

**SUREKA ASSOCIATES**  
CHARTERED ACCOUNTANTS

45 C, MANDHANA MANOR, MOGAL LANE,  
MATUNGA ROAD (W), MUMBAI 400 016.  
TEL.: 2430 6150, 2432 7608  
EMAIL: suresh@surekas.com

**INDEPENDENT AUDITOR'S REPORT**  
To the Members of **WELSPUN ANJAR SEZ LIMITED**

**Report on the Audit of the Standalone Ind AS Financial Statements**

**Opinion**

We have audited the accompanying standalone Ind AS financial statements of **WELSPUN ANJAR SEZ LIMITED** ("the Company"), which comprise the Balance sheet as at March 31 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

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

**Responsibility of Management for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### **Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS financial statements.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2020;
  - (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:





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- i. The Company does not have any pending litigations which would impact its financial position;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For SUREKA ASSOCIATES**  
**Chartered Accountants**  
**Firm's Registration No. 110640W**

**Suresh Sureka**  
**Partner**  
**Membership No. 34132**

**UDIN : 20034132AAAACA2748**

Place : Mumbai  
Date : 25<sup>th</sup> June 2020



**SUREKA ASSOCIATES**  
CHARTERED ACCOUNTANTS

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**ANNEXURE 1 TO INDEPENDENT AUDITORS' REPORT**

Referred to in paragraph 1 of the Independent Auditors' Report of even date to the members of **WELSPUN ANJAR SEZ LIMITED** on the financial statements as of and for the year ended March 31, 2020

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative detail and situation of fixed assets.  
  
(b) These fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.  
  
(c) The title deed of immovable properties is held in the name of the company.
- ii. The Company does not have any inventory. Hence, the question of verification thereof does not arise.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of 186 of the Companies Act, 2013 in respect of the investments made.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records as specified under Section 148(1) of the Act in respect of its business.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax and service tax, and is regular in depositing undisputed statutory dues, including sales tax, value added tax and other material statutory dues, as applicable, with the appropriate authorities.  
  
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, duty of excise or value added tax which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company does not have any borrowings from banks or financial institutions or has not issued any debentures. Hence the question of any default does not arise.
- ix. In our opinion, and according to the information and explanations given to us, the Company has not raised any moneys by way of term loans nor by way of initial public offer.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has not paid nor provided for any managerial remuneration during the year.



- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Ind Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has made preferential allotment of fully paid preference shares during the year under review and has complied with section 42 of the Companies Act, 2013.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

**For SUREKA ASSOCIATES**  
**Chartered Accountants**  
**Firm's Registration No. 110640W**

  
**Suresh Sureka**  
**Partner**  
**Membership No. 34132**

**UDIN : 20034132AAAACA2748**

Place : Mumbai  
Date : 25<sup>th</sup> June, 2020





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CHARTERED ACCOUNTANTS

45 C, MANDHANA MANOR, MOGAL LANE,  
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**ANNEXURE 2 TO INDEPENDENT AUDITORS' REPORT**

Referred to in paragraph 2(f) of the Independent Auditors' Report of even date to the members of **WELSPUN ANJAR SEZ LIMITED** on the financial statements as of and for the year ended March 31, 2020

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls over financial reporting of **WELSPUN ANJAR SEZ LIMITED** ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

3. 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") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



#### Meaning of Internal Financial Controls Over Financial Reporting

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

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. 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

8. 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 March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SUREKA ASSOCIATES  
Chartered Accountants  
Firm's Registration No. 110640W

Suresh Sureka  
Partner  
Membership No. 34132



UDIN : 20034132AAAACA2748

Place : Mumbai  
Date : 25<sup>th</sup> June, 2020



**WELSPUN ANJAR SEZ LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2020**

	Notes	As At March 31, 2020	As At March 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	2,79,76,75,529	2,97,47,72,005
Capital work-in-progress	2	30,13,826	-
Intangible assets	2(a)	-	2,175
Other non-current assets	3	5,27,10,772	5,12,27,228
<b>Total non-current assets</b>		<b>2,85,34,00,127</b>	<b>3,02,60,01,408</b>
<b>Current assets</b>			
<b>Financial assets</b>			
(i) Investments	4(a)	17,28,91,285	26,02,34,160
(ii) Trade Receivables	4(b)	63,66,050	2,02,84,731
(iii) Cash and Cash Equivalents	4(c)	36,48,285	67,75,251
Other current assets	5	1,21,05,303	59,05,265
<b>Total current assets</b>		<b>19,50,10,923</b>	<b>29,31,99,407</b>
<b>Total assets</b>		<b>3,04,84,11,050</b>	<b>3,31,92,00,816</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	6(a)	5,07,000	5,07,000
<b>Other Equity</b>			
Reserves and surplus	6(b)	2,20,92,88,485	2,16,25,28,916
Others	6(c)	15,66,27,996	15,66,27,996
<b>Total equity</b>		<b>2,36,64,23,481</b>	<b>2,31,96,63,912</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
- Borrowings	7	57,60,44,269	55,44,10,199
- Other financial liabilities	8	29,41,538	33,48,971
- Defer Tax Liabilities	9	2,39,85,639	3,70,42,285
<b>Total non-current liabilities</b>		<b>60,29,71,446</b>	<b>59,48,01,455</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
(i) Trade payables			
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		-	-
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	10	39,64,919	32,85,548
(ii) Other financial liabilities	11	14,66,998	39,77,92,871
Current tax liabilities	12	64,08,177	29,77,310
Other current liabilities	13	6,71,76,028	6,79,720
<b>Total current liabilities</b>		<b>7,90,16,122</b>	<b>40,47,35,449</b>
<b>Total equity and liabilities</b>		<b>3,04,84,11,050</b>	<b>3,31,92,00,816</b>

The above balance sheet should be read in conjunction with the accompanying notes.

This is the Balance Sheet referred to in our report of the even date.

**For Sureka Associates**

Firm Registration No:110640W

Chartered Accountants

**Suresh Sureka**

Partner

Membership No:34132

Place: Mumbai

Date: June 25, 2020



**For and on behalf of the Board of Directors**

**Altaz Jiwani**

Director

DIN: 05166241

**Amit Shah**

Chief Financial Officer

**Praveen Bhansali**

Director

DIN: 08764004

**Shashikant Thorat**

Company Secretary





## WELSPUN ANJAR SEZ LIMITED

## STATEMENT OF PROFIT AND LOSS AS ON MARCH 31, 2020

	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations	14	1,76,13,848	3,10,52,427
Other Income	15	9,34,08,565	1,18,59,417
<b>Total revenue</b>		<b>11,10,22,413</b>	<b>4,29,11,844</b>
<b>Expenses</b>			
Finance costs	16	2,16,37,115	1,85,66,974
Depreciation and amortization expense	17	4,62,17,242	2,08,50,853
Other expenses	18	60,34,265	78,32,511
<b>Total expenses</b>		<b>7,38,88,622</b>	<b>4,72,50,338</b>
<b>Profit before tax</b>		<b>3,71,33,791</b>	<b>(43,38,494)</b>
<b>Income Tax Expense</b>			
- Current Tax		34,30,867	5,02,310
Less : Minimum Alternative Tax Credit Availed		-	(5,02,310)
- Tax for earlier years		34,79,563	-
		69,10,430	-
- Deferred Tax		(1,65,36,209)	33,57,369
<b>Total Income Tax Expense</b>		<b>(96,25,779)</b>	<b>33,57,369</b>
<b>Profit for the year</b>		<b>4,67,59,570</b>	<b>(76,95,863)</b>
Earnings Per Share (Rs.) [Nominal value per share : Rs. 10 (March 31, 2019 : Rs. 10)]			
Basic earning per share	25	922.28	(151.79)
Diluted earning per share	25	922.28	(151.79)

The above balance sheet should be read in conjunction with the accompanying notes.

This is the Statement of Profit and Loss referred to in our report of the even date.

**For Sureka Associates**

Firm Registration No:110640W

Chartered Accountants

**Suresh Sureka**

Partner

Membership No:34132

Place: Mumbai

Date: June 25, 2020

**For and on behalf of the Board of Directors****Altat Jiwani**

Director

DIN: 05166241

**Praveen Bhansali**

Director

DIN: 08764004

**Amit Shah**

Chief Financial Officer

**Shashikant Thorat**

Company Secretary



WELSPUN ANJAR SEZ LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2020

a. Equity Share Capital

Particulars	Notes	Amount
Balance as at April 01, 2018	6 (a)	5,07,000
Changes in equity share capital during the year		-
Balance as at March 31, 2019	6 (a)	5,07,000
Changes in equity share capital during the year		-
Balance as at March 31, 2020	6 (a)	5,07,000

b. Other Equity

Particulars	Notes	Share Application money	Equity Component of financial instrument	Reserves and Surplus			Total Equity
				Capital Reserve	General Reserve	Retained earnings	
Balance as at April 01, 2018		1,14,00,000	13,45,48,723	2,20,49,54,790	-	(21,43,18,312)	2,13,65,85,202
Profit for the year	6 (b)	-	-	-	-	(76,95,863)	(76,95,863)
Revaluation of investments net of Defer Tax		-	-	-	-	17,95,88,300	17,95,88,300
		1,14,00,000	13,45,48,723	2,20,49,54,790	-	(4,24,25,874)	2,30,84,77,639
Transaction with owners in their capacity as owners :							
Additions during the year		7,77,00,000	2,20,79,273	-	-	-	9,97,79,273
Preference share allotted		(8,91,00,000)	-	-	-	-	(8,91,00,000)
Balance as at March 31, 2019		-	15,66,27,996	2,20,49,54,790	-	(4,24,25,874)	2,31,91,56,912

Particulars	Notes	Share Application money	Equity Component of financial instrument	Reserves and Surplus			Total Equity
				Capital Reserve	General Reserve	Retained earnings	
Balance as at April 01, 2019		-	15,66,27,996	2,20,49,54,790	-	(4,24,25,874)	2,31,91,56,912
Profit for the year	7 (b)	-	-	-	-	4,67,59,570	4,67,59,570
Transfer to General Reserve		-	-	14,04,05,254	-	-	14,04,05,254
		-	15,66,27,996	2,06,45,49,536	-	43,33,695	2,22,55,11,227
Additions during the year		-	-	-	14,04,05,254	-	14,04,05,254
Preference share allotted		-	-	-	-	-	-
Balance as at March 31, 2020		-	15,66,27,996	2,06,45,49,536	14,04,05,254	43,33,695	2,36,59,16,481

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





## WELSPUN ANJAR SEZ LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	3,71,33,791	(43,38,494)
Adjustments for :		
Depreciation and Amortisation Expenses	4,62,17,242	2,08,50,853
Right to use (Lease rent)	52,080	-
Profit from sale of Assets	(7,27,15,834)	-
Interest income	-	(1,16,25,257)
Profit on Investments	(92,12,470)	(2,34,160)
Interest and Other Expenses	2,16,37,115	1,85,66,974
	(1,40,21,867)	2,75,58,410
Operating Profit Before Working Capital Changes	2,31,11,924	2,32,19,916
<b>Change in operating assets and liabilities :</b>		
Trade Receivables	1,39,18,681	(1,02,09,129)
Trade and Other Payables and Provisions	6,79,371	(6,61,77,915)
Other current assets	4,84,793	11,28,388
Other non-current assets	(14,83,544)	(11,22,325)
Other non-current financial liabilities	(4,07,433)	-
Other financial liabilities	(39,63,25,873)	(20,20,11,926)
Other current financial liabilities	6,64,96,308	(1,17,81,704)
Current Tax liabilities	-	(5,09,563)
	(31,66,37,697)	(29,06,84,174)
Cash Flow Generated from Operations	(29,35,25,773)	(26,74,64,258)
Income Tax paid	(66,84,831)	(26,58,432)
<b>Net Cash Flow from Operating Activities</b>	(30,02,10,604)	(27,01,22,690)
<b>B. CASH FLOW FROM / (USED) IN INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets and Capital Work-in-Progress	(1,86,83,498)	(25,11,472)
Sale of Fixed Assets	21,92,14,836	-
Profit on Sale of Investments	92,12,470	-
Investments	8,73,42,875	19,96,70,000
<b>Net Cash Flow used in Investing Activities</b>	29,70,86,683	19,71,58,528
<b>C. CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES</b>		
Proceeds from Issue of Pref Shares / Share Application Money pending Allotment	-	7,77,00,000
Interest and Other Finance Expenses	(3,045)	(2,369)
<b>Net Cash Flow (used in) from Financing Activities</b>	(3,045)	7,76,97,631
<b>Net (decrease) / increase in Cash and Cash Equivalents (A + B + C)</b>	(31,26,966)	47,33,469
Cash and Cash Equivalents at the beginning of the year	67,75,251	20,41,782
Cash and Cash Equivalents at the end of the year	36,48,285	67,75,251
<b>Net Increase in Cash and Cash Equivalents</b>	(31,26,966)	47,33,469

**Notes :**

1. Previous year's comparatives have been reclassified to conform with the current year's presentation, wherever applicable.

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

This is the Cash Flow referred to in our report of the even date.

**For Sureka Associates**

Firm Registration No:110640W

Chartered Accountants

  
  
**Suresh Sureka**  
 Partner  
 Membership No:34132  
 Place: Mumbai  
 Date: June 25, 2020

**For and on behalf of the Board of Directors**

  
**Altar Jiواني**

Director

DIN: 05166241

  
**Amit Shah**

Chief Financial Officer

  
**Praveen Bhansali**

Director

DIN: 08764004

  
**Shashikant Thorat**

Company Secretary



**WELSPUN ANJAR SEZ LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

**Note 2 : Property, Plant and Equipment**

	Free Hold Land	Building	Temporary Structures	Other Building	Right to Use	Computers	Total	Capital Work in Progress
<b>Year ended 31 March 2019</b>								
Gross carrying amount	2,81,86,66,278	7,75,66,724	4,73,171	3,26,88,678	-	30,952	2,92,94,25,803	8,82,47,306
Addition	47,96,811	-	-	8,59,61,967	-	-	9,07,58,778	65,88,059
Disposals	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	9,48,35,365
<b>Closing gross carrying amount</b>	<b>2,82,34,63,089</b>	<b>7,75,66,724</b>	<b>4,73,171</b>	<b>11,86,50,645</b>	<b>-</b>	<b>30,952</b>	<b>3,02,01,84,581</b>	<b>-</b>
<b>Accumulated Depreciation</b>								
Depreciation charge during the year	-	93,18,589	4,08,988	1,48,13,399	-	24,347	2,45,65,323	-
Disposals	-	64,83,577	40,542	1,43,18,962	-	4,172	2,08,47,253	-
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>1,58,02,166</b>	<b>4,49,530</b>	<b>2,91,32,361</b>	<b>-</b>	<b>28,519</b>	<b>4,54,12,576</b>	<b>-</b>
<b>Net Carrying amount</b>	<b>2,82,34,63,089</b>	<b>6,17,64,558</b>	<b>23,641</b>	<b>8,95,18,284</b>	<b>-</b>	<b>2,433</b>	<b>2,97,47,72,005</b>	<b>-</b>
<b>Year ended 31 March 2020</b>								
Gross carrying amount								
Opening gross carrying amount	2,82,34,63,089	7,75,66,724	4,73,171	11,86,50,645	-	30,952	3,02,01,84,581	-
Additions	1,31,69,672	-	-	-	25,00,000	-	1,56,69,672	30,13,826
Disposals	14,64,99,001	-	-	-	-	-	14,64,99,001	-
Transfers	-	-	-	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>2,69,01,33,760</b>	<b>7,75,66,724</b>	<b>4,73,171</b>	<b>11,86,50,645</b>	<b>25,00,000</b>	<b>30,952</b>	<b>2,88,93,55,252</b>	<b>30,13,826.00</b>
<b>Accumulated depreciation and impairment</b>								
Opening accumulated depreciation	-	1,58,02,166	4,49,530	2,91,32,361	-	28,519	4,54,12,576	-
Depreciation charge during the year	-	58,67,638	-	4,03,45,893	52,080	1,536	4,62,67,147	-
Disposals	-	-	-	-	-	-	-	-
<b>Closing accumulated depreciation and impairment</b>	<b>-</b>	<b>2,16,69,804</b>	<b>4,49,530</b>	<b>6,94,78,254</b>	<b>52,080</b>	<b>30,055</b>	<b>9,16,79,723</b>	<b>-</b>
<b>Net carrying amount</b>	<b>2,69,01,33,760</b>	<b>5,58,96,920</b>	<b>23,641</b>	<b>4,91,72,391</b>	<b>24,47,920</b>	<b>897</b>	<b>2,79,76,75,529</b>	<b>30,13,826</b>





**WELSPUN ANJAR SEZ LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

**Note 2 a : Intangible Assets**

	<b>Computer Software</b>
<b>Year ended 31 March 2019</b>	
<b>Gross carrying amount</b>	<b>18,000</b>
Addition	-
<b>Closing gross carrying amount</b>	<b>18,000</b>
Accumulated Depreciation	12,225
Amortisation during the year	3,600
<b>Closing accumulated depreciation</b>	<b>15,825</b>
<b>Net Carrying amount</b>	<b>2,175</b>
<b>Year ended 31 March 2020</b>	
<b>Gross carrying amount</b>	
Opening gross carrying amount	18,000
Additions	-
<b>Closing gross carrying amount</b>	<b>18,000</b>
<b>Accumulated depreciation and impairment</b>	
Opening accumulated depreciation	15,825
Amortisation during the year	2,175
<b>Closing accumulated depreciation and impairment</b>	<b>18,000</b>
<b>Net carrying amount</b>	<b>-</b>



WELSPUN ANJAR SEZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2020

	As At March 31, 2020	As At March 31, 2019
<b>Note 3 : Other non-current assets</b>		
Capital Advances to Others	2,80,15,000	2,80,15,000
Security Deposits to Others (with Govt. Authorities)	2,46,95,772	2,32,12,228
<b>Total</b>	<b>5,27,10,772</b>	<b>5,12,27,228</b>
<b>4 (a) : Current investments</b>		
<b>Investment in Mutual Funds</b>		
Nil (84,154.857) - SBI Overnight Fund - Growth	-	26,02,34,160
55,609.605 (Nil) - SBI Liquid Fund Direct Growth	17,28,91,285	-
<b>Total</b>	<b>17,28,91,285</b>	<b>26,02,34,160</b>
<b>4 (b) : Trade receivables</b>		
Unsecured		
- Considered Good		
Trade Receivables	47,84,241	1,95,87,690
Receivables from related parties	15,81,809	6,97,041
<b>Total</b>	<b>63,66,050</b>	<b>2,02,84,731</b>
<b>4 (c) : Cash and cash equivalents</b>		
Balances with banks		
- In current accounts	36,48,042	67,75,008
Cash on Hand	243	243
<b>Total</b>	<b>36,48,285</b>	<b>67,75,251</b>
<b>Note 5 : Other current assets</b>		
Advances Recoverable in Cash or Kind		
- Considered Good	1,91,451	6,45,492
- Balances other Government Authorities		
- Considered Good	17,520	1,18,752
<b>Others</b>		
- Advance Tax and Tax Deducted at Source	1,18,96,332	51,41,021
<b>Total</b>	<b>1,21,05,303</b>	<b>59,05,265</b>





**WELSPUN ANJAR SEZ LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2020**

**Note 6 (a) : Equity share capital**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Authorised</b> 9,50,00,000 Equity Shares of Rs. 10 each (Previous Year 9,50,00,000)	95,00,00,000	95,00,00,000
<b>Issued, Subscribed and Paid Up</b> 50,700 Equity Shares of Rs. 10 each, fully paid up (Previous Year 50,700)	5,07,000	5,07,000

(i) Movements in Equity Share Capital	Equity Shares of Rs.10 each fully paid up	
	Number of shares	Amount
<b>As at March 31, 2018</b>	50,700	5,07,000
Additions during the year	-	-
<b>As at March 31, 2019</b>	50,700	5,07,000
Additions during the year	-	-
<b>As at March 31, 2020</b>	50,700	5,07,000

**Terms and rights attached to equity shares**

Equity shares have a par value of Rs. 10. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

**(ii) Shares held by holding company (Holding company as defined in Ind AS-24 : "Related Party Disclosure")**

	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	Amount	Number of Shares	Amount
<b>Equity Shares :</b> Welspun India Limited	50,700	5,07,000	50,700	5,07,000
	<b>50,700</b>	<b>5,07,000</b>	<b>50,700</b>	<b>5,07,000</b>

**(iii) Details of shareholders holding more than 5% shares in the Company**

	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	%	Number of Shares	%
<b>Equity Shares :</b> Welspun India Limited	50,700	100.00	50,700	100.00



**WELSPUN ANJAR SEZ LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2020**

	<b>As At March 31, 2020</b>	<b>As At March 31, 2019</b>
<b>Note 6 (b) : Reserves and surplus</b>		
Capital Reserve on revaluation of Land	2,06,45,49,536	2,20,49,54,790
General Reserve	14,04,05,254	-
Retained earnings	43,33,695	(4,24,25,874)
<b>Total</b>	<b>2,20,92,88,485</b>	<b>2,16,25,28,916</b>
 <b>(i) Capital Reserve</b>		
Opening Balance	2,20,49,54,790	2,20,49,54,790
Add : Additions during the Year	-	-
Less : Transfer to Reserves	14,04,05,254	-
	<b>2,06,45,49,536</b>	<b>2,20,49,54,790</b>
 <b>(ii) General Reserve</b>		
Opening Balance	-	-
Add : Additions during the Year	14,04,05,254	-
Less : Transfer to Reserves	-	-
	<b>14,04,05,254</b>	<b>-</b>
 <b>(iii) Retained earnings</b>		
Opening Balance	(4,24,25,874)	(21,43,18,312)
Net profit for the period	4,67,59,570	(76,95,863)
Revaluation of investments as per Ind AS	-	25,32,11,462
Deferred tax assets	-	(7,36,23,162)
<b>Closing Balance</b>	<b>43,33,695</b>	<b>(4,24,25,874)</b>
 <b>Note 6 (c) : Other Equity</b>		
<b>(i) Equity Component of Preference Shares</b>		
Opening Balance	15,66,27,996	13,45,48,723
Additions during the year	-	2,20,79,273
Closing Balance (i)	<b>15,66,27,996</b>	<b>15,66,27,996</b>
 <b>(ii) Share Application Money Pending Allocation</b>		
Opening Balance	-	1,14,00,000
Additions during the year	-	7,77,00,000
Shares allotted during the year	-	8,91,00,000
Closing Balance (ii)	-	-
 <b>Total (i+ii)</b>	<b>15,66,27,996</b>	<b>15,66,27,996</b>



**WELSPUN ANJAR SEZ LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2020**

	<b>As At March 31, 2020</b>	<b>As At March 31, 2019</b>
<b>Note 7 : Non-current borrowings</b>		
<b>Unsecured :</b>		
Liability component of compound financial instruments	57,60,44,269	55,44,10,199
<b>Total non-current borrowings</b>	<b>57,60,44,269</b>	<b>55,44,10,199</b>
<b>Note 8: Non-current - Other financial liabilities</b>		
Security Deposits	29,41,538	33,48,971
<b>Total other non-current financial liabilities</b>	<b>29,41,538</b>	<b>33,48,971</b>
<b>Note 9 : Deferred Tax Liabilities</b>		
Minimum Alternative Tax Credit	-	(34,79,563)
Deferred Tax Assets	(98,34,045)	(28,80,080)
Deferred Tax Liabilities	3,38,19,685	4,34,01,928
	<b>2,39,85,639</b>	<b>3,70,42,285</b>
<b>Note 10 : Trade payables</b>		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises [Refer Note below]	-	-
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		
- Trade payables to related parties	-	-
- Others	39,64,919	32,85,548
<b>Total</b>	<b>39,64,919</b>	<b>32,85,548</b>
<b>Note : There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding as at March 31, 2020. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined on the basis of information available with the Company.</b>		
<b>Note 11 : Current - Other financial liabilities</b>		
Retention money payable	14,66,998	19,19,176
Other Payables	-	39,58,73,695
<b>Total other current financial liabilities</b>	<b>14,66,998</b>	<b>39,77,92,871</b>





**WELSPUN ANJAR SEZ LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2020**

	<u>As At March 31, 2020</u>	<u>As At March 31, 2019</u>
<b>Note 12: Current tax liabilities</b>		
Provision for income tax	64,08,177	29,77,310
<b>Total current tax liabilities</b>	<u><u>64,08,177</u></u>	<u><u>29,77,310</u></u>
<b>Note 13: Other current liabilities</b>		
Statutory dues (including GST and Tax deducted at Source)	4,14,686	5,91,970
Advance from customers	-	87,750
Other Advances - Sale of Land	6,67,61,342	-
<b>Total</b>	<u><u>6,71,76,028</u></u>	<u><u>6,79,720</u></u>



**WELSPUN ANJAR SEZ LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2020**

	Year ended March 31, 2020	Year ended March 31, 2019
<b>Note 14 : Revenue from operations</b>		
Lease rent	1,50,82,532	2,75,40,031
Maintenance Charges	25,31,316	35,12,396
	<u>1,76,13,848</u>	<u>3,10,52,427</u>
<b>Note 15 : Other Income</b>		
Profit on Sale of Land	7,27,15,834	-
Interest income from investment in Preference Shares	-	1,16,15,369
Interest received on Income tax refund	-	9,888
Interest on ICD	1,14,80,261	-
Profit on Investments	92,12,470	2,34,160
	<u>9,34,08,565</u>	<u>1,18,59,417</u>
<b>Note 16 : Finance costs</b>		
Interest Charge on debt component of preference shares	2,16,34,070	1,85,64,605
Discounting and Bank Charges	3,045	2,369
	<u>2,16,37,115</u>	<u>1,85,66,974</u>
<b>Note 17 : Depreciation and amortization expense</b>		
Depreciation property, plant and equipment	4,62,15,067	2,08,47,253
Amortisation on intangible assets	2,175	3,600
<b>Total depreciation and amortization expense</b>	<u>4,62,17,242</u>	<u>2,08,50,853</u>
<b>Note 18 : Other Expenses</b>		
General Maintenance & Repairs	9,81,705	16,15,820
Share issue Expense	13,500	26,680
Directors' Sitting Fees	1,72,500	1,64,000
Rent	10,80,000	10,80,000
Amortisation of land	52,080	-
Rates and Taxes	25,86,889	45,10,109
Commission Exp	5,50,000	-
Printing and Stationery	-	2,214
Legal and Professional Charges	4,89,240	3,50,118
Payments to auditors (refer note 17 a given below)	1,02,770	57,500
Miscellaneous	5,581	26,070
<b>Total Other Expenses</b>	<u>60,34,265</u>	<u>78,32,511</u>
<b>Note 18 (a) : Details of Payments to auditors</b>		
<b>Payments to auditors</b>		
<b>As auditor:</b>		
Audit fee	70,000	30,000
Tax audit fee	30,000	27,500
Reimbursement of Expenses	2,770	-
<b>Total payments to auditors</b>	<u>1,02,770</u>	<u>57,500</u>



WELSPUN ANJAR SEZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 19 : Fair value measurements

Financial instruments by category

	31-Mar-19			31-Mar-19		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Current financial assets</b>						
<b>Investments</b>						
- Preference shares	-	-	-	-	-	-
- Mutual funds	17,28,91,285	-	63,66,050	26,02,34,160	-	2,02,84,731
Trade receivables	-	-	36,48,285	-	-	67,75,251
Cash and cash equivalents	-	-	-	-	-	-
<b>Total financial assets</b>	<b>17,28,91,285</b>	<b>-</b>	<b>1,00,14,335</b>	<b>26,02,34,160</b>	<b>-</b>	<b>2,70,59,982</b>
<b>Non current financial liabilities</b>						
Liability component of compound financial instruments	-	-	57,60,44,269	-	-	55,44,10,199
Security Deposits	-	-	29,41,538	-	-	33,48,971
<b>Current financial liabilities</b>						
Short Term Borrowings	-	-	-	-	-	-
Trade payables	-	-	39,64,919	-	-	32,85,548
Other financial liabilities	-	-	14,66,998	-	-	39,77,92,871
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>58,44,17,724</b>	<b>-</b>	<b>-</b>	<b>95,88,37,589</b>

i) Valuation processes :

The finance department of the Group includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes. This team reports directly to the Chief Financial Officer (CFO).

(iii) Fair value of Financial assets and liabilities measured at amortised cost

	31-Mar-20		31-Mar-19	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
Investments	17,28,91,285	17,28,91,285	26,02,34,160	26,02,34,160
Trade Receivables	63,66,050	63,66,050	2,02,84,731	2,02,84,731
Cash and Cash Equivalents	36,48,285	36,48,285	67,75,251	67,75,251
<b>Total</b>	<b>18,29,05,620</b>	<b>18,29,05,620</b>	<b>28,72,94,142</b>	<b>28,72,94,142</b>
<b>Financial liabilities</b>				
Borrowings	57,60,44,269	57,60,44,269	55,44,10,199	55,44,10,199
Trade Payables	39,64,919	39,64,919	32,85,548	32,85,548
Other Financial Liabilities	44,08,536	44,08,536	40,11,41,842	40,11,41,842
<b>Total</b>	<b>58,44,17,724</b>	<b>58,44,17,724</b>	<b>95,88,37,589</b>	<b>95,88,37,589</b>

The carrying amount of trade receivable, trade payable, capital creditors and cash and cash equivalents are considered to be the same as their value, due to their short-term nature.

The fair values for loans, security deposits and investments in preference share were calculated based on cash flows discounted using a current lending rates. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values for non-current borrowing are based on discounted cash flow using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair

Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of the changes to these assumptions, see note (i).





**WELSPUN ANJAR SEZ LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

**Note 20 : Financial Risk Management**

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Aging analysis Credit rating	Diversification of bank deposits, credit limits and letters of credit
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps

The Company's risk management is carried out by a central treasury department (group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the group's operating units. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

**(A) Credit risk**

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to wholesale customers including outstanding receivables.

**(i) Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved annually. Since substantial amount of receivables of the Company are from its own Subsidiaries and Associates credit risk is mitigated.



WELSPUN ANJAR SEZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD MARCH 31, 2020

PERIOD MARCH 31, 2020:

(a) Expected credit loss for trade receivables under simplified approach

Ageing	Not due	0-30 days past due	31 - 60 days past due	61 - 90 days past due	91 - 120 days past due	121 - 180 days past due	Beyond 181 days past due	Total
Gross carrying amount								-
Expected loss rate	-	11,82,051	15,86,011	11,72,969	4,61,530	1,71,543	17,91,946	63,66,050
Expected credit losses (Loss allowance provision)		-	-	-	-	-		-
Carrying amount of trade receivables (net of impairment)	-	11,82,051	15,86,011	11,72,969	4,61,530	1,71,543	17,91,946	63,66,050

(B) Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The Company manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(i) Financing arrangements

The Company does not have any credit facility with banks or other lending agencies.

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Beyond 5 years	Total
March 31, 2020							
Non-derivatives							
Borrowings	-	-	-	-	-	57,60,44,269	57,60,44,269
Trade payables	39,64,919	-	-	-	-	-	39,64,919
Other Financial Liabilities	14,66,998	29,41,538	-	-	-	-	44,08,536
Total non-derivative liabilities	54,31,917	29,41,538	-	-	-	57,60,44,269	58,44,17,724

Contractual maturities of financial liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Beyond 5 years	Total
March 31, 2019							
Non-derivatives							
Borrowings	-	-	-	-	-	55,44,10,199	55,44,10,199
Trade payables	17,01,083	8,292	13,67,967	2,08,206	-	-	32,85,548
Other Financial Liabilities	-	33,48,971	-	19,19,176	39,58,73,695	-	40,11,41,842
Total non-derivative liabilities	17,01,083	33,57,263	13,67,967	21,27,382	39,58,73,695	55,44,10,199	95,88,37,589

(C) Market risk

(ii) Cash flow and fair value interest rate risk

The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible bonds and short term loans. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

	March 31, 2020	March 31, 2019
Fixed rate borrowings	57,60,44,269	55,44,10,199
Floating rate borrowings	-	-
Total borrowings	57,60,44,269	55,44,10,199



## WELSPUN ANJAR SEZ LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

#### Note 21 : Capital Management

##### (a) Risk management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business. The Company's overall strategy remains unchanged from previous year.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through equity and internal fund generation.

The Company is not subject to any externally imposed capital requirements.

The following table summarizes the capital of the Company:

	31-Mar-20	31-Mar-19
Long term borrowings	57,60,44,269	55,44,10,199





# WELSPUN ANJAR SEZ LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### Note 22 : Segment information

#### (i) Information about Primary Business Segment

The Company is exclusively engaged in the business of leasing of factory buildings, which in the context of Ind AS 108 on Operating segments, is considered to constitute a single primary segment. Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the period are all as reflected in the financial statements for the year ended March 31, 2020 and as on that date.

#### (ii) Information about Secondary Geographical Segments:

The Company is exclusively engaged in sales to customers located in India. Consequently the Company does not have separate reportable geographical segments for March 2020.

### Note 23 : Related party transactions

#### (a) List of Related Parties

- Holding company - Welspun India Limited
- Fellow Subsidiary - Welspun Floorings Limited
- List of Others over which key management personnel or relatives of such personnel exercise significant influence or control and with whom transaction have taken place during the year
  - Welspun Corp Limited
- Key management personnel
  - K H Vishwanathan
  - Ram Gopal Sharma

#### (b) Transactions with related parties

The following transactions occurred with related parties:

Particulars	31-Mar-20	31-Mar-19
<b>Transactions During the year</b>		
Lease Rent Income	5,81,500	9,18,100
Sale of Fixed Assets	21,49,77,036	
Advances received during the year	6,67,61,343	-
Loan given	50,50,00,000	
Repayment of loan given	50,50,00,000	
Interest on loan given	1,14,80,261	
Preference Share Issue	-	8,91,00,000
Share application money	-	7,77,00,000
Director's Sitting Fees	1,72,500	1,64,000

#### (c) Outstanding balances arising from sale/purchases of goods and services

	31-Mar-20	31-Mar-19
<b>Balance sheet heads (Closing balances):</b>		
Advances received	6,67,61,342	-
Other payables	-	39,58,73,695
Trade Receivables, Advance given and other receivables for rendering services	15,81,809	6,97,041



# WELSPUN ANJAR SEZ LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### Note 24 : Commitments

#### Non-cancellable operating leases

Where the Company is a lessee:

Operating Lease

The Company has taken land under operating lease where agreements are renewable on a periodic basis at the option of both the lessor and the lessee. The initial tenure of the lease is generally of five to twenty five years. The aggregate rental expenses of all the operating leases for the year are Rs. 10,80,000 (Previous Year: Rs. 10,80,000)

### Note 25 : Earning per share

Basic and diluted earnings per share	March 31, 2020	March 31, 2019
Earnings per share attributable to the equity holders of the company	922.28	(151.79)
Profit for the year	4,67,59,570	(76,95,863)
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share (Number of shares)	50,700	50,700

### Note 26 : Covid 19 Impact

The Company, based on internal & external sources of information including market research, economic forecast and other information, has assessed that as a result of Covid-19 outbreak, there is no significant financial impact on the financial statements for the year ended March 31, 2020 as at the date of approval of these financial statements.

### Note 27 : Previous Year Figures Reclassification

Previous year figures have been regrouped/ rearranged/ recast wherever considered necessary to confirm to this year's classification.

#### For Sureka Associates

Firm Registration No:110640W

Chartered Accountants

**Suresh Sureka**

Partner

Membership No:34132

Place: Mumbai

Date: June 25, 2020



#### For and on behalf of the Board of Directors

**Altat Jiwani**

Director

DIN: 05166241

**Praveen Bhansali**

Director

DIN: 08764004

**Amit Shah**

Chief Financial Officer

**Shashikant Thorat**

Company Secretary

