



INDEPENDENT AUDITOR'S REPORT

To the Members of WELSPUN ANJAR SEZ LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Welspun Anjar SEZ Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flows and the Statement of Change in Equity for the year then ended and Notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

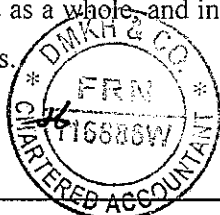
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss, total comprehensive loss, its cash flows and the change in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.





Reporting of key audit matters as per SA 701 is not applicable to the Company as it is an unlisted company.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report including Annexures thereof but does not include the financial statements and our auditor's report thereon.

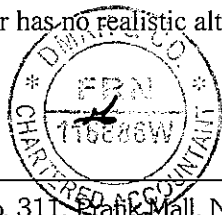
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.





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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness on the entity's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.





- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the financial statements.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 Other comprehensive income), the Statement of Cash Flow and the Statement of Change in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.



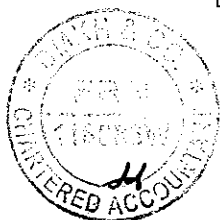


- e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.
- f. In pursuance to the Notification No. G.S.R 583(E) dated 13-06-2017 read with Corrigendum dated 1307-2017 issued by the Ministry of Corporate affairs, clause (i) of sub-section 3 of Section 143 of the Act, reporting on adequacy of internal financial controls system of the Company with respect to these financial statements and the operating effectiveness of such controls, is not applicable to the Company.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of sub-section (16) of Section 197 of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the no remuneration has paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule (11) of the Companies (Audit and Auditors) Rules, 2014, (as amended) in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its Financial Statements – Refer Note no. 30(E) to the Financial Statements;
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The company has not entered into any derivative contracts during the year; and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall,

- 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

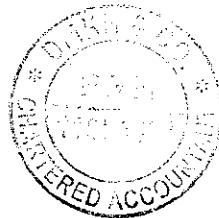




- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented that, to the best of its knowledge and belief, no funds (which are either material either individually or in aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall,
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate on the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared and paid dividend during the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For DMKH & CO.,
Chartered Accountants
Firm Registration No.: 116886W

Manish Bhansali
Partner
Membership No. 403687
UDIN: 22403687AKKJWF4846
Place: Ahmedabad
Date: 25/04/2023





Annexure A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Welspun Anjar SEZ Limited of even date)

(i) (a) (A) According to the information and explanations given to us and the records of the Company examined by us, the Company has maintained proper records showing full particulars of property, plant and equipment's and accordingly, reporting under paragraph 3 (i) (a) (A) of the Order.

(B) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any Intangible assets and accordingly, reporting under paragraph 3 (i) (a) (B) of the Order is not applicable.

(b) The management of the Company has physically verified its Property, plant and equipment in full during the year. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no material discrepancies were noticed on such verification.

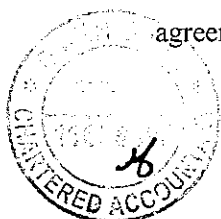
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the period.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated during the period or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) (a) The Company does not have inventories and accordingly, reporting under paragraph 3 (ii) (a) of the Order is not applicable.

(b) During the period, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.





- (iii) During the year the Company has made investments and that are not prejudicial to the Company's interest.

The Company has not provided any guarantee or security or granted any loans or advances in nature of loans, secured/unsecured to any parties. Accordingly, reporting under paragraph 3(iii)(a), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable to the Company.

- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, or provided guarantees under section 185 of the Act. The Company has complied with the provisions of Sections 186 of the Act in respect of the investments made.

- (v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Section 73 to Section 76 of the Act and the Rules framed there under to the extent notified.

- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of the Cost records under section 148 of the Act and having regard to the nature of the Company's business / activities, prima facie the reporting under clause (vi) of the Order is not applicable.

- (vii) (a) According to the information and explanations given to us, and the records of the company examined by us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, goods and service tax, cess and other material statutory dues applicable to it. According to the information and explanations given to us, there are no undisputed amounts payable in respect of income tax, service tax, goods and service tax, cess and other material statutory dues which were outstanding, at the period end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of sales tax, wealth tax, service tax, goods and service tax, income tax, duty of excise, duty of excise, value added tax, and cess which have not been deposited on account of any dispute.





(viii) According to the information and explanations given to us and the records of the Company examined by us, there is no income surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) (a) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(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.

(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans. Accordingly, reporting under paragraph 3 (ix) (c) of the Order is not applicable to the Company.

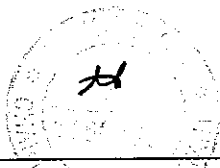
(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Financial Statements of the Company, the Company has not obtained any short-term loans during the year. Accordingly, reporting under paragraph 3 (ix) (d) is not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

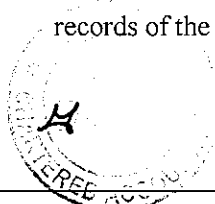
(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the period. Accordingly, the reporting under clause 3 (x) (a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period. Accordingly, reporting under paragraph 3 (x) (b) of the Order is not applicable to the Company.





- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no material fraud by the Company or on the Company has been, noticed or reported during the year.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under sub-clause (12) of Section 143 of the Act, in Form ADT-4, was not required to be filed. Accordingly, reporting under clause 3 (xi) (b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the period by the Company. Accordingly, reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) As the Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the Financial Statements as required under Accounting Standard 18 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3 (xiii) of the Order is not applicable to the Company.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business,
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to March 2023
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with Directors





or persons connected with him. Accordingly, reporting under paragraph 3 (xv) of the Order is not applicable.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3 (xvi) (a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the period. Accordingly, the reporting under clause 3 (xvi) (b) of the Order is not applicable to the Company.

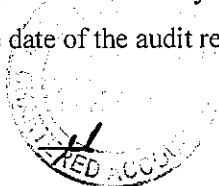
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3 (xvi) (c) of the Order is not applicable to the Company.

(d) We have been informed by the management that as per the definition of Group under Core Investment Companies (Reserve Bank) Directions 2016, there is one Core Investment Company (CIC) which is registered and three CICs which are not required to be registered with the Reserve Bank of India, forming part of the promoter group.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year

(xviii) There has been no resignation of the statutory auditors during the period and accordingly, reporting under clause (xvii) is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios (Also refer Notes to the Financial Statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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 period 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 period from the balance sheet date will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanation given to us, provisions under sub-section (5) of Section 135 of the Companies Act, 2013 is not applicable to the Company. The Reporting under clause 3(xx)(a), clause 3(xx)(b) and the clause 3(xxi) of Order is not applicable in respect of audit of financial statement for the period. Accordingly, no comments in respect of the said clauses has been included in this report.

For DMKH & CO.,
Chartered Accountants
Firm Registration No.: 116886W

Manish Bhansali
Partner
Membership No.403687
UDIN: 22403687AKKJWF4846
Place: Ahmedabad
Date: 25/04/2023




WELSPUN ANJAR SEZ LIMITED
BALANCE SHEET AS AT MARCH 31, 2023

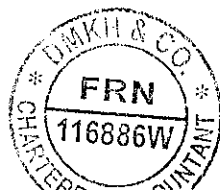
Particulars	Notes	As At	As At
		March 31, 2023	March 31, 2022
		Rs. Lacs	Rs. Lacs
ASSETS			
Non-current assets			
Property, plant and equipment	2	25,347.55	24,559.14
Capital work-in-progress	2(a)	967.40	107.60
Right of Use Assets		22.60	23.23
Other non-current assets	3	1,379.43	1,523.85
Total non-current assets		27,716.98	26,213.82
Current assets			
Financial assets			
(i) Investments	4(a)	3,009.51	4,348.43
(ii) Trade Receivables	4(b)	30.85	31.62
(iii) Cash and Cash Equivalents	4(c)	54.12	32.75
(iv) Other financial assets	4(d)	131.15	145.84
Other current assets	5	15.59	21.33
Total current assets		3,241.22	4,579.97
Assets held-for-sale		215.69	-
Total assets		31,173.89	30,793.79
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	6(a)	5.07	5.07
Other Equity			
Reserves and surplus	6(b)	22,387.48	22,444.34
Equity component of compound financial instruments	6(c)	1,566.28	1,566.28
Total equity		23,958.83	24,015.69
Liabilities			
Non-current liabilities			
Financial Liabilities			
- Borrowings	7	6,519.60	6,246.73
- Defer Tax Liabilities	8	16.67	97.61
Total non-current liabilities		6,536.27	6,344.34
Current liabilities			
Financial Liabilities			
(i) Trade payables			
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		53.29	21.31
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	9	292.16	19.64
(ii) Other financial liabilities	10	35.70	24.20
Current tax liabilities	11	30.99	29.94
Other current liabilities	12	53.45	338.67
Total current liabilities		465.59	433.76
Liabilities classified as held for sale		213.20	-
Total equity and liabilities		31,173.89	30,793.79

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 DMKH & CO;
Chartered Accountants
Firm Registration No:116886W



CA. Manish Bhansali
Partner
Membership No:403687



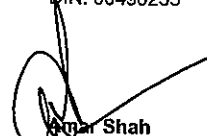
UDIN:- 23403687 B6-K1-P0-C5531

For and on behalf of the Board of Directors


Sanjay Gupta
Director
DIN: 00496253


Praveen Bhansali
Director
DIN: 08764004


Chintan Thaker
Chief Executive Officer


Amar Shah
Chief Financial Officer
Place: Gandhinagar
Date: April 25, 2023


Shashikant Thorat
Company Secretary

Place: Gandhinagar
Date: April 25, 2023



WELSPUN ANJAR SEZ LIMITED
STATEMENT OF PROFIT AND LOSS AS ON MARCH 31, 2023

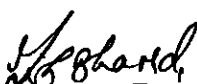
Particulars	Notes	Year ended March 31, 2023 Rs. Lacs	Year ended March 31, 2022 Rs. Lacs
Revenue from operations	13	347.74	349.59
Other Income	14	300.12	269.23
Total revenue		647.86	618.82
Expenses			
Finance costs	15	273.02	253.30
Depreciation and amortization expense	16	141.97	187.46
Other expenses	17	142.43	98.87
Total expenses		557.42	539.63
Profit before tax		90.44	79.19
Tax Expense			
Current Tax		146.87	104.19
Tax for earlier years		81.36	-
Deferred Tax		(80.93)	(76.82)
Total Tax Expense		147.30	27.37
Profit for the year		(56.86)	51.82
Other Comprehensive Income		-	-
Total Comprehensive Income for the period		(56.86)	51.82
Earnings Per Share (Rs.) [Nominal value per share : Rs. 10 (March 31, 2019 : Rs. 10)]			
Basic earning per share	25	(112.14)	102.20
Diluted earning per share	25	(112.14)	102.20

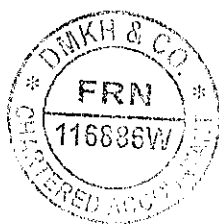
The above balance sheet should be read in conjunction with the accompanying notes.


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

For DMKH & CO;
Chartered Accountants
Firm Registration No:116886W

For and on behalf of the Board of Directors



CA. Manish Bhansali
Partner
Membership No:403687




Sanjay Gupta
Director
DIN: 00496253


Praveen Bhansali
Director
DIN: 08764004


Chintan Thaker
Chief Executive Officer


Anur Shah
Chief Financial Officer
Place: Gandhinagar
Date: April 25, 2023


Shashikant Thorat
Company Secretary

UDIN - 23403687BGLPOC9531

Place: Gandhinagar

Date: April 25, 2023



WELSPUN ANJAR SEZ LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

Particulars	For the Year Ended March 31, 2023 Rs. Lacs	For the Year Ended March 31, 2022 Rs. Lacs
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	90.44	79.19
Adjustments for :		
Depreciation on PPE	141.35	186.84
Depreciation on Right to Use	0.62	0.62
Profit/loss from sale of Assets	47.16	38.73
Interest income	(250.84)	(230.23)
Profit / loss on Investments	11.16	(38.19)
Liabilities not required	(18.97)	-
Interest and Other Expenses	273.02	253.30
	<u>203.50</u>	<u>211.07</u>
Operating Profit Before Working Capital Changes	293.94	290.26
Change in operating assets and liabilities :		
Trade Receivables	0.77	11.53
Trade and Other Payables and Provisions	325.82	(8.44)
Other current assets	5.74	(17.72)
Other non-current assets	(2.68)	(985.25)
Other financial liabilities	11.50	11.94
Other current financial liabilities	(72.03)	(197.10)
	<u>269.12</u>	<u>(1,185.04)</u>
Cash Flow Generated from Operations	563.06	(894.78)
Income Tax paid	(234.92)	(39.24)
Net Cash Flow from Operating Activities	<u>328.14</u>	<u>(934.02)</u>
B. CASH FLOW FROM / (USED) IN INVESTING ACTIVITIES		
Purchase of Fixed Assets and Capital Work-in-Progress	(2,332.50)	(336.15)
Sale of Fixed Assets	432.61	2,148.40
Profit on Sale of Investments	(11.16)	38.19
Investments	1,338.92	(1,123.91)
Interest received	265.52	180.98
Net Cash Flow used in Investing Activities	<u>(306.61)</u>	<u>907.51</u>
C. CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES		
Interest and Other Finance Expenses	(0.16)	(0.75)
Net Cash Flow (used in)/ from Financing Activities	<u>(0.16)</u>	<u>(0.75)</u>
Net (decrease) / increase in Cash and Cash Equivalents (A+B+C)	<u>21.37</u>	<u>(27.26)</u>
Cash and Cash Equivalents at the beginning of the year	32.75	60.01
Cash and Cash Equivalents at the end of the year	54.12	32.75
Net Increase in Cash and Cash Equivalents	<u>21.37</u>	<u>(27.26)</u>
Cash and cash equivalents comprise of:		
Balances with banks	54.12	32.75
Cash on Hand	-	-
	<u>54.12</u>	<u>32.75</u>


Change in Liability arising from financing activities	April 1, 2022	Cash flow	Other	March 31, 2023
Borrowing-Non Current	6,246.73	-	272.87	6,519.60
Borrowing-Current	-	-	-	-
	<u>6,246.73</u>	<u>-</u>	<u>272.87</u>	<u>6,519.60</u>

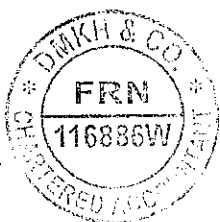
Notes :

1. The statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.


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

For DMKH & CO;
Chartered Accountants
Firm Registration No:116886W


CA. Manish Bhansali
Partner
Membership No:403687




For and on behalf of the Board of Directors


Sanjay Gupta
Director
DIN: 00496253


Praveen Bhansali
Director
DIN: 08764004


Chintan Thaker
Chief Executive Officer




Anur Shah
Chief Financial Officer
Place: Gandhinagar
Date: April 25, 2023


Shashikant Thorat
Company Secretary

UDIN:- 23403687-BG-WIPOC9531

Place: Gandhinagar
Date: April 25, 2023

WELSPUN ANJAR SEZ LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2023

a. Equity Share Capital

Rs. Lacs

Particulars	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Balance as at March 31, 2021	5.07				5.07
Changes during the year	-				-
Balance as at March 31, 2022	5.07				5.07
Changes during the year	-				-
Balance as at March 31, 2023	5.07				5.07

b. Other Equity


Rs. Lacs

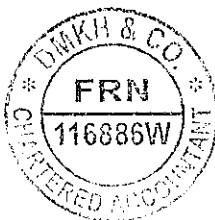
Particulars	Equity Component of financial	Reserves and Surplus			Total Equity
		Capital Reserve	General Reserve	Retained earnings	
Balance as at March 31, 2021	1,566.28	19,453.26	2,596.29	342.97	23,958.80
Add:					
Profit for the year	-	-	-	51.82	51.82
Less:					
Transfer to General Reserves	-	1,820.53	-	-	1,820.53
	1,566.28	17,632.73	2,596.29	394.79	22,190.09
Transaction with owners in their capacity as owners :					
Additions during the year	-	-	1,820.53	-	1,820.53
Preference share allotted	-	-	-	-	-
Balance as at March 31, 2022	1,566.28	17,632.73	4,416.82	394.79	24,010.62

Particulars	Equity Component of financial	Reserves and Surplus			Total Equity
		Capital Reserve	General Reserve	Retained earnings	
Balance as at March 31, 2022	1,566.28	17,632.73	4,416.82	394.79	24,010.62
Add:					
Profit / (loss) for the year	-	-	-	(56.86)	(56.86)
Less:					
Transfer to General Reserve	-	584.66	-	-	584.66
	1,566.28	17,048.07	4,416.82	337.93	23,369.10
Additions during the year	-	-	584.66	-	584.66
Preference share allotted	-	-	-	-	-
Balance as at March 31, 2023	1,566.28	17,048.07	5,001.48	337.93	23,953.76

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

For DMKH & CO;
Chartered Accountants
Firm Registration No:116886W


CA. Manish Bhansali
Partner
Membership No:403687




For and on behalf of the Board of Directors


Sanjay Gupta
Director
DIN: 00496253


Praveen Bhansali
Director
DIN: 08764004


Chintan Thaker
Chief Executive Officer




Anur Shah
Chief Financial Officer
Place: Gandhinagar
Date: April 25, 2023


Shashikant Thorat
Company Secretary

UDIN:- 23403687-BG-WPOC 9531

Place: Gandhinagar
Date: April 25, 2023

Welspun Anjar SEZ Limited
Notes to the Financial Statements
Financial Year 2022-2023

Corporate Information

Welspun Anjar SEZ Limited (hereinafter referred as "the Company") is a public limited company incorporated and domiciled in India. The address of its registered office is "Welspun City", Village Versamedi, Tal. Anjar, Dist Kutch, Gujarat - 370110, India. The Company is engaged in the business of leasing factory buildings. The Company has land and building at Anjar, Gujarat.

The financial statements were authorised for issue by the board of directors.

Note 1: Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of preparation of financial statements

a) Compliance with Ind AS

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

b) Historical cost convention

The financial statements have been prepared on an accrual and going concern basis. The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that is measured at fair value as stated in subsequent policies.

1.2 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

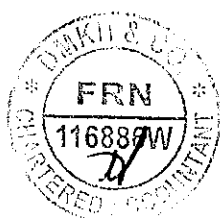
The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits associated with the transaction will flow to the Company and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Lease Rent Income

The Company has leased certain tangible assets and such leases where the company has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognised in the statement of Profit and Loss on a straight line basis over the lease term which is representative of the pattern in which benefit derived from the use of the leases asset is diminished. Initial direct costs are recognised as an expense in the statement of Profit and loss in the period in which they are incurred.

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



1.3 Income Tax

The income tax expense or credit for the period is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused Tax losses.

Current and deferred tax is recognized in the Statement of Profit and Loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in equity.

Current income tax

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Statement of Financial Position, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the Deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

1.4 Exceptional items

Exceptional items comprise items of income and expense, including tax items, that are material in amount and unlikely to recur and which merit separate disclosure in order to provide an understanding of the Company's underlying financial performance.



Welspun Anjar SEZ Limited
Notes to the Financial Statements
Financial Year 2022-2023

1.5 Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

1.6 Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

Cost comprises of purchase price (including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates) and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

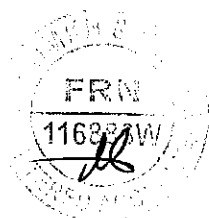
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the Written Down Value method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Assets	Estimated Useful Life
Office Equipment	5 years
Furniture and fixtures	10 years
Computer	3 years
Vehicles	10 years
Roads for facility management	10 years
Factory Building	30 years
Internal Road, Fencing, etc	Ranging between 3 to 5 years
Temporary Structures	Ranging between 1 to 3 years

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/expense.



Welspun Anjar SEZ Limited
Notes to the Financial Statements
Financial Year 2022-2023

1.7 Intangible assets

Computer Software

Computer Software with finite useful lives acquired by the Company are measured at cost less accumulated amortization and accumulated impairment losses. Amortization is charged on a straight-line basis over the estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation methods and periods

Intangible assets comprise of computer software which is amortized on a straight-line basis over its expected useful life over a period of three to five years.

1.8 Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment Loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.9 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.

Financial Assets

(i) Classification

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

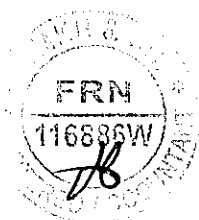
- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.



Welspun Anjar SEZ Limited
Notes to the Financial Statements
Financial Year 2022-2023

a. Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognised in profit or loss when the asset is de-recognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is de-recognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income/ expenses as applicable. Interest income from these financial assets is included in other income using the effective interest rate method.
- Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. 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 in profit or loss and presented net in the statement of profit and loss within other income/ expenses as applicable in the period in which it arises. Interest income from these financial assets is included in other income.

b. Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, and there will be no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 18 details how the Company determines whether there has been a significant increase in credit risk.

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

(iv) De-recognition of financial assets

A financial asset is derecognised only when

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



Welspun Anjar SEZ Limited
Notes to the Financial Statements
Financial Year 2022-2023

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

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

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

(v) Income recognition

a. Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

b. Dividends

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(vi) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within borrowings in current liabilities in statement of financial position and which are considered as integral part of the Company's cash management policy.

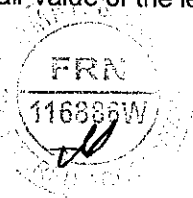
(vii) Trade receivable

Trade receivable are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

Financial liabilities

(i) Measurement:

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortized cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss. Liabilities from finance lease agreements are measured at the lower of fair value of the leased asset or present value of minimum lease payments.



Welspun Anjar SEZ Limited
Notes to the Financial Statements
Financial Year 2022-2023

(ii) Derecognition:

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

(iii) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(iv) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

Compound instrument

Compound financial instrument issued by the Company comprises of compulsorily redeemable non-convertible preference shares. Compound financial instruments are split into separate equity and liability components. The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have discretionary dividend feature/ off market interest rate. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently re-measured. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Interest related to the liability component of compound instrument is recognised in profit or loss (unless it qualifies for inclusion in the cost of an asset).



Welspun Anjar SEZ Limited
Notes to the Financial Statements
Financial Year 2022-2023
Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortization, where appropriate.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.10 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

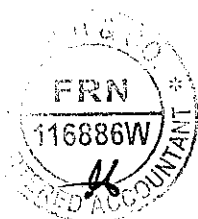
1.11 Provisions and contingent liabilities

- a) **Provisions** are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for restructuring are recognised by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.



- b) **Contingent liabilities** are disclosed when there is a possible obligation arising from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.
- c) **Contingent Assets** are disclosed, where an inflow of economic benefits is probable.

1.12 Contributed Capital

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.13 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.14 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year (refer note 25)

Diluted earnings per share

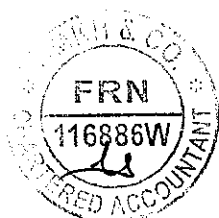
A diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

1.15 Current versus Non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

- a) An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
 - Held primarily for the purpose of trading
 - Expected to be realised 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.
- b) A liability is 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



Welspun Anjar SEZ Limited
Notes to the Financial Statements
Financial Year 2022-2023

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

1.16 Non-current assets held-for-sale

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

1.17 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees as per the requirement of Schedule III, unless otherwise stated.

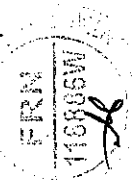


WELSPUN ANJAR SEZ LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Note 2 : Property, Plant and Equipment

	Free Hold Land	Building	Temporary Structures	Other Building	Roads	Computers	Total	Capital Work in Progress
Year ended 31 March 2022								
Gross carrying amount								
Opening Balance	25,899.11	775.67	4.73	1,217.25	-	0.31	27,897.07	
Addition	228.56	-	-	-	-	-	228.56	107.60
Disposals	2,187.13	-	-	-	-	-	2,187.13	
Transfers	-	-	-	-	-	-	-	
Closing Balance	23,940.54	775.67	4.73	1,217.25	-	0.31	25,938.50	107.60
Accumulated Depreciation								
Opening Balance	-	269.80	4.50	917.93	-	0.30	1,192.53	
Depreciation charge during the year	-	48.06	-	138.78	-	-	186.84	
Disposals	-	-	-	-	-	-	-	
Closing Balance	-	317.86	4.50	1,056.71	-	0.30	1,379.37	-
Net Carrying amount	23,940.54	457.81	0.24	160.54	-	0.01	24,559.14	107.60
Year ended 31 March 2023								
Gross carrying amount								
Opening Balance	23,940.54	775.67	4.73	1,217.25	-	0.31	25,938.50	107.60
Additions	1,284.09	-	5.41	-	335.72	-	1,625.22	1,195.52
Disposals	479.77	-	-	-	-	-	479.77	
Transferred to Assets Held for Sale	215.69	-	-	-	-	-	215.69	
Transfers	-	-	-	-	-	-	-	335.72
Closing Balance	24,529.17	775.67	10.14	1,217.25	335.72	0.31	26,868.26	967.40
Accumulated depreciation and impairment								
Opening Balance	-	317.86	4.50	1,056.71	-	0.30	1,379.37	-
Depreciation charge during the year	-	43.49	2.02	67.02	28.81	-	141.34	-
Disposals	-	-	-	-	-	-	-	-
Closing Balance	-	361.35	6.52	1,123.73	28.81	0.30	1,520.71	-
Net carrying amount	24,529.17	414.32	3.62	93.52	306.91	0.01	25,347.55	967.40

Note: All movable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) whose title deeds are held in the name of the company, are not held in the name of promoter, director or relative of promoter/director or employee of promoter/ director or other.



WELSPUN ANJAR SEZ LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Note 2a : Details of Capital Work-in-progress (CWIP)

As at 31 March 2023

Rs. Lacs

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	967.40	-	-	-	967.40
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2022

Rs. Lacs

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	107.60	-	-	-	107.60
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2023

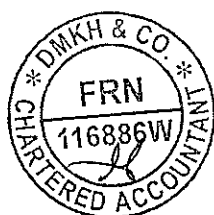
Rs. Lacs

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	967.40	-	-	-	967.40
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2022

Rs. Lacs

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	374.23	-	-	-	374.23
Projects temporarily suspended	-	-	-	-	-



WELSPUN ANJAR SEZ LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

Particulars	As At March 31, 2023 Rs. Lacs	As At March 31, 2022 Rs. Lacs
Note 3 : Other non-current assets		
Capital Advances to Others	1,114.55	1,261.65
Security Deposits to Others (with Govt. Authorities)	264.88	262.20
Total	1,379.43	1,523.85
4 (a) : Current investments		
Investments at fair value through profit or loss		
Mutual Funds (Unquoted)		
2335 (Nil) - SBI Liquid Fund Direct Growth	82.26	-
Nil (24208) - SBI Overnight Fund Direct Growth	-	837.93
Nil (228212) - SBI Savings Fund Direct Growth	-	81.16
Bonds (Unquoted)		
96 (157) - 8.44% Indian Bank Bonds	965.70	1,587.58
1 (1) - 7.25% PNB Bonds (Series XXI)	9.71	10.01
90 (90) - 6.45% ICICI Bank Bonds	888.21	901.98
95 (95) - 6.41% IRFC Bonds	912.55	929.77
15 (Nil) - 9.62% APSBCL Bonds	151.08	-
Total	3,009.51	4,348.43
4 (b) : Trade receivables		
Unsecured		
- Considered Good		
Trade Receivables	13.66	31.62
Receivables from related parties	17.19	-
Total	30.85	31.62

As at 31 March 2023

Particulars	Current but not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	27.27	3.58	-	-	-	-	30.85
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	27.27	3.58	-	-	-	-	30.85

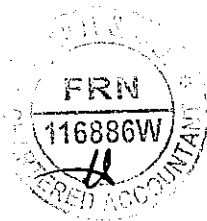
As at 31 March 2022

Particulars	Current but not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	22.58	9.04	-	-	-	-	31.62
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	22.58	9.04	-	-	-	-	31.62



WELSPUN ANJAR SEZ LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

Particulars	As At March 31, 2023 Rs. Lacs	As At March 31, 2022 Rs. Lacs
4 (c) : Cash and cash equivalents		
Balances with banks		
- In current accounts	54.12	32.75
Cash on Hand	0.00	0.00
Total	54.12	32.75
4 (d) : Other financial assets		
- Interest Receivable	131.15	145.84
Total	131.15	145.84
Note 5 : Other current assets		
Advances Recoverable in Cash or Kind		
- Considered Good	0.05	19.22
Balances other Government Authorities		
- Considered Good	14.47	0.84
Others		
- Prepaid expense	1.07	1.27
Total	15.59	21.33



WELSPUN ANJAR SEZ LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

Note 6 (a) : Equity share capital

Particulars	Rs. Lacs	
	As at March 31, 2023	As at March 31, 2022
Authorised		
9,50,00,000 Equity Shares of Rs. 10 each (Previous Year 9,50,00,000)	9,500	9,500
Issued, Subscribed and Paid Up		
50,700 Equity Shares of Rs. 10 each, fully paid up (Previous Year 50,700)	5.07	5.07

(i) Movements in Equity Share Capital

Particulars	Equity Shares of Rs.10 each fully paid up	
	Number of shares	Amount Rs. Lacs
As at March 31, 2020	50,700	5.07
Additions during the year	-	-
As at March 31, 2021	50,700	5.07
Additions during the year	-	-
As at March 31, 2022	50,700	5.07

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")

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Amount Rs. Lacs	Number of Shares	Amount Rs. Lacs
Equity Shares :				
Welspun India Limited	50,700	5.07	50,700	5.07
	50,700	5.07	50,700	5.07

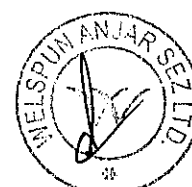
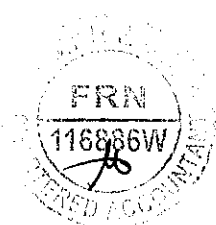
(iii) Shares held by promoters (Promoter as defined in the Companies Act, 2013)

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Welspun India Limited	50640	-	50640	99.88%	-
B. K. Goenka*	10	-	10	0.02%	-
Dipali Goenka*	10	-	10	0.02%	-
Devendra patil *	10	-	10	0.02%	-
Shashikant Thorat *	10	-	10	0.02%	-
Nidhi Thakkar *	10	-	10	0.02%	-
Varun Batra *	10	-	10	0.02%	-

*(Nominee of Welspun India Limited)

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	%	Number of Shares	%
Equity Shares :				
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, 2023

Particulars	As At March 31, 2023 Rs. Lacs	As At March 31, 2022 Rs. Lacs
Note 6 (b) : Reserves and surplus		
Capital Reserve	17,048.07	17,632.73
General Reserve	5,001.48	4,416.82
Retained earnings	337.93	394.79
Total	22,387.48	22,444.34
(i) Capital Reserve		
Opening Balance	17,632.73	19,453.26
Add : Additions during the Year	-	-
Less : Transfer to Reserves	584.66	1,820.53
	17,048.07	17,632.73
(ii) General Reserve		
Opening Balance	4,416.82	2,596.29
Add : Additions during the Year	584.66	1,820.53
Less : Transfer to Reserves	-	-
	5,001.48	4,416.82
(iii) Retained earnings		
Opening Balance	394.79	342.97
Net profit for the period	(56.86)	51.82
Closing Balance	337.93	394.79
Note 6 (c) : Equity component of compound financial instruments		
Opening Balance	1,566.28	1,566.28
Additions during the year	-	-
Closing Balance	1,566.28	1,566.28

Notes: Nature and Purpose of reserves and surplus and other reserve

Capital Reserve

It has been created on revaluation of Land. The reserve is utilised in accordance with the provision of the Companies Act. 2013

General reserve

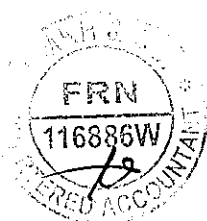
General Reserve represents appropriation of profit by the Company. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Retained Earnings

Retained earnings comprises of prior years as well as current year's undistributed earnings after taxes.

Equity component of compound financial instruments:

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Equity instruments through Other Comprehensive Income within equity. The company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

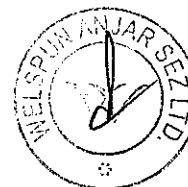
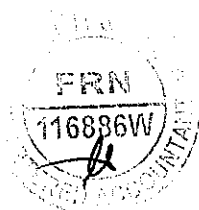


WELSPUN ANJAR SEZ LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

Particulars	As At March 31, 2023 Rs. Lacs	As At March 31, 2022 Rs. Lacs
Note 7 : Non-current borrowings		
Unsecured :		
Liability component of compound financial instruments	6,519.60	6,246.73
Total non-current borrowings	<u>6,519.60</u>	<u>6,246.73</u>
(a) 7,10,42,000 7.00% Redeemable Preference Shares		
Preference shares are redemption shall be at the expiry of 15 years from the date of allotment or at the option of the Company at any time after 10 years from the date of allotment from the date of allotment.		
Face Value of 7.00% Redeemable Preference Shares	7,104.20	7,104.20
Equity Component of 7.00% Redeemable Preference Shares	1,566.28	1,566.28
	<u>5,537.92</u>	<u>5,537.92</u>
Unwinding of Interest	981.68	708.81
Non Current Borrowing	6,519.60	6,246.73
Note 8 : Deferred Tax Liabilities		
Deferred Tax Liabilities	16.67	97.61
	<u>16.67</u>	<u>97.61</u>

Movement in deferred tax assets

Particulars	Property, plant and equipment	Classification of preference share Liability in equity and liability at inception	Rs. Lacs
April 1, 2021	(104.94)	279.37	174.43
Charged / (Credited) to Profit & Loss	(13.26)	(63.56)	(76.82)
March 31, 2022	(118.20)	215.81	97.61
Charged / (Credited) to Profit & Loss	(12.26)	(68.68)	(80.94)
March 31, 2023	(130.46)	147.13	16.67



WELSPUN ANJAR SEZ LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

Particulars	As At March 31, 2023 Rs. Lacs	As At March 31, 2022 Rs. Lacs
Note 9 : Trade payables		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises [Refer Note below]	53.29	21.31
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		
- Trade payables to related parties	263.80	3.15
- Others	28.36	16.49
Total	345.45	40.95

As at 31 March 2023

Particulars	Current but not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	52.72	0.57	-	-	-	53.29
Others	290.78	1.38	-	-	-	292.16
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	343.50	1.95	-	-	-	345.45

As at 31 March 2022

Particulars	Current but not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	20.99	0.32	-	-	-	21.31
Others	19.64	-	-	-	-	19.64
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	40.63	0.32	-	-	-	40.95

Note 10 : Current - Other financial liabilities

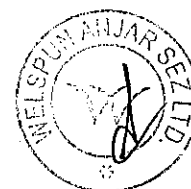
Other Payables	35.70	24.20
Total other current financial liabilities	35.70	24.20

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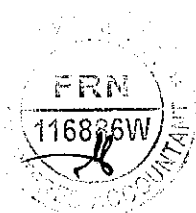
WELSPUN ANJAR SEZ LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

Particulars	Year ended March 31, 2023 Rs. Lacs	Year ended March 31, 2022 Rs. Lacs
Note 11: Current tax liabilities		
Provision for income tax	30.99	29.94
Total current tax liabilities	30.99	29.94
Note 12: Other current liabilities		
Statutory dues (including GST and Tax deducted at Source)	11.08	7.30
Security Deposits	42.37	47.39
Other Advances	-	283.98
Total	53.45	338.67
Note 13 : Revenue from operations		
a) Disaggregated revenue information of the company from contracts with customers		
Lease rent	281.77	318.93
Road Access Fees	15.07	
Facility Management Charges	22.73	
Maintenance Charges	28.17	30.66
	347.74	349.59
b) Timing of revenue recognition		
Goods transferred at a point in time	-	-
Goods transferred over time	347.74	349.59
Total revenue from contract with customers	347.74	349.59
c) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price.		
Revenue as per contracted price	347.74	349.59
Adjustments		
Significant financing component	-	-
Other adjustments	-	-
Total revenue from contract with customers	347.74	349.59
Contract balances		
The following table provides information about receivables , contract assets and contract liabilities from contracts with customers		
Trade Receivables * (Refer note 5 (c))	30.85	31.62
Contract assets- Other receivables	-	-
Contract liabilities - Advances from customers	-	-
* Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.		
Note 14 : Other Income		
Interest on Investments	250.83	208.27
Interest Received others	0.00	19.32
Profit on Investments	29.63	39.00
Interest received on Income tax refund	0.62	2.64
Other Support Services	0.07	-
Liability no longer required	18.97	-
	300.12	269.23



WELSPUN ANJAR SEZ LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

Particulars	Year ended March 31, 2023 Rs. Lacs	Year ended March 31, 2022 Rs. Lacs
Note 15 : Finance costs		
Interest Charge on debt component of preference shares	272.86	252.55
Discounting and Bank Charges	0.16	0.12
Interest on GST	-	0.63
	<u>273.02</u>	<u>253.30</u>
Note 16 : Depreciation and amortization expense		
Depreciation on property, plant and equipment	141.35	186.84
Depreciation on right to use	0.62	0.62
Total depreciation and amortization expense	<u>141.97</u>	<u>187.46</u>
Note 17 : Other Expenses		
General Maintenance, Electricity & Repairs	6.50	9.70
Administration Expense	7.03	7.45
Directors' Sitting Fees	1.11	2.21
Lease Rent	6.00	9.20
Rates and Taxes	21.82	23.70
Legal and Professional Charges	8.62	1.81
Insurance Exp	3.01	3.89
Payments to auditors (refer note 17 a given below)	0.35	0.45
Fair value loss on financial instruments at fair value through profit or loss	40.78	0.82
Loss on sale of land	47.16	38.73
Miscellaneous	0.05	0.91
Total Other Expenses	<u>142.43</u>	<u>98.87</u>
Note 17 (a) : Details of Payments to auditors		
Payments to auditors		
As auditor:		
Audit fee	0.35	0.35
Tax audit fee	-	0.10
Total payments to auditors	<u>0.35</u>	<u>0.45</u>



WELSPUN ANJAR SEZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Note 18 : Fair value measurements

Financial instruments by category

Rs. Lacs

	31-Mar-23			31-Mar-22		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Current financial assets						
Investments						
- Mutual funds	82.26	-	-	919.09	-	-
- Bonds	2,927.25	-	-	3,429.34	-	-
Trade receivables	-	-	30.85	-	-	31.62
Cash and cash equivalents	-	-	54.12	-	-	32.75
Other financial assets	-	-	131.15	-	-	145.84
Total financial assets	3,009.51	-	216.12	4,348.43	-	210.21
Non current financial liabilities						
Liability component of compound financial instruments	-	-	6,519.60	-	-	6,246.73
Current financial liabilities						
Trade payables	-	-	345.45	-	-	19.64
Other financial liabilities	-	-	35.70	-	-	24.20
Total financial liabilities	-	-	6,900.75	-	-	6,290.57

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 (Chief Financial Officer).

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

Rs. Lacs

	31-Mar-23		31-Mar-22	
	Carrying	Fair Value	Carrying	Fair Value
Financial Assets				
Investments	3,009.51	3,009.51	4,348.43	4,348.43
Trade Receivables	30.85	30.85	31.62	31.62
Cash and Cash Equivalents	54.12	54.12	32.75	32.75
Other financial assets	131.15	131.15	145.84	145.84
Total	3,225.63	3,225.63	4,558.64	4,558.64
Financial liabilities				
Borrowings	6,519.60	6,519.60	6,246.73	6,246.73
Trade Payables	345.45	345.45	40.95	40.95
Other Financial Liabilities	35.70	35.70	24.20	24.20
Total	6,900.75	6,900.75	6,311.88	6,311.88

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 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 liability component of compound financial instruments 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 value, the carrying amounts are equal to the fair values.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(iii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Rs. Lacs

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2023	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Bonds & Debentures	4 (a)	-	-	2,927.25	2,927.25
Mutual funds - Growth plan	4 (a)	-	82.26	-	82.26
Total financial assets		-	82.26	2,927.25	3,009.51

Assets and liabilities which are measured at amortised cost for which fair values are disclosed At March 31, 2023	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Interest Accrued on Investments	4 (d)	-	-	131.15	131.15
Total financial assets		-	-	131.15	131.15
Financial Liabilities					
Borrowings	7	-	-	6,519.60	6,519.60
Other financial liabilities	10	-	-	35.70	35.70
Total financial liabilities		-	-	6,555.30	6,555.30

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2022	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Bonds & Debentures	4 (a)	-	-	3,429.34	3,429.34
Mutual funds - Growth plan	4 (a)	-	919.09	-	919.09
Total financial assets		-	919.09	3,429.34	4,348.43

Assets and liabilities which are measured at amortised cost for which fair values are disclosed At March 31, 2022	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Interest Accrued on Investments	4 (d)	-	-	145.84	145.84
Total financial assets		-	-	145.84	145.84
Financial Liabilities					
Borrowings	7	-	-	6,246.73	6,246.73
Other financial liabilities	10	-	-	24.20	24.20
Total financial liabilities		-	-	6,270.93	6,270.93

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, 2023

Note 19 : 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 statement.

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

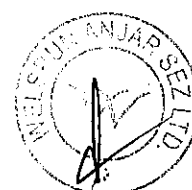
The Company's risk management is carried out by a central treasury department (group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the group's operating units. The Board provides written principles 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, 2023

Note 19 : Financial Risk Management

Ageing of Trade receivables is as follows:

								Rs. Lacs
Particulars	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 dues	Beyond 181 days past dues	Total
As at March 31, 2023	27.27	1.33	1.96	0.29	-	-	-	30.85
As at March 31, 2022	22.58	-	9.04	-	-	-	-	31.62

During the year and previous years, the Company made no write-offs of trade receivables, it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off.

(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.

								Rs. Lacs
Contractual maturities of financial liabilities March 31, 2023	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	
Non-derivatives								
Borrowings	-	-	-	-	-	6,519.60	6,519.60	
Trade payables	345.45	-	-	-	-	-	345.45	
Other Financial Liabilities	35.70	-	-	-	-	-	35.70	
Total non-derivative liabilities	381.15	-	-	-	-	6,519.60	6,900.75	

Contractual maturities of financial liabilities March 31, 2021	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	
Non-derivatives								
Borrowings	-	-	-	-	-	6,246.73	6,246.73	
Trade payables	40.95	-	-	-	-	-	40.95	
Other Financial Liabilities	24.20	-	-	-	-	-	24.20	
Total non-derivative liabilities	65.15	-	-	-	-	6,246.73	6,311.88	

(C) Market risk

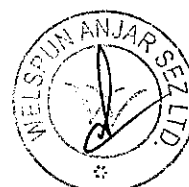
(ii) Cash flow and fair value interest rate risk

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:

			Rs. Lacs
Particulars	March 31, 2023	March 31, 2022	
Fixed rate borrowings	6,519.60	6,246.73	
Floating rate borrowings	-	-	
Total borrowings	6,519.60	6,246.73	



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Note 20 : 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:

	Rs. Lacs	
	31-Mar-23	31-Mar-22
Long term borrowings	6,519.60	6,246.73

Note 21 : Segment information

(i) Information about Primary Business Segment

The Company is engaged in the business of leasing of factory buildings and facility management, 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, 2023 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 2023.

Note 22 : Computation of Effective Tax Rate

Particulars	Rs. Lacs	
	March 31, 2023	March 31, 2022
Profit Before Tax	90.44	79.19
Applicable Income Tax Rate (new)	25.17%	25.17%
Expected Income Tax Expense	22.76	19.93
Tax effect of adjustments to reconcile expected Income tax expense to reported income		
Effect of expenses/provision not deductible in determining taxable profit	92.80	81.93
Profit on sale of land charged separately	112.67	-
Decrease in defer tax liability	(80.94)	(76.82)
Brought forward losses	-	-
Others	-	2.33
Total	147.29	27.37
Effective tax rate	163%	35%

Note 23 (a) : 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

- Welspun Metalics Ltd

- Welspun Captive Power Generation Ltd

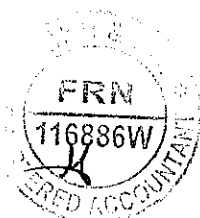
- Welspun DI Pipes Ltd

- Anjar TMT Steel Pvt. Ltd.

- Welasure Pvt Ltd

- Key management personnel

- K H Vishwanathan



WELSPUN ANJAR SEZ LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Note 23 (b) : Transactions with related parties

The following transactions occurred with related parties:

Particulars	Welspun India Limited		Welspun Corp Limited		Welspun Steel Limited		Welspun DI Pipes Ltd		Welassure Pvt Ltd	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Statement of profit and loss heads										
Gross revenue from Lease Rent, Facility Management Charges, Road Access Fees	35.05	15.39	11.43	-	-	3.38	9.95	29.19	9.42	9.05
Purchase of goods and expenses incurred	3.84	7.27	-	-	-	-	-	-	4.21	4.41
Purchase of capital goods	-	-	5.34	-	-	-	253.82	-	-	-
Sale of Fixed Asset	-	-	283.98	-	-	-	-	1,865.50	-	-
Advances Received During the Year	-	-	-	-	-	-	-	-	-	-
Rent paid	-	-	-	-	-	-	-	-	-	-
Administrative Expense	-	-	-	-	-	-	-	-	-	-
Director's sitting fees	-	-	-	-	-	-	-	-	-	-

Rs. Lacs

Particulars	Welspun Metallica Ltd		Anjar TMT Steel Pvt. Ltd.		Welspun Captive Power Generation Ltd		K.H. Viswanathan	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Statement of profit and loss heads								
Gross revenue from Lease Rent, Facility Management Charges, Road Access Fees	9.95	-	5.93	-	-	-	-	-
Purchase of goods and expenses incurred	-	-	-	-	-	-	-	-
Purchase of capital goods	-	-	16.43	-	-	-	-	-
Sale of Fixed Asset	148.63	282.90	-	-	-	-	-	-
Advances Received During the Year	213.20	-	-	-	-	-	-	-
Rent paid	-	-	-	-	-	-	-	-
Interest on loan given	-	-	-	-	-	-	-	-
Administrative Expense	-	-	-	-	8.30	7.27	-	-
Loan Given	-	-	-	-	-	-	-	-
Repayment of Loan Given	-	-	-	-	-	-	-	-
Director's sitting fees	-	-	-	-	-	-	1.11	2.21

* Amount is inclusive of taxes

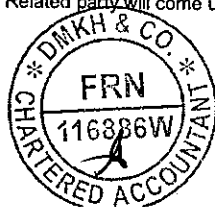
(b) Outstanding balances arising from sale/purchases of goods and services

Particulars	Welspun India Limited		Welspun Corp Limited		Welspun Steel Limited		Welspun DI Pipes Ltd		Welassure Pvt Ltd	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Trade payables, Advances received and other liabilities for receiving of services on revenue	0.14	0.43	1.66	-	-	-	250.13	-	0.21	2.14
Trade Receivables, Advance given and other receivables for rendering services	9.82	-	3.68	-	-	-	-	-	-	-
Advances received towards land sale	-	-	-	283.98	-	-	-	-	-	-

Rs. Lacs

Particulars	Welspun Metallica Ltd		Anjar TMT Steel Pvt. Ltd.		Welspun Captive Power Generation Ltd		K.H. Viswanathan	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Trade payables, Advances received and other liabilities for receiving of services on revenue	-	-	11.01	-	0.65	0.57	-	-
Trade Receivables, Advance given and other receivables for rendering services	3.68	-	-	-	-	-	-	-
Advances received towards land sale	213.20	-	-	-	-	-	-	-

** Terms & conditions of transactions with Related party will come under this note

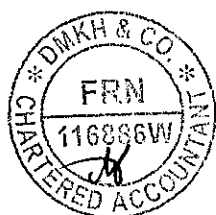


WELSPUN ANJAR SEZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Note 24 : Ratios

Particulars	As at 31-Mar-23	As at 31-Mar-22	Change in Ratio (%)	Explanation
Current Ratio (in times) Current Assets/ Current Liabilities	6.96	10.56	-34.07	Due to increase in trade payables
Acid-test ratio (in times) (Current assets - Inventory)/ Current liabilities	6.96	10.56	-34.07	Due to increase in trade payables
Cash ratio (in %) Cash and cash equivalents/ Current liabilities	11.62	7.55	53.94	Surplus funds invested
Asset turnover ratio (in times) Revenue from operations/ Average total assets	0.01	0.01	-1.63	
Trade receivables turnover ratio (in times) Revenue from operations (excluding government subsidy and export incentives)/ Average Accounts Receivable	11.13	9.35	19.07	Decrease in trade receivables
Debt Equity Ratio (in times) Total Debt/ Shareholder's Equity	0.27	0.26	4.62	
Debt Service Coverage Ratio (in times) Profit after tax + Interest expense + Depreciation and amortisation expense)/ (Long term debt (excluding prepayments) repaid during the period + Interest payments + Lease payments)	1.31	1.94	-32.55	Loss on sale of land
Return on Equity Ratio (in %) Profit after tax/ Average Shareholder's Equity	-0.24%	0.22%	-209.05	Loss on sale of land
Net Capital Turnover Ratio (in times) Revenue from operations/ (Current Assets - Current Liabilities)	0.13	0.08	48.59	Reduction in working capital
Net Profit Ratio (in %) Profit after tax/ Revenue from operations	-16.35%	14.82%	-210.31	Loss on sale of land
Return on Capital Employed Ratio (in %) Earnings before interest and taxes/ Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)	0.67%	0.62%	8.10	



WELSPUN ANJAR SEZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Note 25 : Contingencies and Commitments

(a) Contingent liabilities (to the extent not provided for)

(i) Claims against the Company not acknowledged as debts

Description	As at March 31, 2023 Rs. Lacs	As at March 31, 2022 Rs. Lacs
Stamp duty payable on concession agreement disputed	402.60	-

- 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.

(b) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Description	As at March 31, 2023 Rs. Lacs	As at March 31, 2022 Rs. Lacs
Estimated value of Contracts in Capital Account remaining to be executed (Net of Capital Advances)	891.85	283.15

(c) 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 two to twenty five years.

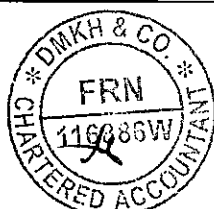
The aggregate rental expenses of all the operating leases for the year are Rs. 6,00,000 (Previous Year: Rs. 9,82,496)

Note 26 : Earning per share

Basic and diluted earnings per share	March 31, 2023	March 31, 2022
Earnings per share attributable to the equity holders of the company	(112.14)	102.20
Profit for the year	(56.86)	51.82
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 27: Disclosure for Micro and Small Enterprises:

	Description	Year Ended March 31, 2023 Rs. Lacs	Year Ended March 31, 2022 Rs. Lacs
i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year		
	-Principal	53.29	21.31
	-Interest	-	-
ii)	The amount of interest paid by the buyer in terms of Section 16 along with the amount of the payment made to the supplier beyond the appointed day during the year		
	-Principal	832.89	88.17
	-Interest	-	-
iii)	The amount of interest due and payable for the period of delay in making payment (which has been paid beyond the appointed day during the year) but without adding the interest specified	-	-
iv)	The amount of interest accrued and remaining unpaid at the end of year	-	-



WELSPUN ANJAR SEZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Note 28: Other Statutory Information

- i) There are no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956
- ii) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- iii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- iv) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- v) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- vi) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- vii) The company has not revalued its property, plant and equipment (including Right-of-Use assets) or intangible assets or both during the current or previous year.

Note 29 : Previous Year Figures Reclassification

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

For DMKH & CO;

Chartered Accountants

Firm Registration No:116886W



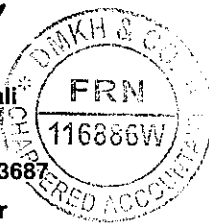
CA. Manish Bhansali
Partner

Membership No:403687

Place: Gandhinagar

Date: April 25, 2023

UDM-23403687BC-HP02 353



For and on behalf of the Board of Directors


Sanjay Gupta

Director

DIN: 00496253


Praveen Bhansali

Director

DIN: 08764004


Chintan Thaker

Chief Executive Officer


Anil Shah

Chief Financial Officer


Shashikant Thorat

Company Secretary

