, if any including but not limited to goodwill, rights, undertaking, intellectual property and uncalled capital present and future excluding the Project Assets (provided that all amounts received on account of any of these shall be deposited in the Escrow Account and that the charges on the same shall be subject to the extent permissible as per the priority specified in Clause 25 of the Concession Agreement and Clause 4 of the Escrow Agreement). Further, a charge on uncalled capital, as set in above, shall be subject however to the provisions of Clauses 5.3 and 7.1(k) and Clause 25 of the Concession Agreement;
- Charge/assignment by way of security in:
  - All the right, title, interest, benefits, claims and demands whatsoever of the Borrower in the Project Documents (as defined under Concession Agreement) including concession agreement and EPC Contract.
  - The right, title and interest of the Borrower in, to and under all the Government Approvals;
  - All the right, title, interest, benefits, claims and demands whatsoever of the Borrower in any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents; and
  - All the right, title, interest, benefits, claims and demands whatsoever of the Borrower under all Insurance Contracts;

## Interest and repayment terms

## a) Rate of interest

Bank Name	Rate
Union Bank of India	MCLR + 1.20%
Central Bank of India	MCLR + 1.35%

- Term loans are repayable in 30 half yearly installments starting from August 2025 and ending in February 2040.

## Notes forming part of the consolidated financial statements

### ii) Axis Bank Limited

₹ 40.07 crores (31 March 2023: ₹ 43.40 crores) secured by first charge on all the Dewas Waterprojects Works Private Limited ('DWWPL') immovable properties, tangible movable assets including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, and intangible assets both present and future except Project assets. A first charge over all accounts of DWWPL including Escrow account and the sub accounts.

Assignment by way of Security/charge by way of hypothecation in:

- (i) all the right, title, interest, benefits, claims and demands of DWWPL in the Project Documents;
- (ii) the right, title and interest of DWWPL in, to and under all the Clearances;
- (iii) all the right, title, interest, benefits, claims and demands of DWWPL in any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents;
- (iv) all the right, title, interest, benefits, claims and demands of DWWPL under all Insurance Contracts;

Assignment/charge on unsecured shareholder loan/financial assistance/funds infused by the Holding Company in the DWWPL. 100% Fixed Deposit on auto renewal basis with the Axis Bank in the name of Holding Company, Welspun Enterprises Limited, lien duly noted and to be released in line with repayment of Loan in a way to ensure 100% coverage for Loan outstandings.

Pledge of 51% of the fully paid up equity shares and 51% of CCD/ CCP of DWWPL held by the holding company. An irrevocable and unconditional corporate guarantee by its Holding Company.

Repayment terms : Term loan is repayable in quarterly installments starting from December 2020 and ending in September 2031.

Rate of interest : FD rate + 100 bps p.a.

### iii) Axis Bank Limited

₹ 1.49 crores secured by hypothecation of plant and machinery of Welspun Michigan Engineers Limited.

Repayment terms : Term loan is repayable in 60 monthly installments, starting from January 2022 and ending in December 2026.

Rate of interest : 8.75% p.a.

₹ 16.52 crores secured by hypothecation of tunnel boring machine of Welspun Michigan Engineers Limited.

Repayment terms : Term loan is repayable in 35 monthly installments, starting from September 2023 and ending in July 2026.

Rate of interest : 10.50% p.a.

₹ 1.35 crores secured by hypothecation of tunnel boring machine of Welspun Michigan Engineers Limited.

Repayment terms : Term loan is repayable in 23 monthly installments, starting from October 2022 and ending in August 2024.

Rate of interest : 11.00% p.a.

## Notes forming part of the consolidated financial statements

### iv) Mahindra & Mahindra Financial Services Limited

₹ 0.26 crores secured by hypothecation of specified motor vehicles/machineries of Welspun Michigan Engineers Limited.

Repayment terms : Term loan is repayable in 24 monthly installments, starting from October 2023 and ending in September 2025.

Rate of interest : 10.80% p.a.

₹ 0.27 crores secured by hypothecation of specified motor vehicles/machineries of Welspun Michigan Engineers Limited.

Repayment terms : Term loan is repayable in 24 monthly installments, starting from November 2023 and ending in October 2025.

Rate of interest : 10.59% p.a.

₹ 0.73 crores secured by hypothecation of plant and machinery of Welspun Michigan Engineers Limited.

Repayment terms : Term loan is repayable in 24 monthly installments, starting from December 2023 and ending in November 2025.

Rate of interest : 10.25% p.a.

₹ 0.76 crores secured by hypothecation of plant and machinery of Welspun Michigan Engineers Limited.

Repayment terms : Term loan is repayable in 24 monthly installments, starting from January 2024 and ending in December 2025.

Rate of interest : 10.464% p.a.

### v) Equitas Small Finance Bank Limited

₹ 0.05 crores secured by hypothecation of plant and machinery of Welspun Michigan Engineers Limited.

Repayment terms : Term loan is repayable in 36 monthly installments, starting from October 2022 and ending in September 2025.

Rate of interest : 10.02% p.a.

₹ 0.07 crores secured by hypothecation of plant and machinery of Welspun Michigan Engineers Limited.

Repayment terms : Term loan is repayable in 36 monthly installments, starting from March 2023 and ending in February 2026.

Rate of interest : 10.01% p.a.

### vi) Yes Bank Limited

₹ 12.87 crores secured by hypothecation of tunnel boring machine of Welspun Michigan Engineers Limited.

Repayment terms : loan is repayable by March 2026

Rate of interest : 6M SORO Reset + 1.60% p.a. (4.08%) p.a.

## Notes forming part of the consolidated financial statements

## 25 NON-CURRENT LEASE LIABILITIES

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Lease liabilities (Refer note 63)	5.43	5.83
<b>Total</b>	<b>5.43</b>	<b>5.83</b>

## 26 NON-CURRENT LEASE LIABILITIES

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Retention money payable	15.07	-
<b>Total</b>	<b>15.07</b>	<b>-</b>

## 27 NON-CURRENT PROVISIONS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits	5.30	8.00
Other provisions	43.77	-
<b>Total</b>	<b>49.07</b>	<b>8.00</b>
<b>Movement of Other provisions</b>		
As per last balance sheet	-	-
Acquired pursuant to business combination (Refer note 72)	43.77	-
Less: Utilisation/ Write back during the year	-	-
<b>Total</b>	<b>43.77</b>	<b>-</b>

## 28 CONTRACT LIABILITIES

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Contract liabilities (Refer note 62)		
- Related parties (Refer note 56)	-	9.95
- Other parties	653.30	747.19
<b>Total</b>	<b>653.30</b>	<b>757.14</b>

## 29 CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
<b>Secured</b>		
<b>Measured at amortised cost</b>		
Current maturities of long-term borrowings (Refer note 24) *	13.34	295.06
<b>Loans repayable on demand</b>		
Bank overdraft **	0.00	-
Loans and advances from other parties ***	180.92	171.64
<b>Total</b>	<b>194.26</b>	<b>466.70</b>

\* Includes interest accrued but not due ₹ 0.11 crores (31 March 2023: ₹ 16.88 crores)

## Notes forming part of the consolidated financial statements

\*\* Overdraft facility against fixed deposits from IDBI Bank Limited, repayable on demand. The overdraft facility is carrying interest of 8.31% per annum.

\*\*\* Amount received as per "Advance and Pledged Agreement" for the purpose of fulfilment of obligation under one of the EPC contract of Company. The loan is carrying interest @ 6% per annum compounded annually and is secured by first ranking exclusive charge by way of pledge of 11,851,817 equity shares in NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracore Private Limited). It includes accrued interest of ₹ 11.68 crores (31 March 2023 ₹ 2.40 crores) (net of tax deducted at source). The repayment notice may be issued not earlier than 15 (fifteen) business days prior to the second closing date as defined in "Securities Subscription and Purchase Agreement".

## 30 CURRENT LEASE LIABILITIES

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Lease liabilities (Refer note 63)	4.20	4.11
<b>Total</b>	<b>4.20</b>	<b>4.11</b>

## 31 TRADE PAYABLES

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Trade payables		
Dues of micro enterprises and small enterprises (Refer note 61)	42.13	-
Dues of creditors other than micro enterprises and small enterprises		
- Acceptances	-	105.94
- Others	420.92	375.73
<b>Total</b>	<b>463.05</b>	<b>481.67</b>

Trade payables are non-interest bearing and are normally settled as per payment terms mentioned in the contract.

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Trade payables to related parties (Refer note 56)	3.25	0.01
Others	459.80	481.66
<b>Total</b>	<b>463.05</b>	<b>481.67</b>

For ageing of trade payables outstanding as at 31 March 2024 and 31 March 2023 - Refer note 48

## 32 CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Security deposits/ retention money payable	203.73	235.23
Payable to employees	15.46	26.41
Interest rate swap payable (Refer Note 45 (A)(a)(i))	2.97	6.75
Unclaimed dividend payable	0.88	0.94
<b>Total</b>	<b>223.04</b>	<b>269.33</b>

## Notes forming part of the consolidated financial statements

## 33 CURRENT PROVISIONS

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits	2.02	3.85
Other provisions *	1.15	-
<b>Total</b>	<b>3.17</b>	<b>3.85</b>

## Movement of Other provisions

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
As per last balance sheet	-	-
Add: Additions during the year	1.15	-
Less: Utilisation/ Write back during the year	-	-
	<b>1.15</b>	<b>-</b>

\* Provision for litigation related obligation, represents liabilities that are expected to materialise in respect of matters in appeal.

## 34 OTHER CURRENT LIABILITIES

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Capital advances	-	8.10
Statutory dues	33.79	48.94
<b>Total</b>	<b>33.79</b>	<b>57.04</b>

## 35 CURRENT TAX LIABILITIES (NET)

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Provision for tax	10.61	-
<b>Total</b>	<b>10.61</b>	<b>-</b>

## 36 REVENUE FROM OPERATIONS

(₹ in crores)

	Year ended 31 March 2024	Year ended 31 March 2023
<b>Revenue from</b>		
- Engineering, Procurement and Construction	2,800.99	2,632.85
- Operation and Maintenance	13.49	56.77
- Build Operate Transfer (BOT) Business	12.34	12.45
<b>Other operating revenues</b>		
- Claims received	11.50	24.97
- Scrap sales	1.06	0.13
- Other material sales	32.90	31.02
<b>Total</b>	<b>2,872.28</b>	<b>2,758.19</b>

Refer note 56 for related parties transactions

## Notes forming part of the consolidated financial statements

## 37 OTHER INCOME

(₹ in crores)

	Year ended 31 March 2024	Year ended 31 March 2023
<b>Interest income on financial assets at amortised cost</b>		
- On bank deposits	17.92	9.13
- On loans and advances to related parties	0.00	1.45
- On financial assets	81.47	65.47
<b>Interest income</b>		
- Financial assets designated as fair value through profit and loss ('FVTPL')	23.28	9.32
- Interest on income tax	0.50	0.91
- Others *	14.98	27.36
Dividend income on financial assets designated as fair value through profit and loss ('FVTPL')	7.12	0.61
Net gain on financial assets designated as fair value through profit and loss ('FVTPL')	37.74	22.83
Net gain on sale of non-current investments	0.05	-
Reversal of provision no longer required	2.02	0.69
Unwinding of discount on security deposits	0.11	0.10
Gain on sale of property, plant and equipment (net)	1.64	5.26
Rent income	1.04	0.12
Miscellaneous income	3.16	0.20
<b>Total</b>	<b>191.03</b>	<b>143.45</b>

\* Includes interest income recognised on mobilisation advances.

Refer note 56 for related parties transactions

## 38 COST OF MATERIALS CONSUMED

(₹ in crores)

	Year ended 31 March 2024	Year ended 31 March 2023
Inventories at the beginning of the year	86.41	48.00
Acquired pursuant to business combination (Refer note 72)	43.17	-
Add: Purchases	497.95	428.53
	<b>627.53</b>	<b>476.53</b>
Less: Inventories at the end of the year	(156.64)	(86.41)
<b>Total</b>	<b>470.89</b>	<b>390.12</b>

## 39 EMPLOYEE BENEFITS EXPENSE

(₹ in crores)

	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	154.80	139.64
Contribution to provident and other funds	8.06	8.35
Share based payments to employees (Refer note 53)	0.88	(4.04)
Staff welfare expenses	9.13	5.50
<b>Total</b>	<b>172.87</b>	<b>149.46</b>

Refer note 56 for related parties transactions

## Notes forming part of the consolidated financial statements

## 40 FINANCE COSTS

(₹ in crores)

	Year ended 31 March 2024	Year ended 31 March 2023
Interest expenses on financial liabilities at amortised cost		
- Term loans	42.93	33.00
- Debentures	4.27	35.15
- Working capital	1.71	4.28
Net interest on net defined benefit liability	0.78	0.42
Interest on lease liability	1.13	1.11
Other interest costs	40.13	21.67
	<b>90.95</b>	<b>95.63</b>
Bank charges and other finance costs	18.84	23.13
<b>Total</b>	<b>109.79</b>	<b>118.76</b>

Refer note 56 for related parties transactions

## 41 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in crores)

	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation on property, plant and equipment	18.69	5.62
Depreciation of right-of-use assets	5.34	3.97
Amortisation of intangible assets	3.53	3.51
<b>Total</b>	<b>27.56</b>	<b>13.10</b>

Refer note 56 for related parties transactions

## 42 OTHER EXPENSES

(₹ in crores)

	Year ended 31 March 2024	Year ended 31 March 2023
Site expenses	36.77	16.60
Stores and spares consumed	0.44	0.39
Hire charges	27.63	16.78
Power, fuel and water charges	12.21	14.09
Repairs and maintenance		
- Property, plant and equipment	0.19	0.28
- Others	13.68	9.39
Project monitoring and maintenance fees	0.20	1.25
Rent	5.97	7.34
Rates and taxes	64.89	50.48
Insurance	13.47	17.71
Travelling and conveyance expenses	13.19	10.38
Communications expenses	0.51	0.45
Legal and professional fees		
- Project	55.25	49.09
- Others	27.10	22.81
Freight	22.27	0.19
Business promotion and advertisement	2.15	7.34
Security charges	0.21	0.19

## Notes forming part of the consolidated financial statements

(₹ in crores)

	Year ended 31 March 2024	Year ended 31 March 2023
Printing and stationary	0.89	0.70
Directors sitting fees	2.03	0.78
Payment to Auditor :-		
- Audit fees (including fees for limited review)	0.46	0.42
- Certifications	0.15	0.07
- Reimbursement of expenses	0.03	0.02
Bad debts	0.25	0.01
Donation	3.67	10.18
Impairment provision / (reversal) of financial instruments (net)	(1.57)	-
Corporate social responsibility (Refer note 68)	4.55	3.28
Miscellaneous expenses	17.03	6.04
<b>Total</b>	<b>323.62</b>	<b>246.26</b>

Refer note 56 for related parties transactions

## 43 INCOME TAX

## a) The major components of income tax are as under:

## i) Income tax related to items recognised in consolidated statement of profit and loss during the year

(₹ in crores)

	Year ended 31 March 2024	Year ended 31 March 2023
<b>Current tax</b>		
On continued operations		
- Current year	124.66	47.66
- Earlier years	6.12	(0.02)
On discontinued operations	-	9.83
<b>Total current tax</b>	<b>130.78</b>	<b>57.47</b>
<b>Deferred tax</b>		
On continued operations	(1.08)	9.37
On discontinued operations	-	4.75
<b>Total deferred tax charge</b>	<b>(1.08)</b>	<b>14.13</b>
<b>Income tax expense reported in the consolidated statement of profit and loss</b>	<b>129.70</b>	<b>71.60</b>

## ii) Deferred tax related to items recognized in other comprehensive income (OCI) during the year

(₹ in crores)

	Year ended 31 March 2024	Year ended 31 March 2023
Deferred tax on remeasurement (gains)/losses on defined benefit plan	(1.24)	1.02
<b>Deferred tax (charged)/ credited to Other Comprehensive Income</b>	<b>(1.24)</b>	<b>1.02</b>

## Notes forming part of the consolidated financial statements

**b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:**

(₹ in crores)

	Year ended 31 March 2024	Year ended 31 March 2023
<b>Accounting profit before tax</b>	<b>449.10</b>	<b>797.65</b>
<b>Income tax @ 25.168% (31 March 2023 : 25.168%)</b>	<b>113.03</b>	<b>200.75</b>
Tax on share of loss from associates and joint venture companies	7.56	0.20
Other non deductible expenses and losses on which no deferred tax is recognised	2.59	38.72
Current tax for earlier periods	6.12	(0.02)
Other allowances and exempt income for tax purpose	0.43	(15.52)
Utilisation of previously unrecognised tax losses	(0.03)	(152.53)
<b>Income tax expense/ (credit) reported in the consolidated statement of profit and loss</b>	<b>129.70</b>	<b>71.60</b>

**c) The movement in the net deferred tax assets/ (liability) as at 31 March 2024**

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Deferred tax assets (net)	19.77	5.88
Deferred tax liabilities (net)	(56.21)	(48.74)
<b>Net deferred tax asset / (liability) at the end of the year</b>	<b>(36.44)</b>	<b>(42.87)</b>

**d) The movement in net deferred tax assets and liabilities**

For the year ended 31 March 2024

(₹ in crores)

	Carrying value as at 01 April 23	Acquired pursuant to business combination (Refer note 72)	Changes through profit and loss	On discontinued operations	Gain on recognising previously held equity at fair value	Deletion on account of sale of subsidiary	Changes through OCI	Carrying value as at 31 March 2024
<b>Deferred tax assets / (liabilities) in relation to</b>								
Depreciation on property, plant and equipment and intangible assets	1.86	6.19	(0.83)	-	-	-	-	7.22
Unused tax losses and unabsorbed depreciation	(0.00)	-	-	-	-	-	-	(0.00)
Fair value adjustments	(32.51)	-	(3.59)	-	-	-	-	(36.10)
Employee benefits / expenses allowable on payment basis	0.91	0.41	13.00	-	-	-	(1.24)	13.08
Temporary difference on borrowings and service concession receivables	(13.14)	0.00	(7.50)	-	-	-	-	(20.64)
<b>Total</b>	<b>(42.87)</b>	<b>6.60</b>	<b>1.08</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1.24)</b>	<b>(36.44)</b>

## Notes forming part of the consolidated financial statements

**e) The movement in net deferred tax assets and liabilities**

For the year ended 31 March 2023

(₹ in crores)

	Carrying value as at 01 April 22	Acquired pursuant to business combination (Refer note 72)	Changes through profit and loss	On discontinued operations	Gain on recognising previously held equity at fair value	Deletion on account of sale of subsidiary	Changes through OCI	Carrying value as at 31 March 2023
<b>Deferred tax assets / (liabilities) in relation to</b>								
Depreciation on property, plant and equipment and intangible assets	(6.89)	-	8.75	-	-	-	-	1.86
Unused tax losses and unabsorbed depreciation	9.54	-	(9.54)	-	-	-	-	(0.00)
Fair value adjustments	2.90	-	0.13	-	(35.54)	-	-	(32.51)
Employee benefits / expenses allowable on payment basis	0.89	-	(1.00)	-	-	-	1.02	0.91
Temporary difference on borrowings and service concession receivables	(29.20)	-	(6.47)	(4.75)	-	27.28	-	(13.14)
MAT credit entitlement	1.27	-	(1.27)	-	-	-	-	-
<b>Total</b>	<b>(21.49)</b>	<b>-</b>	<b>(9.39)</b>	<b>(4.75)</b>	<b>(35.54)</b>	<b>27.28</b>	<b>1.02</b>	<b>(42.87)</b>

**f) Unrecognised deferred tax assets on unused tax losses**

- The Group has brought forward long term capital losses of ₹ 14.49 crores (31 March 2023 : NIL) and short term capital losses of ₹ 5.72 crores (31 March 2023 : ₹ 5.72 crores) that are available for offsetting against future taxable capital gains. Deferred tax assets of ₹ 3.31 crores (31 March 2023 : Nil) have not been recognized in respect of long term capital losses in view of uncertainty of future taxable capital gains and deferred tax assets of ₹ 1.44 crores (31 March 2023 ₹ 1.44 crores) have not been recognized in respect of these losses in view of uncertainty of future taxable short term capital gains.
- The Group has brought forward business losses of ₹ 38.48 crores (31 March 2023 : ₹ 33.76 crores) that are available for offsetting future taxable business losses. Deferred tax assets of ₹ 9.69 crores (31 March 2023 : ₹ 8.50 crores) 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

## 44 FAIR VALUE MEASUREMENTS

## Financial instruments by category

(₹ in crores)

	As at 31 March 2024		As at 31 March 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
<b>Financial assets (other than investments in associates and joint venture companies at cost)</b>				
<b>Non-current assets</b>				
Investments	1.98	-	0.71	-
Receivables under service concession arrangement	-	1,047.93	-	752.81
Other financial assets	-	29.27	-	80.92
<b>Current assets</b>				
Investments	482.13	-	1,299.58	-
Trade receivables	-	428.68	-	325.82
Cash and cash equivalents	-	252.30	-	327.40
Other bank balances	-	231.81	-	214.20
Loans	-	-	-	0.05
Other financial assets	-	130.41	-	64.07
<b>Total financial assets</b>	<b>484.11</b>	<b>2,120.40</b>	<b>1,300.29</b>	<b>1,765.27</b>
<b>Non-current liabilities</b>				
Borrowings	-	558.21	-	286.91
Lease liabilities	-	5.43	-	5.83
Other financial liabilities	-	15.07	-	-
<b>Current liabilities</b>				
Borrowings	-	194.26	-	466.70
Lease liabilities	-	4.20	-	4.11
Trade and other payables	-	463.05	-	481.67
Other financial liabilities	-	223.04	-	269.33
<b>Total financial liabilities</b>	<b>-</b>	<b>1,463.26</b>	<b>-</b>	<b>1,514.55</b>

## 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:

The carrying amounts of loans, trade receivables, cash and cash equivalents, service concession receivables, 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.

(₹ in crores)

	As at 31 March 2024				
	Carrying Value	Fair Value	Level 1	Level 2	Level 3
<b>Financial assets measured at FVTPL</b>					
Non-current investments	1.98	1.98	0.04	(0.01)	1.95
Current Investments	482.13	482.13	91.43	390.45	0.25
<b>Total</b>	<b>484.11</b>	<b>484.11</b>	<b>91.47</b>	<b>390.44</b>	<b>2.20</b>

## Notes forming part of the consolidated financial statements

(₹ in crores)

	As at 31 March 2023				
	Carrying Value	Fair Value	Level 1	Level 2	Level 3
<b>Financial assets measured at FVTPL</b>					
Non-current investments	0.71	0.71	0.02	-	0.69
Current Investments	1,299.58	1,299.58	403.72	895.61	0.25
<b>Total</b>	<b>1,300.29</b>	<b>1,300.29</b>	<b>403.74</b>	<b>895.61</b>	<b>0.94</b>

## Valuation techniques used to determine fair value

- Investments included in Level 1 of fair value hierarchy are based on prices quoted in stock exchange and/ or NAV declared by the funds.
- 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.
- 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.

## 45 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. 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 instruments will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating 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

The Group enters into interest rate swaps ('IRS') to manage exposure on its fixed rate or variable rate debt.

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
The fair value of interest rate swaps ('IRS')	2.97	6.75

As at 31 March 2024 and 31 March 2023, underlying exposure to IRS was ₹ 300.00 crores and ₹ 300.00 crores respectively which was subject to variable interest rates.

## Notes forming part of the consolidated financial statements

The gain/(loss) due to fluctuation in fair value of IRS, recognised in the statement of profit and loss was ₹ 3.78 crores and ₹ (4.47) crores for the year ended 31 March 2024 and 31 March 2023 respectively.

### Interest rate sensitivity :

Increase/decrease of 50 basis points in interest rates at the balance sheet date would result in an impact (decrease/increase of profit before tax) of ₹ 0.97 crores and ₹ 2.21 crores for the year ended 31 March 2024 and 31 March 2023 respectively.

### (ii) Other variable rate borrowings

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023
Variable rate borrowings *	537.06	393.28

\* excluding Ind AS adjustments relating to borrowings

### 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:

	(₹ in crores)	
Effect on Profit before tax	Year ended 31 March 2024	Year ended 31 March 2023
Interest rates : (Increase) by 50 basis points	(2.69)	(1.97)
Interest rates : Decrease by 50 basis points	2.69	1.97

### 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 Group is currently not exposed to foreign currency risk.

#### i) Foreign currency risk exposure

Currency	(₹ in crores)	
	Liabilities	
	As at 31 March 2024	As at 31 March 2023
USD	10.88	-
SGD	12.84	-
<b>Total</b>	<b>23.72</b>	<b>-</b>

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) Sensitivity to foreign currency risk

The impact of increase / decrease in USD by 0.50% on foreign currency borrowings shall result in gain / loss as given below:

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023
	+ / (-) 0.50%	+ / (-) 0.50%
Effect on profit before tax	0.12	-

## 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

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023
Not due	-	-
Upto 6 months	232.59	295.36
More than 6 months	196.09	30.46
<b>Total</b>	<b>428.68</b>	<b>325.82</b>

No significant changes in estimation techniques or assumptions were made during the reporting year.

#### d) Receivables under service concession arrangement

The Group manages concession arrangement which include the construction of road on hybrid annuity basis followed by a period in which the Group 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 Group 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 net movement in service concession receivables is towards recognition of revenue and accrual of interest (using effective interest rate) for the year less grant/annuity received during the year.

The credit exposure in respect of Service Concession Receivables of the group are as below :

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023
More than 12 months	1,047.93	752.81
Less than 12 months	-	-
	<b>1,047.93</b>	<b>752.81</b>



## Notes forming part of the consolidated financial statements

**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.

**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.

(₹ in crores)

As at 31 March 2024	Carrying amount	Total	Less than 1 Year	1 to 5 years	Beyond 5 years
Long term borrowings	571.55	1,077.69	68.48	347.13	662.09
Short term borrowings	180.92	180.92	180.92	-	-
Lease liabilities	9.63	10.56	4.59	5.56	0.41
Trade payables	463.05	463.05	463.05	-	-
Other financial liabilities	238.11	238.11	238.11	-	-

(₹ in crores)

As at 31 March 2023	Carrying amount	Total	Less than 1 Year	1 to 5 years	Beyond 5 years
Long term borrowings	581.97	826.63	321.79	162.73	342.11
Short term borrowings	171.64	171.64	171.64	-	-
Lease liabilities	9.94	11.74	4.11	7.22	0.41
Trade payables	481.67	481.67	481.67	-	-
Other financial liabilities	269.33	269.33	269.33	-	-

**46 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 less cash and cash equivalents (excluding earmarked cash and cash equivalents balances) and current investments.

(₹ in crores)

		As at 31 March 2024	As at 31 March 2023
Net debt	A	18.28	(1,018.21)
Total capital	B	2,323.37	2,356.00
<b>Capital and net debt</b>	<b>C = A+B</b>	<b>2,341.65</b>	<b>1,337.79</b>
<b>Gearing ratio</b>	<b>A / C</b>	<b>1%</b>	<b>Not applicable</b>

The Group had a surplus position as on 31 March 2023 and hence gearing ratio is not applicable.

## Notes forming part of the consolidated financial statements

**47 AGEING SCHEDULE OF TRADE RECEIVABLES**

(₹ in crores)

	Outstanding for following periods from due date of payment					Total
	< 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	
<b>As on 31 March 2024</b>						
Undisputed trade receivables -considered good	232.59	80.31	107.48	2.15	6.15	428.68
Undisputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables -credit impaired	-	-	-	-	-	-
Disputed trade receivables -considered good	-	-	-	-	-	-
Disputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables -credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>232.59</b>	<b>80.31</b>	<b>107.48</b>	<b>2.15</b>	<b>6.15</b>	<b>428.68</b>

(₹ in crores)

	Outstanding for following periods from due date of payment					Total
	< 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	
<b>As on 31 March 2023 (Restated)</b>						
Undisputed trade receivables -considered good	295.36	12.82	11.23	5.75	0.66	325.82
Undisputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables -credit impaired	-	-	-	-	-	-
Disputed trade receivables -considered good	-	-	-	-	-	-
Disputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables -credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>295.36</b>	<b>12.82</b>	<b>11.23</b>	<b>5.75</b>	<b>0.66</b>	<b>325.82</b>

## Notes forming part of the consolidated financial statements

## 48 AGEING SCHEDULE OF TRADE PAYABLES

(₹ in crores)

	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Dues	< 1 year	1 - 2 years	2 - 3 years	> 3 years	
<b>As at 31 March 2024</b>							
Dues of MSME	-	16.41	25.72	-	-	-	42.13
Dues of Creditors other than MSME including accrued liabilities	225.20	72.14	115.90	2.17	0.30	5.21	420.92
Disputed Dues - MSME	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>225.20</b>	<b>88.55</b>	<b>141.61</b>	<b>2.17</b>	<b>0.30</b>	<b>5.21</b>	<b>463.05</b>

(₹ in crores)

	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Dues	< 1 year	1 - 2 years	2 - 3 years	> 3 years	
<b>As at 31 March 2023</b>							
Dues of MSME	-	-	-	-	-	-	-
Dues of Creditors other than MSME including accrued liabilities	195.75	116.33	166.89	0.11	0.13	2.46	481.67
Disputed Dues - MSME	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>195.75</b>	<b>116.33</b>	<b>166.89</b>	<b>0.11</b>	<b>0.13</b>	<b>2.46</b>	<b>481.67</b>

## 49 TRANSACTION WITH STRUCK OFF COMPANIES

The following table summarises the transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended / as at 31 March 2024 and 31 March 2023:

(₹ in crores)

Name of the Struck off Companies	Nature of transactions	Balance Outstanding 31 March 2024 (₹ in crores)	Balance Outstanding 31 March 2023 (₹ in crores)	Relationship with the Group
Jayman Engineering Private Limited	Payables	-	0.01	Other party
Revenue Bull Tech Private Limited	Payables	-	0.13	Other party
Munna Enterprises Private Limited	Payables	-	0.00	Other party

## Notes forming part of the consolidated financial statements

## 50 ADDITIONAL REGULATORY DISCLOSURE - RATIOS

(₹ in crores)

	Measure (in times/ in percentage)	31 March 2024	31 March 2023	% Change	Reasons
Current Ratio	In times	2.03	1.90	6.68%	-
Debt-Equity Ratio	In times	0.32	0.32	1.25%	-
Debt Service Coverage Ratio (DSCR)	In times	1.22	0.68	77.73%	Due to repayment of debts
Return on Equity (ROE)	In percentage	13.7%	35.0%	(61.01%)	Due to exceptional profit
Inventory Turnover Ratio	In times	3.87	5.80	(33.21%)	Due to increase in inventory level for projects
Trade Receivables Turnover Ratio	In times	7.61	11.90	(36.03%)	Due to increase in trade receivables
Trade Payables Turnover Ratio	In times	4.13	4.75	(13.13%)	-
Net Capital Turnover Ratio	In times	1.66	2.87	(42.03%)	Due to increase in net working capital
Net Profit Ratio	In percentage	12.1%	24.8%	(51.06%)	Due to exceptional profit in previous year
Return on Capital Employed (ROCE)	In percentage	24.1%	18.3%	31.73%	Due to improved EBITDA margin
Return on investment (ROI)	In percentage	7.6%	5.3%	44.90%	Lower return in previous year

## Formulae for Computation of Ratios are as follows :

Current Ratio	Current assets/ Current liabilities
Debt - Equity Ratio	Debts / (Paid up equity share capital + Other equity)
	- Debt includes long term borrowings + short term borrowings + current maturities of long term borrowings
Debt Service Coverage Ratio (DSCR)	(Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest on long term debts) / (Interest on long term debts for the period + Principal repayment on long term debts during the period)
Return on Equity (ROE)	Net Profit after tax / Average shareholders equity
Inventory Turnover Ratio	Cost of material/ Average inventory
Trade Receivables Turnover Ratio	Revenue from operation / Average of opening and closing trade receivables
Trade Payables Turnover Ratio	Purchase of services and other expenses / Average of opening and closing trade payables
Net Capital Turnover Ratio	Revenue from operation/ Average Working capital i.e. current assets - current liabilities
Net Profit Ratio	Net Profit / Revenue from operations
Return on Capital Employed (ROCE)	Earning before Interest and Tax / Capital employed
	Capital Employed = Networth + Non-current lease liabilities
Return on investment (ROI)	Income generated from invested funds/ Average invested fund in treasury investment

## Notes forming part of the consolidated financial statements

## 51 EARNINGS PER SHARE (EPS)

(₹ in crores)

	Year ended 31 March 2024	Year Ended 31 March 2023
Profit for the year from continuing operations	324.53	681.12
Profit for the year from discontinuing operations	(29.44)	41.64
Profit for the year from continuing and discontinuing operations	295.09	722.76
Weighted average number of equity shares for Basic EPS (Number of shares)	137,199,711	149,964,837
Weighted average number of equity shares for Diluted EPS (Number of shares)	138,848,892	150,334,001
Nominal value of equity shares (₹)	10	10
a) From continued operations		
Basic EPS (₹)	23.65	45.42
Diluted EPS (₹)	23.37	45.31
b) From discontinued operations		
Basic EPS (₹)	(2.15)	2.78
Diluted EPS (₹)	(2.15)	2.77
c) From continued and discontinued operations		
Basic EPS (₹)	21.51	48.19
Diluted EPS (₹)	21.25	48.08

## 52 CONTINGENCIES AND COMMITMENTS

## Contingent liabilities (to the extent not provided for)

## i) Claims against the group not acknowledged as debts

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Disputed labour cess demand (net of provision)	4.90	4.69
Stamp duty payable on concession agreement disputed in respect of BOT Projects	-	1.15
Disputed income tax liability	30.80	16.80
Disputed service tax liability	5.75	5.67
Disputed goods and services tax liability *	9.62	9.28
Disputed value added tax liability	1.42	1.42
Other claims against the Group	2.98	28.96
Letter of credit outstanding	-	2.29
<b>Total</b>	<b>55.47</b>	<b>70.26</b>

\* excluding interest and penalty amount of ₹ Nil (31 March 2023 ₹ 2.00 crores)

- a) The amount represents the best possible estimate arrived at on the basis of available information. The Group has engaged reputed professionals to protect its interest and has been advised that it has strong legal positions against such disputes.
- b) The Group has received legal notices of claims / lawsuits filed against it relating to other matters. In the opinion of the management, no material liability is likely to arise on account of such claims/ law suits. The Group has filed claims / counter claims for various matters and engaged reputed professionals to protect the interest of the Group.

## Notes forming part of the consolidated financial statements

- c) During the year, five erstwhile subsidiaries (SPVs) of the Company received show cause notices (SCNs) from the Additional Director DGGI, Mumbai Zonal Unit, disputing the time of supply of construction services provided by the SPVs under Hybrid Annuity Model. The management believes that no material liability is likely to result from these notices.

## ii) Guarantees excluding corporate financial guarantees

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Bank guarantees issued	45.95	19.43
<b>Total</b>	<b>45.95</b>	<b>19.43</b>

## iii) Corporate financial guarantees

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Guarantee given to the bankers for the facilities granted		
- Others	-	315.16
<b>Total</b>	<b>-</b>	<b>315.16</b>

## Commitments

- (i) The Group has an outstanding commitments of ₹ 133.53 crores (31 March 2023 ₹ 218.00 crores) towards equity contribution in its SPVs under the financing arrangement tied up with bankers.
- (ii) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amounting to ₹ 34.84 crores (31 March 2023 : ₹ Nil).

## 53 SHARE BASED PAYMENTS

- a) In accordance with the "Welspun Enterprises Limited - Employees Stock Option Plan 2017" ("Scheme 1") the Company has granted 3,000,000 equity shares (maximum 2,000,000 equity shares to the "Managing Director") at zero cost on 10 October 2017. The fair value of the above stock option of ₹ 41.79 crores is calculated at the fair value of ₹ 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 ₹ Nil (31 March 2023 - ₹ (5.07) crores) is shown as "Share based payment to employees" in the statement of profit and loss (Refer note 39)."

- b) In accordance with the "Welspun Enterprises Limited - Employee Stock Option Plan 2022" ("Scheme 2") the company has granted 461,305 equity shares at exercise price of ₹ 97.55 per share on 30 April 2022. The fair value of the above stock option of ₹ 1.74 crores is calculated at the fair value of ₹ 37.91 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 ₹ (0.16) crores (31 March 2023 - ₹ 0.28 crores) is shown as "Share based payment to employees" in the statement of profit and loss (Refer note 39)."

- c) In accordance with the "Welspun Enterprises Employee Benefit Scheme - 2022" ("Scheme 3") the company has granted 400,000 equity shares at exercise price of ₹ 88.00 per share on 16 September 2022. The fair value of the above stock option of ₹ 2.68 crores is calculated at the fair value of ₹ 67.14 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 ₹ 1.04 crores (31 March 2023 - ₹ 0.75 crores) is shown as "Share based payment to employees" in the statement of profit and loss (Refer note 39).

## Notes forming part of the consolidated financial statements

### The salient features of the Schemes are as under:

#### (i) Vesting

**Scheme 1 and Scheme 2 :** Vesting of ESOP's 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:

ESOP Schemes	Number of ESOP	Date of Grant	Date of Vesting
Scheme - 1	600,000	10-Oct-17	9-Oct-18
Scheme - 1	600,000	10-Oct-17	9-Oct-19
Scheme - 1	600,000	10-Oct-17	9-Oct-20
Scheme - 1	600,000	10-Oct-17	9-Oct-21
Scheme - 1	600,000	10-Oct-17	14-Jul-22
Scheme - 2	92,261	30-Apr-22	30-Apr-23
Scheme - 2	92,261	30-Apr-22	20-Oct-23
Scheme - 2	92,261	30-Apr-22	20-Oct-24
Scheme - 2	92,261	30-Apr-22	20-Oct-25
Scheme - 2	92,261	30-Apr-22	20-Oct-26

**Scheme 3 :** Vesting of ESOP's shall commence after 1 year from the date of grant and it may extend upto maximum of 4 years from the date of grant. Vesting of options will be on yearly basis and can vary from Grantee to Grantee at the discretion of the committee. The Vesting Schedule is as under:

ESOP Schemes	Number of ESOP	Date of Grant	Date of Vesting
Scheme - 3	100,000	16-Sep-22	15-Sep-23
Scheme - 3	100,000	16-Sep-22	15-Sep-24
Scheme - 3	100,000	16-Sep-22	15-Sep-25
Scheme - 3	100,000	16-Sep-22	15-Sep-26

#### (ii) Exercise:

**Scheme 1 and Scheme 2 :** 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. In the event of abandonment of employment/ termination of employment, all ESOPs granted including the Vested Options which were not exercised at the time of abandonment/ termination, shall stand cancelled.

**Scheme 3 :** Options can be exercised in either a) Cash Route : The Grantee will receive the Shares equivalent to the number of the Options exercised in accordance with the terms and conditions of the Scheme and as mentioned in grant letter after the Grantee has made the payment of the Exercise Price and applicable income tax, or b) Cashless Route : The Grantee will receive difference between the selling price and the Exercise Price for the Options exercised by the Grantee after deducting taxes payable on exercise/sale, if any, and other amounts, expenses and charges due from the Grantee (including that in connection with the sale of shares).

In the event of cessation of employment due to death or permanent incapacity, all the options granted would be exercisable within a period of six months from the date of death/ date of permanent disability, respectively, failing which all the unexercised Options shall lapse irrevocably. 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

## Notes forming part of the consolidated financial statements

due to resignation prior to retirement, all the vested options shall be exercisable by the Grantee by last day of employment in the Organization or before expiry of exercise period, whichever is earlier and all unvested options will stand cancelled.

	Scheme 1	Scheme 2	Scheme 3
<b>Date of Grant</b>	10-Oct-17	30-Apr-22	16-Sep-22
<b>Number of Options Granted</b>	3,000,000	461,305	400,000
<b>Exercise Period</b>	Capable of being exercised in 1 or more tranches in multiple of 5000 shares within 3 years from date of Vesting	Capable of being exercised in 1 or more tranches within 1 year from date of Vesting or such longer period as may be determined by Nomination and Remuneration Committee.	Exercisable within 1 year from date of last vesting.
<b>Exercise Price Per Share</b>	₹ Nil	₹ 97.55	₹ 88.00

Scheme 1	31 March 2024		31 March 2023	
	No. of Stock Options	Weighted Average Exercise Price (₹)	No. of Stock Options	Weighted Average Exercise Price (₹)
Options outstanding at the beginning of the year	150,000	Nil	750,000	Nil
Options granted during the year	-	Nil	-	Nil
Options exercised during the year	150,000	Nil	200,000	Nil
Options cancelled/ lapsed during the year	-	Nil	400,000	Nil
Options outstanding at the end of the year *	-	Nil	150,000	Nil
Options vested but not exercised at the end of the year	-	Nil	150,000	Nil

\* includes options vested but not exercised

Scheme 2	31 March 2024		31 March 2023	
	No. of Stock Options	Weighted Average Exercise Price (₹)	No. of Stock Options	Weighted Average Exercise Price (₹)
Options outstanding at the beginning of the year	153,770	97.55	-	-
Options granted during the year	-	-	461,305	97.55
Options exercised during the year	30,754	97.55	-	-
Options cancelled/ lapsed during the year	123,016	97.55	307,535	97.55
Options outstanding at the end of the year	-	-	153,770	97.55
Options vested but not exercised at the end of the year	-	-	-	-

## Notes forming part of the consolidated financial statements

Scheme 3	31 March 2024		31 March 2023	
	No. of Stock Options	Weighted Average Exercise Price (₹)	No. of Stock Options	Weighted Average Exercise Price (₹)
Options outstanding at the beginning of the year	400,000	88.00	-	-
Options granted during the year	-	-	400,000	88.00
Options exercised during the year	100,000	88.00	-	-
Options cancelled/ lapsed during the year	-	-	-	-
Options outstanding at the end of the year	300,000	88.00	400,000	88.00
Options vested but not exercised at the end of the year	-	-	-	-

## (iii) Information in respect of options outstanding as at 31 March 2024

	No. of Stock Options	Weighted average remaining life in months	Weighted Average Exercise Price (₹)
Scheme 1	-	-	Nil
Scheme 2	-	-	97.55
Scheme 3	300,000	17.50	88.00

## Information in respect of options outstanding as at 31 March 2023

	No. of Stock Options	Weighted average remaining life in months	Weighted Average Exercise Price (₹)
Scheme 1	150,000	-	Nil
Scheme 2	153,770	8.66	97.55
Scheme 3	400,000	23.50	88.00

## (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 :

	Scheme - 1	Scheme - 2	Scheme - 3
<b>Variables :-</b>			
Price of the underlying share in the market at the time of option granted	139.30	88.95	124.95
Expected Volatility of share price	45.14%	49.65%	50.43%
Risk free rate (on the basis of tenure) (% pa)	6.43% to 6.69%	6.46%	6.91%
Exercise price	Nil	97.55	88.00
Time to maturity (in years)	2 to 6	5	4
Dividend yield	0%	1.69%	1.20%
Fair Value of Option	139.30	37.91	67.14

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.

## Notes forming part of the consolidated financial statements

## (v) Effect of share- based payment plan on the Balance sheet and Statement of profit and loss:

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023
Share options outstanding account (Refer note 22(b)(iii)(a))	1.10	3.11
Share based payments to employees (Refer note 39)	0.88	(4.04)

## 54 EXCEPTIONAL ITEMS (NET)

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023
a) Profit on sale of stake to Actis Highway (Refer note 74 A)	-	377.98
b) Gain on fair value of retained interest (net of tax of ₹ 35.54 crores) (Refer note 74 B)	-	119.79
c) Gain on recognising previously held equity at fair value (Refer note 72(C))	-	61.44
d) Reversal of provision for Welspun Maxsteel Limited (WMSL) obligations	-	24.26
e) Intangible assets written off (Refer note 66)	-	(57.26)
f) Impairment of goodwill on consolidation	-	(24.23)
g) Bad debts w.r.t. receivables of Mohali Project	-	(18.99)
	-	<b>482.99</b>

## 55 GRATUITY AND OTHER POST EMPLOYMENT BENEFITS PLANS

The disclosures of employees benefit as defined in the Ind AS 19 - "Employee Benefits" are given below :

- The Holding 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.
- 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 :-

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023
Current service cost	3.00	1.65
Interest cost (net)	0.60	0.19
<b>Net expenses recognised in statement of profit and loss</b>	<b>3.60</b>	<b>1.84</b>

## Notes forming part of the consolidated financial statements

## ii. Expenses recognised during the year in other comprehensive income (OCI)

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023
Actuarial (gains) / losses arising from changes in demographic assumptions	(0.00)	0.01
Actuarial (gains) / losses arising from changes in financial assumptions	0.08	4.82
Actuarial (gains) / losses arising from changes in experience assumptions	(5.01)	(0.39)
Expected return on plan assets excluding interest	-	0.36
<b>Net expenses recognised in other comprehensive income</b>	<b>(4.93)</b>	<b>4.80</b>

## iii. Net liability recognised in the balance sheet

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023
Fair value of plan assets	5.93	3.74
Present value of obligation	8.79	12.19
<b>Net liability recognized in balance sheet</b>	<b>2.86</b>	<b>8.45</b>

## iv. Reconciliation of opening and closing balances of defined benefit obligation

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023
Defined benefit obligation as at the beginning of the year	12.20	6.19
Acquired pursuant to business combination (Refer note 72)	1.14	-
Current service cost	3.00	1.65
Interest cost	1.00	0.45
Actuarial (gain) / loss on obligation	(4.93)	4.42
Benefits paid from fund	(0.64)	(0.51)
Benefits directly paid by the Group	(2.97)	-
Provision no longer required	-	(0.01)
<b>Defined benefit obligation at the end of the year</b>	<b>8.79</b>	<b>12.20</b>

## v. Reconciliation of opening and closing balance of fair value of plan assets

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023
Fair values of plan assets at the beginning of the year	3.73	3.62
Return on plant assets, excluding interest income	0.39	0.62
Employer contribution	0.96	-
Benefits paid from fund	(0.64)	(0.51)
Other adjustments	1.48	-
<b>Fair value of plan assets at year end</b>	<b>5.93</b>	<b>3.73</b>

## Notes forming part of the consolidated financial statements

## vi. Reconciliation of opening and closing balance of net defined benefit obligation

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023
Net defined benefit obligation as at the beginning of the year	8.45	2.56
Acquired pursuant to business combination (Refer note 72)	1.14	-
Current service cost	3.00	1.65
Interest cost (net)	0.60	0.19
Actuarial (gain) / loss on obligation	(4.93)	4.06
Contribution paid to the fund	(0.96)	-
Benefit paid by Group	(2.97)	-
Provision no longer required	-	(0.01)
Other adjustments	(1.48)	-
<b>Net defined benefit obligation at the end of the year</b>	<b>2.86</b>	<b>8.45</b>

## vii. Actuarial assumptions

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023
<b>In respect of Holding Company</b>		
Mortality Table	100% of Indian assured lives Mortality (2012-14)	100% of Indian assured lives Mortality (2012-14)
Discount rate (per annum)	7.22%	7.50%
Rate of escalation in salary (per annum)	6.00%	6.00%
Attrition rate	30% up to age 30, 30% from age 31 to 44 and 30% thereafter	30% up to age 30, 30% from age 31 to 44 and 30% thereafter
<b>In respect of Dewas Waterprojects Works Private Limited</b>		
Mortality Table	100% of Indian Assured Lives Mortality (2012-14)	100% of Indian Assured Lives Mortality (2012-14)
Discount rate(per annum)	7.23%	7.52%
Rate of escalation in salary (per annum)	6.00%	6.00%
Attrition rate	17% up to age 30, 8% from age 31 to 44 and 12% thereafter	18% up to age 30, 9% from age 31 to 44 and 15% thereafter
<b>In respect of Welspun Michigan Engineers Limited</b>		
Mortality Table	Indian Assured Lives Mortality 2012-14 (Urban)	-
Discount rate (per annum)	7.52%	-
Rate of escalation in salary (per annum)	5.00%	-
Attrition rate	3.00%	-

## Notes forming part of the consolidated financial statements

## ix. Quantitative sensitivity analysis

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023
<b>Impact of change in discount rate</b>		
Present value obligation at the end of the period	8.79	12.20
Impact due to increase of 0.50%	(0.14)	(0.17)
Impact due to decrease of 0.50%	0.12	0.17
<b>Impact of change in salary increase</b>		
Present value obligation at the end of the period	8.79	12.20
Impact due to increase of 0.50%	0.12	0.17
Impact due to decrease of 0.50%	(0.14)	(0.17)

Sensitivities related to mortality and withdrawals are considered immaterial, therefore the impact of changes stemming from these factors has not been calculated. Sensitivities concerning the rate of pension increase during payment, pre-retirement pension growth rate, and life expectancy are not relevant in this context.

## x. Maturity analysis of projected benefit obligation: from the fund

	(₹ in crores)	
Year ended	As at 31 March 2024	As at 31 March 2023
31-Mar-24	-	5.18
31-Mar-25	3.15	5.28
31-Mar-26	3.88	6.30
31-Mar-27	4.63	7.40
31-Mar-28	5.05	8.62
31-Mar-29	6.65	-

The weighted average duration of defined benefit obligation is 8.19 years (31 March 2023 - 11.43 years)

**Notes**

- Amounts recognized as an expense and included in the Note 39 "Employee benefits expense" are gratuity ₹ 1.52 crores, net of Other adjustments of ₹ (1.48) crores (31 March 2023 ₹ 1.65 crores) and leave encashment ₹ 1.74 crores (31 March 2023 ₹ 0.62 crores). Net interest cost on defined benefit obligation (gratuity and leave encashment) recognised in Note 40 under "Finance costs" is ₹ 0.78 crores (31 March 2023 ₹ 0.42 crores).
- 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.
- Contribution to provident and other funds which is a defined plan is recognized as an expense in Note 39 of the financial statements.

## Notes forming part of the consolidated financial statements

## 56 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 31 March 2024	As at 31 March 2023	
RGY Roads Private Limited ^	-	49.00%	India
NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited) ^	-	73.94%	India
NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited) ^	-	73.94%	India
Corbello Trading Private Limited ^^	-	49.00%	India
NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited) ^^	-	73.99%	India

^ became subsidiary w.e.f. 28 September 2022 and ceased to be joint venture entity

^^ became subsidiary w.e.f. 5 September 2022 and ceased to be joint venture entity

## b) Associates

Name of the Entities	Extent of holding		Principal place of business
	As at 31 March 2024	As at 31 March 2023	
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracility Private Limited) §	51.00%	51.00%	India
Adani Welspun Exploration Limited ('AWEL') (Refer note 59)	35.00%	35.00%	India

§ ceased to be subsidiary and became associate w.e.f. 22 December 2022 (Refer note 74A)

## c) Trust under the Control of Welspun Enterprises Limited

Welspun Enterprises Employees Welfare Trust  
(w.e.f. 12 July 2022)

## d) 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. Ajay Hans *	Managing Director
Ms. Dipali Goenka	Non Independent Director
Mr. Rajesh R. Mandawewala	Non Independent Director
Dr. Aruna Sharma	Independent Director
Mr. Mohan Tandon **	Independent Director
Mr. Raghav Chandra	Independent Director
Dr. Anoop Kumar Mittal	Independent Director
Mr. Sudhir Mital ***	Independent Director
Mr. S. Madhavan ###	Independent Director
Mr. Lalit Jain #	Chief Financial Officer
Mr. Sanjay Sultania ##	Chief Financial Officer
Mr. Rajesh Jain @	Chief Human Resources Officer
Ms. Nidhi Tanna @@	Company Secretary
Ms. Priya Pakhare @@@	Company Secretary

\$ Managing Director ('MD') till 31 March 2022 and re-appointed as Managing Director ('MD') w.e.f 8 August 2022

## Notes forming part of the consolidated financial statements

\* Appointed as Managing Director ('MD') w.e.f 1 April 2022 and ceased to be MD w.e.f. 7 August 2022

\*\* Ceased to be Independent Director w.e.f. 31 March 2024

\*\*\* Appointed w.e.f 12 May 2022

# Appointed as Interim Chief Financial Officer w.e.f 1 February 2023 and Chief Financial Officer w.e.f 19 May 2023

## Appointed as Chief Financial Officer w.e.f 11 October 2021 and resigned w.e.f 9 January 2023

### Appointed as Independent Director w.e.f 1 April 2024

@ Appointed as Chief Human Resources Officer w.e.f 2 February 2022

@@ Appointed as Company Secretary w.e.f 1 January 2023

@@@ Ceased to be Company Secretary w.e.f 30 November 2022

**e) Other related parties with whom transactions have taken place or balances outstanding at the year end**

Welspun Living Limited (formerly known as Welspun India Limited), Welspun Corp Limited, Welspun Steel Limited, Welspun Realty Private Limited, Welspun Global Brands Limited, Welspun Foundation for Health and Knowledge, Welspun Energy Thermal Private Limited (Formerly known as Solarsys Infra Projects Private Limited); Welspun Multiventures LLP; Welassure Private Limited; Welspun Global Services Private Limited; Welspun Specialty Solutions Limited; Welspun Transformation Services Limited; Welspun DI Pipes Limited; MGN Agro Properties Private Limited; Welspun Group Master Trust; Welspun Metallics Limited, Methodical Investment & Trading Co. Private Limited, Anjar TMT Steel Private Limited, DBG Multiventures LLP, Welspun One Logistics Parks Development Management Private Limited, Mounting Renewable Power Limited.

**f) Transactions with related parties**

Nature of transactions	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023
<b>Construction contract revenue (including unbilled work-in-progress)</b>	<b>153.73</b>	<b>161.08</b>
<b>Associate</b>		
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapacity Private Limited)	153.73	108.48
<b>Joint Venture Companies</b>		
NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited)	-	25.33
NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited)	-	1.52
NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited)	-	25.75
<b>Advisory and consultancy income</b>	<b>0.56</b>	-
<b>Associate</b>		
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapacity Private Limited)	0.56	-
<b>Operation and maintenance income</b>	<b>4.05</b>	<b>14.46</b>
<b>Associate</b>		
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapacity Private Limited)	4.05	6.14

## Notes forming part of the consolidated financial statements

Nature of transactions	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023
<b>Joint Venture companies</b>		
NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited)	-	0.14
NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited)	-	5.53
NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited)	-	2.65
<b>Interest income</b>	<b>-</b>	<b>0.01</b>
<b>Associate</b>		
Adani Welspun Exploration Limited	-	0.01
<b>Dividend income</b>	<b>-</b>	<b>0.57</b>
<b>Other Related Party</b>		
Welspun Global Services Limited	-	0.57
<b>Interest income on loans and advances #</b>	<b>-</b>	<b>1.08</b>
<b>Joint Venture Companies</b>		
NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited)	-	0.36
NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited)	-	0.72
<b>Interest expense on lease liability #</b>	<b>0.14</b>	<b>0.19</b>
<b>Other Related Parties</b>		
Welspun Realty Private Limited	0.14	0.19
Welspun Multiventures LLP	-	0.00
<b>Right-to-use an underlying asset #</b>	<b>-</b>	<b>1.96</b>
<b>Other Related Party</b>		
Welspun Realty Private Limited	-	1.96
<b>Obligation to make lease payment #</b>	<b>-</b>	<b>1.96</b>
<b>Other Related Party</b>		
Welspun Realty Private Limited	-	1.96
<b>Repayment of lease obligation #</b>	<b>0.50</b>	<b>0.52</b>
<b>Other Related Parties</b>		
Welspun Realty Private Limited	0.50	0.50
Welspun Multiventures LLP	-	0.02
<b>Rent expenses</b>	<b>0.65</b>	<b>0.51</b>
<b>Other Related Parties</b>		
Welspun Realty Private Limited	0.50	0.50
Welspun Corp Limited	-	0.01
Methodical Investment & Trading Co. Private Limited	0.15	-
Welspun Multiventures LLP	-	0.01
<b>Office expenses/Cleaning expenses/Guest house expense/Rates and taxes</b>	<b>0.40</b>	<b>0.31</b>
<b>Other Related Parties</b>		
Welassure Private Limited	0.31	0.31
Welspun Global Brands Limited	0.09	-
<b>Corporate Social Responsibility</b>	<b>3.87</b>	<b>3.28</b>



## Notes forming part of the consolidated financial statements

Nature of transactions	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023
<b>Other Related Party</b>		
Welspun Foundation for Health and Knowledge	3.87	3.28
<b>Retainership Expenses</b>	<b>1.06</b>	<b>2.00</b>
<b>Other Related Party</b>		
Welspun Living Limited	1.06	2.00
<b>Purchase of Materials</b>	<b>12.09</b>	<b>2.26</b>
<b>Other Related Parties</b>		
Anjar TMT Steel Private Limited	3.77	-
Welspun Corp Limited	2.04	-
Welspun Global Brands Limited	0.01	1.06
Welspun DI Pipes Limited	6.26	1.20
<b>Sales promotion</b>	<b>0.97</b>	<b>-</b>
<b>Other Related Party</b>		
Welspun Global Brands Limited	0.97	-
<b>Professional Fees</b>	<b>9.77</b>	<b>3.17</b>
<b>Other Related Parties</b>		
Welspun Global Services Limited	0.03	0.30
Welspun Transformation Services Limited	9.74	2.87
<b>Royalty expenses</b>	<b>2.06</b>	<b>-</b>
<b>Other Related Party</b>		
Welspun Multiventure LLP	2.06	-
<b>Reimbursement of expenses (Recovery)</b>	<b>1.39</b>	<b>0.23</b>
<b>Associate</b>		
Adani Welspun Exploration Limited	1.19	0.16
<b>Other Related Parties</b>		
Mounting Renewable Power Limited	0.20	-
Welspun Corp Limited	-	0.07
<b>Staff welfare expenses</b>	<b>0.12</b>	<b>0.85</b>
<b>Other Related Parties</b>		
Welspun Global Brands Limited	0.09	0.37
Welspun Corp Limited	-	0.48
Welspun Living Limited	0.03	-
<b>Interest expenses</b>	<b>-</b>	<b>0.06</b>
<b>Other Related Party</b>		
MGN Agro Properties Private Limited	-	0.06
<b>Sale of Material</b>	<b>-</b>	<b>4.95</b>
<b>Other Related Parties</b>		
Welspun Living Limited	-	4.92
Welspun Metallica Limited	-	0.03
<b>Rent Income</b>	<b>1.04</b>	<b>0.12</b>
<b>Associate</b>		
Adani Welspun Exploration Limited	1.00	0.09
<b>Other Related Parties</b>		
Welspun Living Limited	0.01	0.01
Welspun Global Brands Limited	0.01	0.01

## Notes forming part of the consolidated financial statements

Nature of transactions	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023
Welspun Speciality Solutions Limited	0.01	0.01
Welspun One Logistics Parks Development Management Private Limited	0.01	-
<b>Loans/ deposits/ advances given</b>	<b>4.97</b>	<b>112.96</b>
<b>Associates</b>		
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infrafacility Private Limited)	4.97	2.32
<b>Joint Venture Companies</b>		
NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited)	-	9.73
NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited)	-	47.87
NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited)	-	53.03
<b>Repayment of loans/ advances given</b>	<b>4.97</b>	<b>25.32</b>
<b>Associates</b>		
Adani Welspun Exploration Limited	-	0.05
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infrafacility Private Limited)	4.97	2.26
<b>Joint Venture Companies</b>		
NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited)	-	10.51
NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited)	-	2.49
NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited)	-	10.01
<b>Security deposits taken</b>	<b>0.02</b>	<b>0.02</b>
<b>Other Related Parties</b>		
Welspun Living Limited	-	0.01
Welspun One Logistics Parks Development Management Private Limited	0.02	-
Welspun Global Brands Limited	-	0.01
<b>Security deposit given</b>	<b>0.09</b>	<b>-</b>
<b>Other Related Party</b>		
Methodical Investment & Trading Co. Private Limited	0.09	-
<b>Security deposit given refunded</b>	<b>-</b>	<b>0.05</b>
<b>Other Related Party</b>		
Welspun Multiventures LLP	-	0.05
<b>Borrowings taken</b>	<b>-</b>	<b>25.00</b>
<b>Other Related Party</b>		
MGN Agro Properties Private Limited	-	25.00
<b>Borrowings repaid</b>	<b>-</b>	<b>25.00</b>
<b>Other Related Party</b>		
MGN Agro Properties Private Limited	-	25.00
<b>Mobilisation advance repaid/ adjusted</b>	<b>-</b>	<b>10.53</b>

## Notes forming part of the consolidated financial statements

Nature of transactions	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023
<b>Associate</b>		
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapital Private Limited)	-	10.53
<b>Inter-corporate deposit given</b>	-	<b>4.50</b>
<b>Associate</b>		
Adani Welspun Exploration Limited	-	4.50
<b>Inter-corporate deposit adjusted to application money for CCD (Including accrued interest net of tax)</b>	-	<b>4.51</b>
<b>Associate</b>		
Adani Welspun Exploration Limited	-	4.51
<b>Purchase of property, plant and equipment</b>	<b>0.05</b>	-
<b>Other Related Party</b>		
Welspun Living Limited	0.05	-
<b>Sale of property, plant and equipment</b>	<b>0.41</b>	-
<b>Other Related Party</b>		
Welasure Private Limited	0.40	-
Welspun Metallica Limited	0.01	-
<b>Redemption of Compulsorily Convertible Debentures</b>	-	<b>199.95</b>
<b>Joint Venture Companies</b>		
NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited)	-	61.88
NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited)	-	77.04
NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited)	-	61.03
<b>Redemption of Optionally Convertible Debentures</b>	-	<b>346.43</b>
<b>Joint Venture Company</b>		
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapital Private Limited)	-	140.39
NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited)	-	57.27
NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited)	-	83.14
NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited)	-	65.63
<b>Purchase of equity shares of Welspun New Energy Limited</b>	-	<b>0.01</b>
<b>Other Related Party</b>		
Welspun Group Master Trust	-	0.01
<b>Investment in equity shares</b>	-	<b>0.57</b>
<b>Other Related Party</b>		
Welspun Transformation Services Limited	-	0.57
<b>Sale of equity shares of Welspun New Energy Limited</b>	<b>0.01</b>	-
<b>Other Related Parties</b>		
MGN Agro Properties Private Limited	0.01	-
DBG Multiventures LLP	0.00	-
<b>Investment in compulsorily convertible debentures</b>	<b>24.22</b>	<b>4.51</b>

## Notes forming part of the consolidated financial statements

Nature of transactions	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023
<b>Associate</b>		
Adani Welspun Exploration Limited	24.22	4.51
<b>Bank guarantee given/ (discharged) for advance received by Associate/ Joint Arrangements / Other Related Party</b>	<b>25.00</b>	<b>(5.40)</b>
<b>Associate</b>		
Adani Welspun Exploration Limited	-	(5.40)
<b>Other Related Party</b>		
Mounting Renewable Power Limited	25.00	-
<b>Bank guarantee given/ (discharged) for performance security of Associate</b>	<b>(5.03)</b>	-
<b>Associate</b>		
Adani Welspun Exploration Limited	(5.03)	-
<b>Advances for business purpose</b>	-	<b>0.09</b>
Mr Rajesh R. Mandawewala	-	0.09
<b>Directors Sitting Fees paid/ provided</b>	<b>2.00</b>	<b>0.78</b>
Mr. Mohan Tandon	0.65	0.18
Mr. Raghav Chandra	0.39	0.19
Dr. Aruna Sharma	0.34	0.14
Dr. Anoop Kumar Mittal	0.32	0.16
Mr. Sudhir Mital	0.29	0.10
<b>Remuneration paid/ provided to KMP ^</b>	<b>20.92</b>	<b>30.52</b>
Short term benefits **	20.92	30.52

^ excludes retirement benefits (employer PF contribution, gratuity, leave encashment etc)

\*\*excludes ₹ 2.54 crores (31 March 2023 ₹ 1.50 crores) paid from Adani Welspun Exploration Limited to Mr. Sandeep Garg

# Represents transactions related to Ind AS adjustments

**\* Closing balances as at**

	(₹ in crores)	
	As at 31 March 2024	As at 31* March 2023
<b>Loans, advances and deposits given</b>	<b>0.07</b>	<b>1.25</b>
<b>Other related parties</b>		
Welspun Transformation Services Limited	-	1.18
Welspun Living Limited	-	0.00
Welspun Corp Limited	0.07	0.07
<b>Trade and other receivables (including Contract Assets)</b>	<b>111.14</b>	<b>138.95</b>
<b>Associates</b>		
Adani Welspun Exploration Limited	0.69	0.18
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapital Private Limited)	109.20	138.30
<b>Other related parties</b>		
Welspun Living Limited	0.41	0.40
Welspun Global Brands Limited	0.02	0.01
Welspun Metallica Limited	0.01	0.04
Welspun Specialty Solutions Limited	0.01	0.01
Methodical Investment & Trading Co. Private Limited	0.09	-

## Notes forming part of the consolidated financial statements

	(₹ in crores)	
	As at 31 March 2024	As at 31* March 2023
Welspun One Logistics Parks Development Management Private Limited	0.00	-
Mounting Renewable Power Limited	0.23	-
Welassure Private Limited	0.47	0.01
<b>Right-to-use an underlying asset</b>	<b>1.18</b>	<b>1.59</b>
<b>Other Related Parties</b>		
Welspun Realty Private Limited	1.18	1.57
Welspun Multiventures LLP	-	0.02
<b>Lease Liabilities</b>	<b>1.21</b>	<b>1.64</b>
<b>Other Related Parties</b>		
Welspun Realty Private Limited	1.21	1.61
Welspun Multiventures LLP	-	0.03
<b>Trade payables / Other payables / Deposits received</b>	<b>3.30</b>	<b>2.66</b>
<b>Other Related Parties</b>		
Welspun DI Pipes Limited	1.50	0.33
Welspun Transformation Services Limited	0.80	1.05
Welspun Speciality Solutions Limited	0.01	0.01
Patel Engineers	0.19	-
Welassure Private Limited	0.03	-
Welspun Living Limited	0.08	0.65
Welspun Global Brands Limited	0.01	0.10
Welspun Global Services Limited	0.09	-
Welspun One Logistics Parks Development Management Private Limited	0.02	-
Welspun Multiventures LLP	0.05	-
Welspun Metallics Limited	0.00	-
Welspun Corp Limited	0.52	0.52
<b>Contract Liabilities</b>	<b>-</b>	<b>9.95</b>
<b>Associate</b>		
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracility Private Limited)	-	9.95
<b>Investment in equity shares</b>	<b>1.90</b>	<b>0.69</b>
<b>Other related parties</b>		
Welassure Private Limited	0.27	0.12
Welspun Transformation Services Limited	1.40	0.57
Welspun Global Services Limited	0.23	0.00
<b>Investment in Associates (Refer Note 58)</b>	<b>506.86</b>	<b>512.66</b>
Adani Welspun Exploration Limited	281.19	257.54
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracility Private Limited)	225.67	255.12
<b>Bank guarantee issued and outstanding for advance received by Joint Arrangements / Associate</b>	<b>25.00</b>	<b>-</b>
<b>Other Related Party</b>		
Mounting Renewable Power Limited	25.00	-
<b>Bank guarantee issued and outstanding towards performance security of Joint Arrangements/ Associate</b>	<b>14.40</b>	<b>19.43</b>

## Notes forming part of the consolidated financial statements

	(₹ in crores)	
	As at 31 March 2024	As at 31* March 2023
<b>Associate</b>		
Adani Welspun Exploration Limited	14.40	19.43
<b>Short term benefits payable to KMP</b>	<b>0.32</b>	<b>-</b>
Short term benefits payable to KMP	0.32	-

\* Closing balances are considered after considering the Ind AS Adjustments to make comparable with financial statements for reporting purpose.

**Notes :**

All transactions with related parties are made on arm's length basis in the ordinary course of business.

**57 CONCESSION ARRANGEMENTS - MAIN FEATURES**

a)	(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 June 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
b)	(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 from COD Construction Period: 1277 days from Appointed Date, During the yearended 31 March 2024 extension of time (EOT) has been granted upto 29 October 2024. 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

c)	(i) Name of the concession	Sattanathapuram - 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
d)	(i) Name of the concession	Mukarba Chowk - Panipat Toll Road Project (Refer note 74)
	(ii) Description of arrangements	Eight Laning of Section of NH-1(New NH-44) from Mukarba Chowk at Km 15+500 to Panipat Km 86+000 on BOT (Toll) basis in the State of Haryana
	(iii) Significant terms of arrangements :	Period of Concession: 17 Years. Construction Period: 15 months from the Substitution Agreement dated 8 June 2020. Remuneration: User Fee Collection Investment grant from concession grantor: Yes Infrastructure return to grantor at end of concession : Yes Investment and renewal obligations: No Re-pricing dates: Once in a year Basis upon which re-pricing or re-negotiation is determined: Applicable Fee Rules.
	(iv) Asset	Intangible
e)	(i) Name of the concession/ project	Implementation of various rural water supply projects in the State of Uttar Pradesh
	(ii) Description of arrangements	Survey, design, preparation of Detailed Project Reports ('DPR'), Construction, Commissioning and Operation and Maintenance ('O & M') for 10 years of various rural water supply projects in the State of Uttar Pradesh for Meerut, Ayodhya & Varanasi divisions.
	(iii) Significant terms of arrangements :	Period of Concession: 17 Years. Time for completion: Work to be completed as per below milestones 1) 50% of villages in 12 months 2) 100% villages in 18 months 3) Trail run of 3 months O & M : 10 years after successful commissioning Payment: Monthly Running Bills as per agreed System of record ('SOR') Price Variation/ Escalation:- Applicable only for High Density Polyethylene ('HDPE') Pipes as per stipulated formula

## Notes forming part of the consolidated financial statements

f)	(i) Name of the concession/ project	418 MLD Dharavi Waste Water Treatment Facility (WWTF)
	(ii) Description of arrangements	Work of Design, Build, Operation and Maintenance of Dharavi Wastewater Treatment Facility under Mumbai Sewage Disposal Project, Stage II (Priority Works)
	(iii) Significant terms of arrangements :	Period of Completion of Works - 60 Months from Commencement Date i.e 5 July 2022 O & M : 15 years Payment: Monthly Running Bills as per agreed rates Price Adjustment - a) Adjustments changes in cost shall apply during the Design-Build Period on the basis of the provisions of this Section 5.0. Contract Price Adjustments (maximum up to 30% Design Build Cost) for fluctuations in prices after the Base Date shall apply only from 13 <sup>th</sup> (thirteenth) month. b) Price Adjustment is applicable to Operation and Maintenance of Existing screening and allied works after first 12 months
g)	(i) Name of the concession/ project	New 2000 MLD Water Treatment Plant at Bhandup Complex
	(ii) Description of arrangements	Development of New 2000 MLD Water Treatment Plant at Bhandup Complex including Civil, Mechanical, Electrical and Instrumentation Works on Design, Build and Operate Contract
	(iii) Significant terms of arrangements :	Period of Completion of Works - 48 months (inclusive of monsoon) from the date of commencement of work O & M : 15 years

## 58 INTEREST IN AN ASSOCIATES

## (A) List of investments in associates accounted for using "Equity method" are as under:

Name of the Associates/ Joint venture companies	As at		Country of Incorporation
	31 March 2024	31 March 2023	
(₹ in crores)			
<b>Associates</b>			
Adani Welspun Exploration Limited ('AWEL') (Refer note 59)	35.00%	35.00%	India
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracore Private Limited) \$	51.00%	51.00%	India

\$ ceased to be subsidiary and became associate w.e.f. 22 December 2022 (Refer note 74A)

## B) Interest in associates

## a) Adani Welspun Exploration Limited ('AWEL')

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. 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:

## Notes forming part of the consolidated financial statements

## i) Summarised balance sheet is as under

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023
Property, plant and equipments	1.19	0.56
Capital work-in-progress	1,367.82	1,296.77
Other intangible assets	1.86	0.00
Intangible asset under Development	1.42	-
<b>Financial assets</b>		
Investments	0.01	0.01
Other financial assets	27.70	27.41
Non-current tax assets (net)	0.79	0.62
Other non-current assets	-	0.17
<b>Total non-current assets</b>	<b>1,400.78</b>	<b>1,325.53</b>
<b>Financial assets</b>		
Cash and cash equivalents	0.08	0.10
Other bank balances	-	3.57
Other financial assets	0.11	0.28
Other current assets	1.98	0.58
<b>Total current assets</b>	<b>2.18</b>	<b>4.52</b>
<b>Total assets (A)</b>	<b>1,402.96</b>	<b>1,330.05</b>
<b>Non-current liabilities</b>		
Provisions	1.78	1.07
<b>Total non-current liabilities</b>	<b>1.78</b>	<b>1.07</b>
<b>Financial liabilities</b>		
Trade payables	1.06	0.03
Other financial liabilities	6.97	3.50
Other current liabilities	1.39	1.32
Short term provisions	0.49	0.40
<b>Total current liabilities</b>	<b>9.91</b>	<b>5.25</b>
<b>Total liabilities (B)</b>	<b>11.70</b>	<b>6.32</b>
<b>Net assets (A-B)</b>	<b>1,391.26</b>	<b>1,323.72</b>
Proportion of the Group's ownership	35%	35%
<b>Proportionate net asset value</b>	<b>486.94</b>	<b>463.30</b>

## ii) Reconciliation to carrying amounts

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023
<b>Opening net assets</b>	<b>1,323.72</b>	<b>1,273.90</b>
Instrument entirely equity in nature issued during the year	69.20	52.30
Total comprehensive income for the year	(1.66)	(2.48)
<b>Closing net assets</b>	<b>1,391.26</b>	<b>1,323.72</b>
Proportion of the Group's ownership	35%	35%
<b>Proportionate net asset value</b>	<b>486.94</b>	<b>463.30</b>
Fair value adjustments	(205.75)	(205.75)
<b>Carrying amount of the investment</b>	<b>281.19</b>	<b>257.55</b>

## Notes forming part of the consolidated financial statements

## iii) Summarised statement of profit and loss

	(₹ in crores)	
	Year ended 31 March 2024	Year ended 31 March 2023
Revenue	-	-
Other income	1.77	0.96
<b>Total income</b>	<b>1.77</b>	<b>0.96</b>
Employee benefits expense	1.65	1.20
Finance costs	0.33	0.71
Depreciation and amortisation expense	0.30	0.02
Other expenses	1.09	1.29
<b>Total expenses</b>	<b>3.37</b>	<b>3.22</b>
<b>Loss before tax</b>	<b>(1.61)</b>	<b>(2.24)</b>
Tax expense	-	-
<b>Loss for the year</b>	<b>(1.61)</b>	<b>(2.24)</b>
Other comprehensive income	(0.05)	(0.24)
<b>Total comprehensive income for the year</b>	<b>(1.66)</b>	<b>(2.48)</b>
Proportion of the Group's ownership	35%	35%
Group's share of loss for the year (before adjustment)	(0.56)	(0.79)
Consolidation adjustment	-	-
Group's share of loss for the year (after adjustment)	(0.56)	(0.79)
Group's share of other comprehensive income for the year	<b>(0.02)</b>	<b>(0.08)</b>

iv) Group's share of contingent liabilities ₹ 0.12 crores (31 March 2023 ₹ 0.00 crores)

v) Group's share of capital commitments (net of advance) ₹ 1.50 crores (31 March 2023 ₹ 10.69 crores)

vi) In respect of MB-OSN-2005/2 Block (Mumbai Block): MB-OSN-2005/2 Block (Mumbai Block): MB-OSN-2005/2 Block (Mumbai Block): Mumbai Block is a NELP VII Block wherein all obligations towards Minimum Work Program commitments for both phases of exploration in the block have been completed. Appraisal Work Program & Budget has been reviewed by Management Committee – the same is under finalization. As part of efforts for Early Monetization of the AWEL A-1 Discovery Area, Early Development Plan (EDP) studies have been completed and a pre-submission report has been submitted to DGH for review after which the final report will be submitted. Pre-development activities such as surveys, facilities & well engineering studies are being carried out in parallel to expedite early monetization. Surface facilities, to be utilized to evacuate hydrocarbons from the discovery area, shall be shared with adjoining acreage.

MB/OSDSF/B9/2016 Contract Area: In B9 field of MB/OSDSF/B9/2016 Contract Area (Discovered & Small Field 2016), following the drilling of the 1<sup>st</sup> appraisal-cum development well B9AWEL-2 in FY 21-22, additional Geological and Geophysical studies were carried out and the Revised Field Development Plan (RFDP) submitted to DGH has been reviewed and signed off by Management Committee. The RFDP leverages the planned Early Monetization of AWEL A-1 Discovery Area of MB Block (detailed above) through shared use of installed surface facilities & pipeline for these two adjacent acreages. Pre-development activities such as well engineering studies have been carried out. The Development Period for B9 was previously extended by the Management Committee by 714 days till 31 January 2025 on account of the additional time spent obtaining clarity on requirement of Environmental Clearance for B9 field.

GK-OSN-2009/1 Block: Wells GKS091NDA-1 and GKS091NFA-1 were drilled resulting in discovery of commercial quantity of gas in the Block GK-OSN-2009/1. The operator ONGC had previously submitted a Declaration of Commerciality (DoC) proposal to the MoPNG/DGH. MoPNG/DGH reviewed the DoC proposal and asked the Operator to submit Field Development plan (FDP) within the timelines of Production Sharing Contract of the Block. On account of Covid-19 pandemic and its continuing impact on petroleum operations the Government had approved the extension of timelines for submission of FDP up to 01.02.2022. The FDP of block GK-OSN-2009/1 was conceptualized for development along with the discoveries made in adjoining blocks with necessary alterations in the development concept, delivery point & onshore terminal. A TCM was held on 26.02.2024 and accordingly revised ECS note for 3 year extension has been resubmitted to DGH on 27.03.2024.

## Notes forming part of the consolidated financial statements

GK-OSN-2009/2 Block: The operating committee of the block GK-OSN-2009/2 has decided to relinquish the Block. However, formal relinquishment process of the block is under process. Operator (ONGC) has submitted proposal of relinquishment to DGH along with relevant data and reports. Awaiting review by Management Committee.

### b) NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapital Private Limited) ('WIFPL') (Refer Note 74 A)

NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapital Private Limited) ('WIFPL') which is engaged into Eight laning of Mukarba Chowk Panipat section of National Highway - 1 (New NH-44) from km. 15.500 to km. 86.000 in the State of Haryana through Public Private Partnership (PPP) on Design, Build, Finance, Operate and Transfer basis (DBFOT). During the year ended 31 March 2023, the group has divested 49% equity stake in WIFPL & retains 51% interest. The group's interest in WIFPL 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

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023
<b>Non-current assets</b>		
Property, plant and equipments	0.20	0.16
Intangible assets	1,814.96	2,026.30
Intangible assets under development	106.16	-
Other financial assets	129.78	64.57
Deferred tax assets (net)	34.25	-
Non-current tax assets (net)	3.18	2.97
<b>Total non-current assets</b>	<b>2,088.53</b>	<b>2,094.00</b>
<b>Current assets</b>		
<b>Financial assets</b>		
Investments	30.51	28.89
Trade receivables	87.15	52.79
Cash and cash equivalents	7.41	24.80
Loans	10.00	-
Other financial assets	47.74	0.48
Other current assets	194.93	28.60
<b>Total current assets</b>	<b>377.74</b>	<b>135.55</b>
<b>Total assets (A)</b>	<b>2,466.27</b>	<b>2,229.55</b>
<b>Non-current liabilities</b>		
Financial liabilities - borrowings	1,732.21	1,808.29
Provisions	114.81	0.07
Deferred tax liabilities (net)	-	0.08
<b>Total non-current liabilities</b>	<b>1,847.02</b>	<b>1,808.43</b>
<b>Current liabilities</b>		
Contract liabilities	-	8.95
<b>Financial liabilities</b>		
Short term borrowings	167.78	75.56
Trade payables	308.83	136.89
Other financial liabilities	-	0.28
Provisions	1.22	0.00
Other current liabilities	3.50	3.78
<b>Total current liabilities</b>	<b>481.33</b>	<b>225.46</b>

## Notes forming part of the consolidated financial statements

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023
<b>Total liabilities (B)</b>	<b>2,328.35</b>	<b>2,033.89</b>
<b>Net assets (A-B)</b>	<b>137.92</b>	<b>195.66</b>
Proportion of the Group's ownership	51%	51%
<b>Proportionate net asset value</b>	<b>70.34</b>	<b>99.79</b>

#### ii) Reconciliation to carrying amounts

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023
Net assets on the date of becoming associate	-	223.34
<b>Opening net assets</b>	<b>195.66</b>	<b>-</b>
Total comprehensive income	(57.74)	(27.68)
<b>Closing net assets</b>	<b>137.92</b>	<b>195.66</b>
Proportion of the Group's ownership	51%	51%
<b>Proportionate net asset value</b>	<b>70.34</b>	<b>99.79</b>
Gain on fair value of retained interest	155.33	155.33
<b>Carrying amount of the investment</b>	<b>225.67</b>	<b>255.12</b>

#### iii) Summarised statement of profit and loss

	(₹ in crores)	
	Year ended 31 March 2024	23 December 2022 to 31 March 2023
<b>Income</b>		
Revenue from operations	511.94	191.24
Other income	21.96	2.64
<b>Total income</b>	<b>533.90</b>	<b>193.89</b>
<b>Expenses</b>		
Sub-contracting charges	264.24	122.70
Finance costs	190.17	43.05
Employee benefits costs	3.40	1.39
Depreciation	153.85	34.42
Other expenses	11.16	19.54
<b>Total expenses</b>	<b>622.82</b>	<b>221.10</b>
<b>Loss before tax</b>	<b>(88.92)</b>	<b>(27.22)</b>
Tax expenses	(31.17)	0.47
<b>Loss for the year</b>	<b>(57.75)</b>	<b>(27.68)</b>
Other comprehensive income	0.01	-
<b>Total comprehensive income for the year (before adjustment)</b>	<b>(57.74)</b>	<b>(27.68)</b>
Proportion of the Group's ownership	51%	51%
Group's share of loss for the year (before adjustment)	(29.45)	(14.12)
Group's share of loss for the year (after adjustment)	(29.45)	(14.12)
Group's share of other comprehensive income for the year	0.01	-

## Notes forming part of the consolidated financial statements

**C) Investment in joint venture companies**

i) Summarised balance sheet as on date of cessation as joint venture entities are as under:

(₹ in crores)

	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
Date of cessation as joint venture entities	5 September 2023	5 September 2023	28 September 2023	28 September 2023	28 September 2023	1,891.58
Non-current assets	30.93	541.45	63.76	676.52	578.92	1,891.58
Current assets	0.46	178.32	0.01	183.98	113.15	475.92
Non-current liabilities	-	496.79	-	598.15	414.84	1,509.78
Current liabilities	0.00	154.81	0.06	195.28	210.45	560.61
Compulsorily convertible debentures	31.44	61.89	63.73	77.04	61.03	295.12
<b>NET ASSETS</b>	<b>(0.05)</b>	<b>6.29</b>	<b>(0.02)</b>	<b>(9.97)</b>	<b>5.75</b>	<b>2.00</b>
Proportion of the Group ownership	49.00%	73.99%	49.00%	73.94%	73.94%	
Carrying amount of the equity investment	(0.03)	4.66	(0.01)	(7.37)	4.25	1.50
Compulsorily convertible debentures	-	-	-	-	-	-
Optionally convertible debentures	-	-	-	-	-	-
Fair value adjustment on acquisition	7.85	-	23.00	-	-	30.85
Cumulative adjustment for fair value of interest free loan	-	-	-	6.45	3.18	9.62
Gain on bargain purchase	-	4.00	-	6.51	5.17	15.68
Carrying amount of the previously held equity investment	<b>7.82</b>	<b>8.65</b>	<b>22.99</b>	<b>5.58</b>	<b>12.60</b>	<b>57.65</b>

## Notes forming part of the consolidated financial statements

ii) Summarised statement of profit and loss till date of cessation as joint venture entities are as under:

(₹ in crores)

	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
Date of cessation as joint venture entities	5 September 2023	5 September 2023	28 September 2023	28 September 2023	28 September 2023	
Revenue from operations	-	29.27	-	7.05	25.80	62.13
Other income	-	28.72	-	26.99	24.72	80.44
<b>Total Income</b>	<b>-</b>	<b>58.00</b>	<b>-</b>	<b>34.04</b>	<b>50.53</b>	<b>142.57</b>
Sub-contracting costs	-	26.61	-	1.52	25.66	53.79
Finance costs	-	19.31	-	24.66	17.77	61.73
Depreciation and amortisation expense	-	-	-	-	-	-
Other expenses	0.01	2.83	0.00	5.62	0.30	8.77
<b>Total Expenses</b>	<b>0.01</b>	<b>48.76</b>	<b>0.00</b>	<b>31.80</b>	<b>43.72</b>	<b>124.29</b>
<b>Profit/ (loss) before tax</b>	<b>(0.01)</b>	<b>9.24</b>	<b>(0.00)</b>	<b>2.24</b>	<b>6.80</b>	<b>18.27</b>
Tax expenses	-	4.57	-	0.71	1.77	7.05
<b>Profit / (loss) for the period</b>	<b>(0.01)</b>	<b>4.67</b>	<b>(0.00)</b>	<b>1.53</b>	<b>5.03</b>	<b>11.22</b>
Add : Other comprehensive income for the year	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>(0.01)</b>	<b>4.67</b>	<b>(0.00)</b>	<b>1.53</b>	<b>5.03</b>	<b>11.22</b>
Proportion of the Group's ownership	49.00%	73.99%	49.00%	73.94%	73.94%	
<b>Group share of profit/ (loss) for the year</b>	<b>(0.01)</b>	<b>3.45</b>	<b>(0.00)</b>	<b>1.13</b>	<b>3.72</b>	<b>8.30</b>
Group share of other comprehensive income for the year	-	-	-	-	-	-

**59** During the year ended 31 March 2023, the Board of Directors and the shareholders of Welspun Natural Resources Private Limited ('WNRPL') approved the scheme of voluntary liquidation of WNRPL vide resolution dated 18 January 2023 in their respective meetings. Further, pursuant to such resolutions, Insolvency Professional was appointed as the liquidator of WNRPL. Subsequently, the liquidator has distributed all the assets (including equity shares and debentures held in Adani Welspun Exploration Limited ('AWEL') of WNRPL to its shareholder i.e. Welspun Enterprises Limited ('WEL') on 27 February 2023 and consequent to such distribution, WEL has become an equity shareholder and debenture holder of AWEL.

Pursuant to liquidation, 4,654,997 Equity Shares and 45,384,543 Compulsorily Convertible Debentures (CCD's) held by WNRPL in AWEL are now held by WEL. Subsequently, AWEL has allotted 450,591 CCD's to WEL and now WEL holds 35% directly in AWEL."

## Notes forming part of the consolidated financial statements

**60 A) Segment Information**

The Group for evaluating its performance and for allocating resources based on analysis of various performance indicators, has identified two operative segments on the basis of nature of business activities and other quantitative criteria specified in the Ind AS 108 operating segments :

**i) Operating segments**

- a) Infrastructure
- b) 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), Receivables under service concession arrangement, trade receivables and other operating assets. Segment liabilities primarily include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the business segment are shown as unallocable assets/ liabilities.

	(₹ in crores)	
	31 March 2024	31 March 2023
<b>Segment revenue</b>		
- Infrastructure	2,872.28	2,758.19
<b>Total</b>	<b>2,872.28</b>	<b>2,758.19</b>
Less : Inter segment revenue	-	-
<b>Total sales/ income from operations</b>	<b>2,872.28</b>	<b>2,758.19</b>
<b>Segment result</b>		
- Infrastructure	577.37	385.26
- Oil and gas	-	-
Unallocable corporate	(171.08)	(151.13)
<b>Total</b>	<b>406.29</b>	<b>234.13</b>
Add : other income	182.62	143.86
<b>Profit before finance costs, tax and exceptional items</b>	<b>588.91</b>	<b>377.99</b>
<b>Add / (Less) :</b>		
Finance costs	(109.79)	(118.76)
Share of loss from associates and joint venture companies	(0.58)	(0.79)
Exceptional items (Refer note 54)	-	482.99
<b>Profit before tax</b>	<b>478.54</b>	<b>741.43</b>
<b>Less : Tax expense</b>		
Current tax	124.66	47.66
Earlier year tax	6.12	(0.02)
Deferred tax	(1.08)	9.37
<b>Total tax expense</b>	<b>129.70</b>	<b>57.01</b>
Profit after tax from continuing operations	348.84	684.42
Profit after tax from discontinuing operations	(29.44)	41.64
<b>Profit after tax from continuing and discontinuing operations</b>	<b>319.40</b>	<b>726.06</b>
<b>Segment assets</b>		
- Infrastructure	2,923.91	1,956.19
- Oil and gas	-	-
Unallocable corporate	1,799.15	2,872.53
Assets classified as held-for-sale (Refer note 21)	225.67	277.45
<b>Total (A)</b>	<b>4,948.73</b>	<b>5,106.17</b>

## Notes forming part of the consolidated financial statements

	(₹ in crores)	
	31 March 2024	31 March 2023
<b>Segment liabilities</b>		
- Infrastructure	1,539.16	1,983.71
Unallocable corporate	919.39	760.47
<b>Total (B)</b>	<b>2,458.55</b>	<b>2,744.18</b>
<b>Total equity (A - B)</b>	<b>2,490.18</b>	<b>2,361.99</b>

- a) Segment assets excludes current and non-current investments, deferred tax assets, advance payment of income tax etc.
- b) Segment liabilities excludes borrowings and current maturities of long term borrowings, deferred tax liability, accrued interest, non-controlling interests etc.

	(₹ in crores)	
	As at 31 March 2024	As at 31 March 2023
<b>Other segment information</b>		
<b>a) Non-current assets *</b>		
Infrastructure	203.79	67.21
Oil and gas	-	-
Unallocable corporate	70.37	68.22
<b>Total</b>	<b>274.16</b>	<b>135.43</b>
<b>b) Capital expenditure</b>		
Infrastructure	70.32	6.27
Oil and gas	-	-
Unallocable corporate	-	-
<b>Total</b>	<b>70.32</b>	<b>6.27</b>
<b>c) Depreciation and amortisation expense</b>		
Infrastructure	22.22	9.13
Oil and gas	-	-
Unallocable Corporate	5.34	3.97
<b>Total</b>	<b>27.56</b>	<b>13.10</b>

\* Non-current assets excludes financial assets, deferred tax assets, goodwill on consolidation and investments in associates and joint venture companies.

**B) Information about major customers**

Total revenue from three customers accounting for more than 10% of revenue, amounting to ₹ 2,041.01 crores (31 March 2023 : three customers represent ₹ 2,412.51 crores) disclosed under Infrastructure segment.



## Notes forming part of the consolidated financial statements

**61 DISCLOSURE REQUIRED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ('THE ACT') ARE GIVEN AS FOLLOWS :-**

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
a) Principal amount payable to the suppliers under the Act		
- For capital goods	-	-
- For others	42.13	-
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 under 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 Group

**62 A) Disclosure pertaining to Ind AS 115 "Revenue from Contracts with Customers"**

The Group believes that the information provided under Note 36 Revenue from Operations, is sufficient to meet the disclosure objectives with respect to disaggregation of revenue under Ind AS 115, Revenue from Contracts with Customers.

**B) Contract Balances**

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Trade receivables	428.68	325.82
Contract assets	642.90	645.34
Contract liabilities	842.44	1,111.99

**C) Reconciliation of contract assets and liabilities:**

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
<b>Contract Assets</b>		
<b>Due from contract customers (contract assets)</b>		
<b>At the beginning of the year</b>	<b>645.34</b>	<b>261.47</b>
Acquired pursuant to business combination (Refer note 72)	49.62	-
Cost incurred plus attributable profits on contracts-in -progress	2,388.35	1,920.37
Progress billings made towards contracts -in - progress	2,440.42	1,536.50
<b>At the end of the reporting year</b>	<b>642.90</b>	<b>645.34</b>

## Notes forming part of the consolidated financial statements

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
<b>Contract liabilities</b>		
<b>Advance from contract customers (contract liabilities)</b>		
<b>At the beginning of the year</b>	<b>1,111.99</b>	<b>897.84</b>
Acquired pursuant to business combination (Refer note 72)	3.29	-
Revenue recognised during the year	412.63	712.49
Progress billings made towards contracts-in -progress	139.79	926.63
<b>At the end of the reporting year</b>	<b>842.44</b>	<b>1,111.99</b>

i) The contract assets primarily relate to the Group's rights to consideration for performance obligation satisfied but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. Invoices are raised on the customers based on the agreed contractual terms and are collected as per agreed payment terms.

ii) The contract liability primarily relates to the advances from customer towards on-going EPC projects. Revenue is recognised from the contract liability as and when such performance obligations are satisfied.

**D)** There are no reconciliation items between revenue from contracts with customers and revenue recognised with contract price.

**E) Revenue recognition for future related to performance obligations that are unsatisfied (or partially satisfied)**

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹ 14,300 crores out of which 28% (31 March 2023 : ₹ 11,200 crores out of which 27%) is expected to be recognised as revenue in the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

**63 LEASES**

The Group has building premises being used for its operation having lease term between 0.5 years and 10 years.

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
<b>A Details of the right-of-use asset held by the Group is as follows:</b>		
<b>Opening balance</b>	<b>9.04</b>	<b>11.05</b>
Acquired pursuant to business combination (Refer note 72)	0.72	-
Add : Additions during the year	4.28	1.96
Less : Deletion during the year	-	-
Less : Depreciation expenses	(5.34)	(3.97)
<b>Net carrying amount</b>	<b>8.70</b>	<b>9.04</b>
<b>B Details of the lease liabilities of the Group is as follows:</b>		
<b>Opening balance</b>	<b>9.93</b>	<b>11.31</b>
Acquired pursuant to business combination (Refer note 72)	0.83	-
Add: Additions during the year	4.21	1.96
Less: Deletion during the year	-	-
Add: Accretion of interest	1.13	1.12
Less: Payments	(6.47)	(4.46)
<b>Net carrying amount</b>	<b>9.63</b>	<b>9.93</b>

## Notes forming part of the consolidated financial statements

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Lease liability (Non Current)	5.43	5.83
Lease liability (Current)	4.20	4.11
	<b>9.63</b>	<b>9.94</b>
The maturity analysis of lease liabilities are disclosed in Note 45		
<b>C The following are the amounts recognised in the statement of profit or loss:</b>		
Depreciation expense of right-of-use assets	5.34	3.97
Interest expense on lease liabilities	1.13	1.12
<b>Total amount recognised in the statement of profit or loss</b>	<b>6.47</b>	<b>5.09</b>

The Group had total cash outflows for leases of ₹ 6.47 crores (31 March 2023 : ₹ 4.46 crores). The Group also had non-cash additions to right-of-use assets of ₹ 4.28 crores (31 March 2023 : ₹ 1.96 crores) and lease liabilities of ₹ 4.21 crores (31 March 2023 : ₹ 1.96 crores).

## 64 DIVIDEND ON EQUITY SHARES

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Dividend proposed for the year ended 31 March 2024 ₹ 3 per equity share (31 March 2023 ₹ 1.00 per share)	41.52	14.99

Proposed dividends on equity shares are subject to approval of shareholders at the annual general meeting and are not recognised as a liability as at reporting date.

During the year ended 31 March 2023, the Company has paid ₹ 7.50 per share as special dividend amounting to ₹ 112.49 crores.

65 Under the Concession Agreement executed between Odisha State Road Transport Corporation ('OSRTC') and ARSS Bus Terminal Private Limited ("ABTPL"/"the Company"), a wholly owned subsidiary of the Holding Company, and ARSS Infrastructure Projects Ltd (ARSS) for the development of Baramunda Bus Terminal along with commercial facilities at various locations in Odisha including Bhubaneswar, on public, private, partnership mode on BOT basis. The ABTPL had incurred expenses in relation to the Project and thereafter, commenced performing its obligations works under the Concession Agreement towards which it had incurred substantial costs. However, OSRTC did not proceed with the Project, on account of the reasons solely attributable to OSRTC, therefore ABTPL had claimed towards costs incurred and losses suffered by the ABTPL.

OSRTC denied claims and refused to appoint Arbitrator. After which the Hon'ble Orissa High Court vide order dated 15 November 2019 appointed arbitrator and the ruling was in favour of ARSS against which OSRTC has filed a Special Leave Petition ("SLP") before the Supreme Court which was dismissed. The ABTPL then filed the claim in Arbitral Tribunal which awarded the reward in favour of the ABTPL against which OSRTC has filed a request for stay order which was dismissed by the court and the ABTPL has filed for execution of the award before Bhubaneswar District Court on 5 April 2022.

The ABTPL also filed Petition for the execution of the award before Court on 9 March 2022 which is pending.

The Court passed an order for depositing 100% of award amount within one month as a condition precedent for stay of enforcement of award, however OSRTC challenged this order before the Hon'ble Orissa High Court and modified the same order thereby reducing deposit amount to 60% of award amount and same amount was deposited by OSRTC. An SLP was filed by ABTPL on 20 February 2023 against such order before Hon'ble Supreme Court, which was dismissed. Aggrieved by dismissal order, ABTPL has filed Review petition on 12 April 2023 before Hon'ble Supreme Court. The ABTPL has also filed the execution petition, which is pending.

## Notes forming part of the consolidated financial statements

66 Ministry of Petroleum & Natural Gas (MoPNG) 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-"WNRPL" (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. MoPNG vide Notification. No. Expl-15022(13)/6/2017-ONGD-V, dated 16 December 2019, has constituted Committee of External Eminent Persons/Experts (CEEE) and empowered CEEE to discharge all functions necessary for carrying out conciliation & mediation proceedings for resolution of dispute between parties as per the provisions of Arbitration and Conciliation Act, 1996. Accordingly, the non-defaulting parties have proposed that the dispute related to block be referred to the Committee of Eminent External Experts (CEEE) and sought Directorate General of Hydrocarbons ('DGH')/ MoPNG consent for the same. Response from 'DGH/MoPNG is awaited.

The operating committee of the block GK-OSN-2009/2 has decided to relinquish the Block. However, formal relinquishment process of the block is under progress. Operator (ONGC) has submitted proposal of relinquishment to Directorate General of Hydrocarbons ('DGH') along with relevant data and reports. Awaiting review by Management Committee. During the year ended 31 March 2023, the Group has written off the project cost of ₹ 57.26 crores on conservative basis as exceptional item.

67 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:

(₹ in crores)

	Long term borrowings (including current maturities)	Short term borrowings (net)	Equity share capital	Securities Premium
<b>As at 31 March 2023</b>	<b>581.97</b>	<b>171.64</b>	<b>149.98</b>	<b>953.08</b>
Acquired pursuant to business combination (Refer note 72)	5.11	33.33	-	-
Cash inflow	272.36	0.00	0.03	0.27
Cash outflow	(288.06)	(33.33)	(11.75)	(223.25)
Non cash items - other changes (Refer note b below)	0.17	9.28	0.15	2.06
<b>As at 31 March 2024</b>	<b>571.55</b>	<b>180.92</b>	<b>138.41</b>	<b>732.16</b>

b) Non- cash investing and financing activities for the current year

- Other Non-cash changes in long-term borrowings and short term borrowings are related to amortisation of processing fees, accrued interest.
- Other Non-cash changes in equity share capital and securities premium are on account of equity shares allotted pursuant to exercise of stock option (Refer note 53)

## Notes forming part of the consolidated financial statements

**68 CORPORATE SOCIAL RESPONSIBILITY ('CSR')**

(₹ in crores)

	As at 31 March 2024	As at 31 March 2023
Details of related party - Contribution to Welspun Foundation for Health & Knowledge ('WFHK')	3.87	3.28
Amount required to be spent as per Section 135 of the Companies Act 2013	4.50	3.28
<b>Amount spent during the year on:</b>		
Construction/ acquisition of an asset	-	-
On purposes other than above	4.55	4.56*
Shortfall at the end of the year	-	-
<b>Total of previous year shortfall</b>	-	-

\* It includes ₹ 1.28 crores utilised for CSR activities from "Welspun Foundation for Health and Knowledge - Unspent CSR Amount FY 2021-22".

**Nature of CSR activities :**

Promoting education and healthcare, empowerment of women and socially backward, ensuring road safety, ensuring environmental sustainability, development of art and culture, disaster relief, livelihood enhancement project and children care.

**69 STATUTORY INFORMATION****A. No transactions to report against the following disclosure requirements as notified by MCA pursuant to amendment of Schedule III:**

- Crypto Currency or Virtual Currency
- Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- Relating to borrowed funds:
  - Wilful defaulter
  - Borrowings obtained on the basis of security of current assets
  - Discrepancy in utilisation of borrowings

**B.** The Group does not have any charges or satisfaction of charges which are yet to be registered with the Registrar of Companies (ROC) beyond the statutory period, except for satisfaction of certain charges amounting to ₹ 76.55 crores. The Group has initiated suitable steps to ensure satisfaction of the same.

**C. Utilisation of borrowed funds and securities premium**

- During the year ended 31 March 2024, the Group has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- No fund (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity ('funding parties') with the understanding, whether recorded in writing or otherwise, that the Group shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding parties ('Ultimate Beneficiaries') or provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## Notes forming part of the consolidated financial statements

**70** The Group has not granted loans which is outstanding as on 31 March 2023 and 31 March 2024, which are repayable on demand, to related parties as defined in clause (76) of section 2 of the Act.

**71 NON-CONTROLLING INTERESTS (NCI)**

The following table summarises the information relating to each of the subsidiaries that has NCI.

(₹ in crores)

	Welspun EDAC JV Private Limited	Grenoble Infrastructure Private Limited	Welspun Sattanathapuram Nagapattinam Road Private Limited	Welsteel Enterprises Private Limited	Welspun Aunta- Simaria Project Private Limited	Welspun Michigan Engineers Limited	Total
<b>Summarised balance sheet as at 31 March 2024</b>							
Non-current assets	17.37	10.20	392.62	34.75	661.85	259.28	1,376.06
Current assets	161.23	0.00	76.58	0.03	117.05	268.31	623.21
Non-current liabilities	-	-	(10.70)	-	(506.92)	(85.92)	(603.54)
Current liabilities	(178.59)	(10.23)	(254.34)	(34.75)	(171.86)	(125.75)	(775.52)
Instrument entirely equity in nature	-	-	(135.76)	-	(69.32)	-	(205.08)
<b>Net Assets</b>	<b>0.01</b>	<b>(0.03)</b>	<b>68.40</b>	<b>0.03</b>	<b>30.81</b>	<b>315.93</b>	<b>415.14</b>
<b>Net assets attributable to NCI</b>	<b>0.00</b>	<b>(0.01)</b>	<b>5.21</b>	<b>0.01</b>	<b>3.95</b>	<b>157.65</b>	<b>166.81</b>
<b>Summarised statement of profit or loss for the year ended 31 March 2024</b>							
Revenue	278.84	-	304.45	-	342.91	305.91	1,232.11
Other income	1.26	-	31.09	-	50.16	5.23	87.74
Cost of materials consumed	-	-	-	-	-	(98.51)	(98.51)
Sub-contracting charges	(256.85)	-	(278.71)	-	(310.46)	(94.22)	(940.25)
Employee benefits expense	-	-	-	-	-	(13.55)	(13.55)
Finance costs	(13.16)	(0.00)	(11.37)	(0.00)	(40.27)	(4.66)	(69.46)
Depreciation and amortisation expense	-	-	-	-	-	(14.33)	(14.33)
Other expenses	(10.09)	(0.01)	(26.21)	(0.02)	(32.45)	(31.91)	(100.68)
<b>Profit/(loss) before tax for the year</b>	<b>(0.00)</b>	<b>(0.01)</b>	<b>19.25</b>	<b>(0.02)</b>	<b>9.89</b>	<b>53.97</b>	<b>83.08</b>
Tax expenses	-	-	(4.74)	-	(2.54)	(11.61)	(18.89)
<b>Profit/(loss) for the year</b>	<b>(0.00)</b>	<b>(0.01)</b>	<b>14.51</b>	<b>(0.02)</b>	<b>7.35</b>	<b>42.35</b>	<b>64.19</b>
Other comprehensive income	-	-	-	-	-	(0.03)	(0.03)
<b>Total comprehensive income</b>	<b>(0.00)</b>	<b>(0.01)</b>	<b>14.51</b>	<b>(0.02)</b>	<b>7.35</b>	<b>42.33</b>	<b>64.16</b>
Profit/ (loss) allocated to NCI	(0.00)	(0.00)	2.22	(0.01)	0.97	21.13	24.31
OCI allocated to NCI	-	-	-	-	-	(0.00)	(0.00)
<b>Total comprehensive income allocated to NCI</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>2.22</b>	<b>(0.01)</b>	<b>0.97</b>	<b>21.13</b>	<b>24.31</b>
<b>Summarised cash flow information as at 31 March 2024</b>							
Cash flow from operating activities	(58.78)	(0.01)	(85.68)	(0.02)	(209.91)	69.55	(284.85)

## Notes forming part of the consolidated financial statements

(₹ in crores)

	Welspun EDAC JV Private Limited	Grenoble Infrastructure Private Limited	Welspun Sattanathapuram Nagapattinam Road Private Limited	Welsteel Enterprises Private Limited	Welspun Aunta-Simaria Project Private Limited	Welspun Michigan Engineers Limited	Total
Cash flow from investing activities	0.85	(10.20)	7.86	-	(26.07)	(73.82)	(101.38)
Cash flow from financing activities	(4.72)	10.20	78.52	(0.04)	235.98	(8.73)	311.21
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(62.65)</b>	<b>(0.01)</b>	<b>0.70</b>	<b>(0.06)</b>	<b>(0.00)</b>	<b>(13.00)</b>	<b>(75.02)</b>

The following table summarises the information relating to each of the subsidiaries that has NCI

(₹ in crores)

	Welspun EDAC JV Private Limited	Grenoble Infrastructure Private Limited	Welspun Sattanathapuram Nagapattinam Road Private Limited	Welsteel Enterprises Private Limited	Welspun Aunta-Simaria Project Private Limited	Welspun Michigan Engineers Limited	Total
<b>Summarised balance sheet as at 31 March 2023</b>							
Non-current assets	6.23	0.00	273.52	34.75	491.91	-	806.42
Current assets	136.21	0.00	50.56	0.09	58.01	-	244.87
Non-current liabilities	(138.21)	-	(5.68)	-	(272.20)	-	(416.10)
Current liabilities	(4.22)	(0.02)	(277.27)	(34.80)	(184.94)	-	(501.25)
Instrument entirely equity in nature	-	-	(21.70)	-	(69.32)	-	(91.02)
<b>Net Assets</b>	<b>0.01</b>	<b>(0.02)</b>	<b>19.44</b>	<b>0.04</b>	<b>23.46</b>	<b>-</b>	<b>42.93</b>
<b>Net assets attributable to NCI</b>	<b>0.00</b>	<b>(0.01)</b>	<b>2.98</b>	<b>0.02</b>	<b>2.98</b>	<b>-</b>	<b>5.98</b>
<b>Summarised statement of profit or loss for the year ended 31 March 2023</b>							
Revenue	25.32	-	203.62	-	192.03	-	420.98
Other income	0.52	-	28.75	-	37.26	-	66.53
Sub-contracting charges	(17.22)	-	(170.23)	-	(172.24)	-	(359.69)
Finance costs	(3.74)	(0.00)	(11.64)	(0.00)	(23.55)	-	(38.93)
Other expenses	(4.89)	(0.01)	(33.39)	(0.02)	(19.78)	-	(58.09)
<b>Profit / (loss) before tax for the year</b>	<b>(0.00)</b>	<b>(0.01)</b>	<b>17.11</b>	<b>(0.02)</b>	<b>13.72</b>	<b>-</b>	<b>30.80</b>
Tax expenses	-	-	(4.43)	-	(3.43)	-	(7.85)
<b>Profit / (loss) for the year</b>	<b>(0.00)</b>	<b>(0.01)</b>	<b>12.68</b>	<b>(0.02)</b>	<b>10.29</b>	<b>-</b>	<b>22.95</b>
Other comprehensive income	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>(0.00)</b>	<b>(0.01)</b>	<b>12.68</b>	<b>(0.02)</b>	<b>10.29</b>	<b>-</b>	<b>22.95</b>
Profit/ (loss) allocated to NCI	(0.00)	(0.01)	1.95	(0.01)	1.36	-	3.30
OCI allocated to NCI	-	-	-	-	-	-	-
<b>Total comprehensive income allocated to NCI</b>	<b>(0.00)</b>	<b>(0.01)</b>	<b>1.95</b>	<b>(0.01)</b>	<b>1.36</b>	<b>-</b>	<b>3.30</b>

## Notes forming part of the consolidated financial statements

(₹ in crores)

	Welspun EDAC JV Private Limited	Grenoble Infrastructure Private Limited	Welspun Sattanathapuram Nagapattinam Road Private Limited	Welsteel Enterprises Private Limited	Welspun Aunta-Simaria Project Private Limited	Welspun Michigan Engineers Limited	Total
<b>Summarised cash flow information as at 31 March 2023</b>							
Cash flow from operating activities	63.53	(0.01)	(36.99)	(0.02)	(70.24)	-	(43.73)
Cash flow from investing activities	-	-	0.06	-	(0.33)	-	(0.27)
Cash flow from financing activities	0.46	0.01	37.47	0.01	70.57	-	108.52
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>63.99</b>	<b>(0.00)</b>	<b>0.54</b>	<b>(0.01)</b>	<b>(0.00)</b>	<b>-</b>	<b>64.52</b>

## 72 DISCLOSURE PURSUANT TO INDAS 103 "BUSINESS COMBINATIONS"

## I Business Combinations during the year ended 31 March 2024

- A** On 27 July 2023, the Group has acquired 50.10% stake of Welspun Michigan Engineers Limited (formerly known as Michigan Engineers Private Limited) ('W MEL') (including Joint operations) from Authum Investment & Infrastructure Limited and Sansaar Housing Finance Limited thereby making W MEL a subsidiary of Welspun Enterprises Limited. The asset acquisition was carried out for a purchase consideration of ₹ 137.07 crores. The acquisition has been accounted for in accordance with Ind AS 103 - "Business Combinations".
- B** Fair value of identifiable assets acquired and liabilities assumed as on date of acquisition is as below:

(₹ in crores)

	W MEL
<b>Non-current assets</b>	
a) Property, plant and equipment, Right-of-use asset and Intangible assets	81.53
b) Financial assets	26.69
c) Deferred tax assets (net)	6.60
d) Non current tax assets	6.52
e) Other non-current assets	8.44
<b>Total non-current assets</b>	<b>129.78</b>
<b>Current assets</b>	
a) Inventories	43.17
b) Financial assets	99.94
c) Other current assets	79.58
<b>Total current assets</b>	<b>222.69</b>
<b>Total Assets (A)</b>	<b>352.47</b>

## Notes forming part of the consolidated financial statements

(₹ in crores)	
<b>WMEL</b>	
<b>Non-current liabilities</b>	
a) Financial liabilities	27.63
b) Provisions	1.32
c) Other non-current liabilities	19.00
<b>Total non-current liabilities</b>	<b>47.95</b>
<b>Current liabilities</b>	
a) Financial liabilities	100.12
b) Provisions	0.10
c) Other current liabilities	6.87
d) Current tax liabilities (net)	7.23
<b>Total current liabilities</b>	<b>114.33</b>
<b>Total Liabilities (B)</b>	<b>162.28</b>
<b>Fair value of identifiable net assets acquired (C = A-B)</b>	<b>190.19</b>

**C Calculation of Goodwill**

(₹ in crores)	
<b>WMEL</b>	
Cash consideration for 50.10% stake paid by Welspun Enterprises Limited	137.07
Fair value of non-controlling interest on the date of acquisition	136.53
	<b>273.60</b>
Fair value of identifiable net assets acquired	190.19
<b>Goodwill</b>	<b>83.41</b>

**D** WMEL has reported revenue from operations of ₹ 305.91 crores and profit after tax of ₹ 42.35 crores from the date of acquisition till 31 March 2024. Had WMEL been acquired from 1 April 2023, they would have reported revenue from operations of ₹ 408.89 crores and profit after tax of ₹ 18.02 crores during the year ended 31 March 2024.

**II Business Combinations during the year ended 31 March 2023**

**A** On 5 September 2022, the Group has acquired 51% stake of Corbello Trading Private Limited ('Corbello') from Vishvaraj Environment Private Limited thereby making Corbello Trading Private Limited and NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited) ('CTHPL') wholly owned subsidiaries of Welspun Enterprises Limited. The asset acquisition was carried out for a purchase consideration of ₹ 8.86 crores. The acquisition has been accounted for in accordance with IndAS 103 - "Business Combinations".

On 28 September 2022, the Group has acquired 51% stake of RGY Roads Private Limited ('RGY') from MBL Project Limited and MBL Infrastructures Limited thereby making RGY Road Private Limited, NXT-Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited) ('CGRG') and NXT-Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited) ('GSY') wholly owned subsidiaries of Welspun Enterprises Limited. The asset acquisition was carried out for a purchase consideration of ₹ 15.77 crores. The acquisition has been accounted for in accordance with IndAS 103 - "Business Combinations".

## Notes forming part of the consolidated financial statements

**B** Fair value of identifiable assets acquired and liabilities assumed as on date of acquisition is as below:

(₹ in crores)			
	<b>Corbello CTHPL</b>	<b>RGY CGRG GSY</b>	<b>Total</b>
<b>Non-current assets</b>			
a) Financial assets	567.44	1,374.41	1,941.86
b) Deferred tax assets (net)	2.51	3.38	5.89
c) Non current tax assets	0.64	4.17	4.80
d) Other non-current assets	39.00	59.04	98.04
<b>Total non-current assets</b>	<b>609.59</b>	<b>1,441.00</b>	<b>2,050.59</b>
<b>Current assets</b>			
a) Financial assets	141.50	227.73	369.23
b) Other current assets	37.27	69.42	106.69
<b>Total current assets</b>	<b>178.77</b>	<b>297.15</b>	<b>475.92</b>
<b>Total Assets (A)</b>	<b>788.36</b>	<b>1,738.15</b>	<b>2,526.51</b>
<b>Non-current liabilities</b>			
a) Financial liabilities	496.79	1,011.92	1,508.71
b) Deferred tax liabilities (net)	-	1.07	1.07
<b>Total non-current liabilities</b>	<b>496.79</b>	<b>1,012.99</b>	<b>1,509.78</b>
<b>Current liabilities</b>			
a) Contract liabilities	-	1.50	1.50
b) Financial liabilities	154.84	404.24	559.07
c) Other current liabilities	0.05	0.07	0.12
<b>Total current liabilities</b>	<b>154.89</b>	<b>405.80</b>	<b>560.69</b>
Instruments entirely equity in nature	93.32	201.79	295.12
<b>Total Liabilities (B)</b>	<b>745.00</b>	<b>1,620.58</b>	<b>2,365.58</b>
<b>Fair value of identifiable net assets acquired (A-B)</b>	<b>43.36</b>	<b>117.57</b>	<b>160.93</b>

**C Gain on recognising previously held equity at fair value**

(₹ in crores)			
	<b>Corbello CTHPL</b>	<b>RGY CGRG GSY</b>	<b>Total</b>
Fair value of previously held equity	32.12	86.94	119.06
Less : Carrying amount of previously held equity	16.47	41.15	57.62
<b>Gain on recognising previously held equity at fair value</b>	<b>15.65</b>	<b>45.79</b>	<b>61.44</b>

**D Amount recognised directly in Other Equity (Capital Reserve)**

(₹ in crores)			
	<b>Corbello CTHPL</b>	<b>RGY CGRG GSY</b>	<b>Total</b>
Fair value of net assets acquired (Refer note 72 II B above)	43.36	117.57	160.93
Less : Fair value of previously held equity	32.12	86.94	119.06
Less : Consideration for acquisition of balance equity shares	8.86	15.77	24.63
<b>Capital Reserve/ (Goodwill)</b>	<b>2.39</b>	<b>14.85</b>	<b>17.24</b>

## Notes forming part of the consolidated financial statements

**73 DISCLOSURE PURSUANT TO INDAS 105 "NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS"**

During the financial year 2022-23, the Group has divested 100% equity stake in each of Welspun Delhi Meerut Expressway Private Limited ('DME'), Welspun Road Infra Private Limited ('WRIPL'), NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited) ('CGRG'), NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited) ('GSY'), NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited) ('CTHPL') and 49% equity stake in NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapacity Private Limited) ('WIFPL').

Consequently, the operating profit upto the date of divestment had been recognised as discontinued operations and related comparatives were restated in accordance with the applicable IndAS.

**Statement of profit and loss from 1 April 2022 upto date of divestment**

	(₹ in crores)						
	DME	WRIPL	WIFPL	CGRG	GSY	CTHPL	Total
<b>Income</b>							
Revenue from operations	2.87	63.64	396.25	25.80	7.05	29.27	524.88
Other Income	24.12	44.38	0.90	24.72	26.99	28.72	149.83
<b>Total Income</b>	<b>26.99</b>	<b>108.02</b>	<b>397.15</b>	<b>50.53</b>	<b>34.04</b>	<b>58.00</b>	<b>674.72</b>
<b>Expenses</b>							
Subcontracting expenses	-	49.09	253.45	25.66	1.52	26.61	356.33
Employee benefits expense	-	-	1.53	-	-	-	1.53
Finance costs	19.44	15.06	36.71	17.77	24.66	19.31	132.94
Amortisation expenses	-	-	61.56	-	-	-	61.56
Other expenses	4.54	15.02	25.03	0.30	5.62	2.83	53.34
<b>Total Expenses</b>	<b>23.98</b>	<b>79.17</b>	<b>378.28</b>	<b>43.72</b>	<b>31.80</b>	<b>48.76</b>	<b>605.71</b>
<b>Profit before tax</b>	<b>3.01</b>	<b>28.85</b>	<b>18.87</b>	<b>6.80</b>	<b>2.24</b>	<b>9.24</b>	<b>69.01</b>
<b>Tax expenses</b>							
Current tax	0.59	3.23	2.65	0.75	-	3.79	11.01
Deferred tax	1.85	3.79	(2.97)	1.01	0.71	0.78	5.17
<b>Total tax expenses</b>	<b>2.44</b>	<b>7.01</b>	<b>(0.32)</b>	<b>1.77</b>	<b>0.71</b>	<b>4.57</b>	<b>16.18</b>
<b>Profit for the period</b>	<b>0.57</b>	<b>21.83</b>	<b>19.19</b>	<b>5.03</b>	<b>1.53</b>	<b>4.67</b>	<b>52.83</b>
Profit before tax from discontinued operations till date of divestment (A)	8.86 *	28.85	18.87	5.03	1.66	6.84	70.10
Tax expenses of discontinued operations till date of divestment (B)	2.44	7.01	(0.32)	1.31	0.53	3.38	14.35
* including consol adjustment							
Profit before tax from discontinued operations from date of divestment till 31 March 2023 for retained interest (C)	-	-	(13.88)	-	-	-	(13.88)
Tax expenses of discontinued operations from date of divestment till 31 March 2023 for retained interest (D)	-	-	0.24	-	-	-	0.24
<b>Profit before tax from discontinued operations (A + C)</b>	<b>8.86</b>	<b>28.85</b>	<b>4.98</b>	<b>5.03</b>	<b>1.66</b>	<b>6.84</b>	<b>56.22</b>
<b>Tax expenses of discontinued operations (B + D)</b>	<b>2.44</b>	<b>7.01</b>	<b>(0.08)</b>	<b>1.31</b>	<b>0.53</b>	<b>3.38</b>	<b>14.58</b>

## Notes forming part of the consolidated financial statements

**The net cash flow generated/ (incurred) from 1 April 2022 upto date of divestment are as follows :**

	(₹ in crores)						
	DME	WRIPL	WIFPL	CGRG	GSY	CTHPL	Total
Cash flow generated from operating	13.94	(145.56)	(12.91)	5.54	43.87	35.50	(59.62)
Cash flow generated from investing	0.16	-	428.21	(19.19)	(0.03)	0.25	409.40
Cash flow generated from financing	(13.55)	(35.72)	(405.85)	13.90	(42.29)	(4.00)	(487.51)
	<b>0.54</b>	<b>(181.28)</b>	<b>9.46</b>	<b>0.24</b>	<b>1.55</b>	<b>31.75</b>	<b>(137.74)</b>

**74 PROFIT ON DIVESTMENT OF STAKE TO ACTIS AND GAIN ON FAIR VALUE OF RETAINED INTEREST**

**A** The Group has complied with all necessary Conditions Precedents (CP) of definitive agreement entered with Actis Highway Infra Limited ("Actis") on 9 June 2022 and has obtained all necessary approvals for divestment of Highway Portfolio. The Highway Portfolio comprises of 5 completed Hybrid Annuity Model ('HAM') assets (Welspun Delhi Meerut Expressway Private Limited ('DME'), Welspun Road Infra Private Limited ('WRIPL'), NXT-Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited) ('CGRG'), NXT-Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited) ('GSY'), NXT - Infra CT Highways Private Limited (Formerly known as Chikhali-Tarsod Highways Private Limited) ('CTHPL')) and one operating BOT-Toll asset (NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapacity Private Limited) Welspun Infracapacity Private Limited ('WIFPL')).

During the year ended 31 March 2023, the Group has divested 100% equity stake in each of Welspun Delhi Meerut Expressway Private Limited ('DME'), Welspun Road Infra Private Limited ('WRIPL'), NXT- Infra CGRG Highways Limited (Formerly known as MBL (CGRG) Road Limited) ('CGRG'), NXT- Infra GSY Highways Limited (Formerly known as MBL (GSY) Road Limited) ('GSY'), Chikhali-Tarsod Highways Private Limited ('CTHPL') and 49% equity stake in NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracapacity Private Limited)('WIFPL').

	(₹ in crores)						
	DME	WRIPL	WIFPL	CGRG	GSY	CTHPL	Total
Net Assets on date of divestment	31.60	231.53	223.35	71.49	44.25	43.36	645.60
% of Divestment	<b>100%</b>	<b>100%</b>	<b>49%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	
Purchase consideration	66.85	360.99	258.68	38.29	51.54	41.80	818.15
Deferred consideration	2.49	32.56	3.59	10.17	6.93	3.73	59.47
Net Assets for the % of divestment	31.60	231.53	109.44	71.49	44.25	43.36	531.67
Reversal of gain on bargain purchase							
- on initial acquisition	-	-	-	(5.17)	(6.51)	(4.00)	(15.68)
- on acquisition during the year	-	-	-	(18.80)	(11.87)	(10.80)	(41.47)
Selling expenses	4.18	4.22	4.21	4.17	4.17	4.17	25.12
<b>Profit on sale to Actis (net of selling expenses)</b>	<b>33.56</b>	<b>157.80</b>	<b>148.62</b>	<b>(3.23)</b>	<b>28.43</b>	<b>12.80</b>	<b>377.98</b>
<b>B</b> Remaining % of Divestment	-	-	<b>51%</b>	-	-	-	
Fair value for the balance equity	-	-	269.24	-	-	-	269.24
Net Assets for the balance equity	-	-	113.91	-	-	-	113.91
<b>Gain on fair value of retained interest</b>	<b>-</b>	<b>-</b>	<b>155.33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>155.33</b>

## Notes forming part of the consolidated financial statements

### 75 BUY BACK OF EQUITY SHARES

Pursuant to the approval from the Board of Directors and Shareholders, the Company has bought back 11,750,000 equity shares of ₹10/- each from the shareholders of the company by way of a tender offer route at a price of ₹ 200 per equity share for an aggregate amount of ₹ 235 crores in accordance with the provisions of the Act and SEBI (Buy Back of Securities) Regulations, 1998, which has resulted into reduction of equity share capital.

The buyback resulted in a cash outflow of ₹ 235 crores (excluding transaction cost and tax on buyback). The excess cost of buyback of ₹ 223.25 crores (excluding transaction cost and tax on buyback) over par value of shares were offset from securities premium and ₹ 54.58 crores towards tax on buy back and transaction cost (net of tax) were set off from retained earnings.

In accordance with relevant statutory provision, the Company has created Capital Redemption Reserve of ₹ 11.75 crores, equal to nominal value of shares bought back as an appropriation from retained earnings.

The buyback Committee of the Company, at its meeting held on 12 April 2023, approved the completion and closure of the buyback.

**76** During the year ended 31 March 2024, the Board of Directors of Company approved the transfer of Company's entire shareholding in one of its wholly owned subsidiary viz. Welspun New Energy Limited ("WNEL") to the Promoter Group entities at arm's length, pursuant to this, effective 27 November 2023, WNEL ceases to be a subsidiary of the Company. The Net Assets on the date of sale of equity shares is ₹ (0.01) crores and the sale value is ₹ 0.01 crores, resulting in a profit on sale of investment amounting to ₹ 0.02 crores.

### 77 CORE INVESTMENT COMPANIES (CIC)

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

### 78 ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT 2013 FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crores)

Name of the Entities	31 March 2024							
	Net Asset / (Net Liability) i.e. 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
<b>Holding Company</b>								
Welspun Enterprises Limited	92.68%	2,307.79	89.63%	286.28	100.83%	3.72	89.76%	290.00
<b>Subsidiaries</b>								
Dewas Waterprojects Works Private Limited	(2.84%)	(70.69)	(1.53%)	(4.89)	(0.14%)	(0.01)	(1.52%)	(4.90)
ARSS Bus Terminal Private Limited	(0.02%)	(0.38)	(0.01%)	(0.02)	-	-	(0.01%)	(0.02)
Welspun Project (Kim Mandvi Corridor) Private Limited	(1.15%)	(28.64)	0.02%	0.06	-	-	0.02%	0.06
Welspun Projects (Himmatnagar Bypass) Private Limited	0.07%	1.87	0.02%	0.05	-	-	0.02%	0.05
Welspun Build-Tech Private Limited	(0.33%)	(8.11)	(0.14%)	(0.45)	-	-	(0.14%)	(0.45)

## Notes forming part of the consolidated financial statements

(₹ in crores)

Name of the Entities	31 March 2024							
	Net Asset / (Net Liability) i.e. 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
DME Infra Private Limited	(0.00%)	(0.05)	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Welsteel Enterprises Private Limited	(0.00%)	(0.09)	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Welspun Aunta-Simaria Project Private Limited	1.04%	25.85	2.00%	6.37	-	-	1.97%	6.37
Grenoble Infrastructure Private Limited	(0.00%)	(0.02)	(0.00%)	(0.00)	-	-	(0.00%)	(0.00)
Welspun Sattanathapuram Nagapattinam Road Private Limited	1.17%	29.19	3.85%	12.29	-	-	3.80%	12.29
Welspun-Kaveri Infraprojects JV	-	-	-	-	-	-	-	-
Welspun EDAC Private Limited	-	-	0.00%	0.00	-	-	0.00%	0.00
Welspun Michigan Engineers Limited	0.85%	21.21	6.64%	21.22	(0.62%)	(0.02)	6.56%	21.20
<b>Associates</b>								
Adani Welspun Exploration Limited	(1.15%)	(28.74)	(0.18%)	(0.58)	-	-	(0.18%)	(0.58)
NXT-Infra MCP Highways Private Limited (formerly known as Welspun Infracore Private Limited)	(1.75%)	(43.56)	(9.22%)	(29.44)	-	-	(9.11%)	(29.44)
<b>Non-controlling interest</b>	<b>6.70%</b>	<b>166.81</b>	<b>7.61%</b>	<b>24.31</b>	<b>(0.07%)</b>	<b>(0.00)</b>	<b>7.52%</b>	<b>24.31</b>
Adjustments arising out of Consolidation	4.73%	117.74	1.32%	4.22	-	-	1.31%	4.22
	<b>100.00%</b>	<b>2,490.18</b>	<b>100.00%</b>	<b>319.40</b>	<b>100.00%</b>	<b>3.69</b>	<b>100.00%</b>	<b>323.09</b>

**79** 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

**Hitendra Bhandari**  
Partner  
Membership Number 107832

Place: Mumbai  
Date: 21 May 2024

For and on behalf of the Board

**Balkrishan Goenka**  
Chairman  
DIN 00270175

**Lalit Jain**  
Chief Financial Officer

Place: Mumbai  
Date: 21 May 2024

**Sandeep Garg**  
Managing Director  
DIN 00036419

**Nidhi Tanna**  
Company Secretary

# Welspun<sup>W</sup> ENTERPRISES

## Welspun Enterprises Limited

(CIN: L45201GJ1994PLC023920)

Corporate Office: Welspun House, Kamala City, Senapati Bapat Marg, Lower Parel (W),  
Mumbai - 400 013, India

Tel.: +91 22 66136000 | Fax: +91 22 24908020

Registered Office: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370 110, India

Tel.: +91 2836 662222 | Fax: +91 2836 279010

Email: [companysecretary\\_wel@welspun.com](mailto:companysecretary_wel@welspun.com)

Website: [www.welspunenterprises.com](http://www.welspunenterprises.com)


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Welspun<sup>W</sup> WORLD

- HOME TEXTILES
- PIPE SOLUTIONS
- FLOORINGS
- WATER
- TRANSPORTATION
- ADVANCED TEXTILES
- BUILDING MATERIALS
- WAREHOUSING
- OIL & GAS
- NEW ENERGY

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