

**ANNUAL REPORT
FINANCIAL YEAR 2021-2022**

WELSPUN ANJAR SEZ LIMITED

CIN: U22210GJ1995PLC027871

STATUTORY AUDIT REPORT

UNDER COMPANIES ACT 2013

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(WITH SCHEDULES AND NOTES TO ACCOUNTS)

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AUDITORS:

DMKH & CO;

CHARTERED ACCOUNTANTS

311, 3rd Floor, Pratik Mall

Kudasan, Gandhinagar-382421, Gujarat



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, 2022, the Statement of Profit and Loss and Statement of Cash Flows 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit and its cash flows for the year ended on that date.

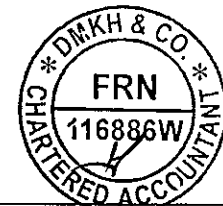
Basis for Opinion

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 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.

Emphasis of Matter

We draw attention to Note 28 to the financial statement which states that the management of the Company has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2022 and has concluded that there is no material impact which is required to be recognized in the standalone financial statements. Accordingly, no adjustment have been made to the standalone financial statements.

Our opinion is not modified in respect of this matter.





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.

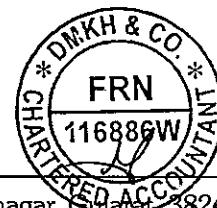
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these 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.



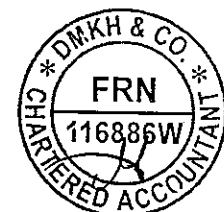


Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the 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.



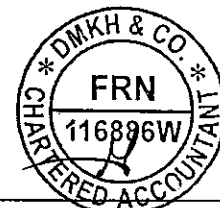


We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 change in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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.



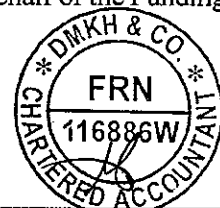


- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of sub-section (16) of Section 197 of the Act, as amended:

The Company being a public company, reporting under sub-section (16) of Section 197 of the Act is not applicable to the Company.

- 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 does not have any pending litigations which would impact its financial position;
- 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-cluse (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.

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

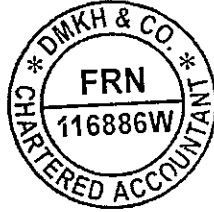
Manish Bhansali
Partner

M. No. 403687

UDIN: 22403687AKKJWF4846

Place: Ahmedabad

Date: 05/05/2022





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.

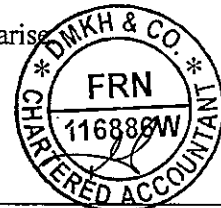
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee)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

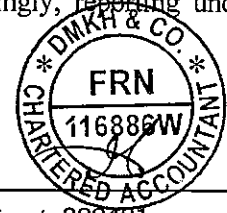
(ii) (a) The Company does not have inventories and accordingly, reporting under paragraph 3 (ii) (a) of the Order is not applicable.

(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.



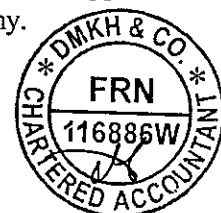


- (iii) The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Accordingly, reporting under paragraph 3(iii), (iii)(a), (iii)(b),(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable 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) The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the products by the Company. Accordingly, reporting under paragraph 3(vi) of the Order is not applicable to the Company.
- (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) As the Company does not have any loans or other borrowings from any lender as at the balance sheet date. Accordingly, reporting under paragraph 3 (ix) (a) of the Order is not applicable to the Company.
- (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, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the period, nor have we been informed of any such case by the Management.
- (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 the Nidhi Rules, 2014 are not applicable to it, the 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 and according to the information and explanation given to us, provisions of internal audit are not applicable to the Company.
(b) The Company did not have an internal audit system during the period. Accordingly, the reporting under clause 3 (xiv) (b) of the Order is not applicable to the Company.
- (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 standalone 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

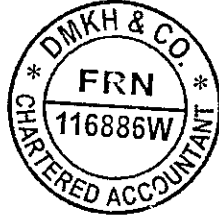
Manish Bhansali
Partner

M. No.403687

UDIN: 22403687AKKJWF4846

Place: Ahmedabad

Date: 05/05/2022



WELSPUN ANJAR SEZ LIMITED
BALANCE SHEET AS AT MARCH 31, 2022

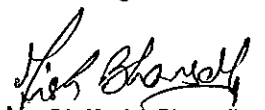
	Notes	As At March 31, 2022	As At March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	2	2,45,59,14,283	2,67,04,55,106
Capital work-in-progress	2(a)	1,07,59,615	-
Right of Use Assets	2(b)	23,22,928	23,85,424
Other non-current assets	3	15,23,85,173	5,38,60,772
Total non-current assets		2,62,13,81,999	2,72,67,01,302
Current assets			
Financial assets			
(i) Investments	4(a)	43,48,42,632	32,24,51,716
(ii) Trade Receivables	4(b)	31,62,304	43,15,664
(iii) Cash and Cash Equivalents	4(c)	32,75,112	60,01,337
(iv) Other financial assets	4(d)	1,45,83,832	96,59,185
Current Tax Assets	5	-	35,00,637
Other current assets	5(a)	21,33,590	3,61,140
Total current assets		45,79,97,470	34,62,89,679
Total assets		3,07,93,79,469	3,07,29,90,981
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	6(a)	5,07,000	5,07,000
Other Equity			
Reserves and surplus	6(b)	2,24,44,34,294	2,23,92,52,318
Equity component of compound financial instruments	6(c)	15,66,27,996	15,66,27,996
Total equity		2,40,15,69,290	2,39,63,87,314
Liabilities			
Non-current liabilities			
Financial Liabilities			
- Borrowings	7	62,46,73,405	59,94,18,654
- Deferred Tax Liabilities	8	97,60,563	1,74,42,806
Total non-current liabilities		63,44,33,968	61,68,61,460
Current liabilities			
Financial Liabilities			
(i) Trade payables			
- Total Outstanding Dues of Micro Enterprises and Small Enterprises	9	21,31,443	-
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	9	19,63,428	49,38,779
(ii) Other financial liabilities	10	24,19,771	12,25,859
Current tax liabilities	11	29,94,200	-
Other current liabilities	12	3,38,67,369	5,35,77,569
Total current liabilities		4,33,76,211	5,97,42,207
Total equity and liabilities		3,07,93,79,469	3,07,29,90,981

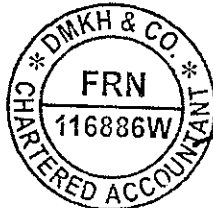
The above balance sheet should be read in conjunction with the accompanying notes.


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


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

For and on behalf of the Board of Directors


CA. Manish Bhansali
Partner
Membership No:403687
Place: Gandhinagar
Date: May 05,2022




Sanjay Gupta
Director
DIN: 00496253


Praveen Bhansali
Director
DIN: 08764004


Chintan Thaker
Chief Executive Officer


Arun Shah
Chief Financial Officer


Shashikant Thorat
Company Secretary



WELSPUN ANJAR SEZ LIMITED
STATEMENT OF PROFIT AND LOSS AS ON MARCH 31, 2022

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from operations	13	3,49,58,620	2,94,81,069
Other Income	14	2,69,23,481	5,53,82,657
Total revenue		6,18,82,101	8,48,63,726
Expenses			
Finance costs	15	2,53,30,232	2,33,84,948
Depreciation and amortization expense	16	1,87,46,308	2,76,87,163
Other expenses	17	98,86,645	72,26,433
Total expenses		5,39,63,185	5,82,98,543
Profit before tax		79,18,916	2,65,65,182
Income Tax Expense			
- Current Tax		1,04,19,183	31,44,188
- Tax for earlier years		-	(5)
		1,04,19,183	31,44,183
- Deferred Tax		(76,82,243)	(65,42,834)
Total Income Tax Expense		27,36,940	(33,98,651)
Profit for the year		51,81,976	2,99,63,833

Earnings Per Share (Rs.) [Nominal value per share : Rs. 10 (March 31, 2019 : Rs. 10)]

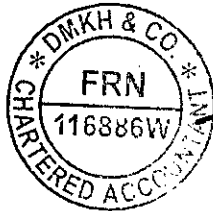
Basic earning per share	26	102.21	591.00
Diluted earning per share	26	102.21	591.00

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


CA. Manish Bhansali
Partner
Membership No:403687
Place: Gandhinagar
Date: May 05,2022

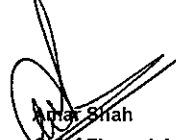


For and on behalf of the Board of Directors


Sanjay Gupta
Director
DIN: 00496253


Praveen Bhansali
Director
DIN: 08764004


Chintan Thaker
Chief Executive Officer


Anurag Shah
Chief Financial Officer


Shashikant Thorat
Company Secretary



WELSPUN ANJAR SEZ LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2022

a. Equity Share Capital

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, 2020	5,07,000				5,07,000
Changes during the year	-				-
Balance as at March 31, 2021	5,07,000				5,07,000
Changes during the year	-				-
Balance as at March 31, 2022	5,07,000				5,07,000

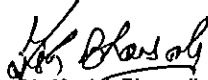
b. Other Equity

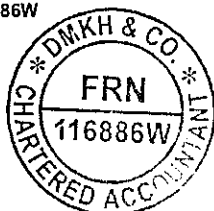
	Equity Component of financial instrument	Reserves and Surplus			Total Equity
		Capital Reserve	General Reserve	Retained earnings	
Balance as at March 31, 2020	15,66,27,996	2,06,45,49,536	14,04,05,254	43,33,696	2,36,59,16,481
add:					
Profit for the year		-	-	2,99,63,833	2,99,63,833
Less:					
Transfer to General Reserves		11,92,23,255	-	-	11,92,23,255
	15,66,27,996	1,94,53,26,281	14,04,05,254	3,42,97,528	2,27,66,57,059
Transaction with owners in their capacity as owners :					
Additions during the year	-	-	11,92,23,255	-	11,92,23,255
Preference share allotted					
Balance as at March 31, 2021	15,66,27,996	1,94,53,26,281	25,96,28,509	3,42,97,528	2,39,58,80,314

	Equity Component of financial instrument	Reserves and Surplus			Total Equity
		Capital Reserve	General Reserve	Retained earnings	
Balance as at March 31, 2021	15,66,27,996	1,94,53,26,281	25,96,28,509.00	3,42,97,528	2,39,58,80,314
Profit for the year	-	-	-	51,81,976	51,81,976
Transfer to General Reserve		18,20,53,358		-	18,20,53,358
	15,66,27,996	1,76,32,72,923	25,96,28,509.00	3,94,79,504	2,21,90,08,932
Additions during the year	-	-	18,20,53,358.00	-	18,20,53,358
Preference share allotted	-	-			
Balance as at March 31, 2022	15,66,27,996	1,76,32,72,923	44,16,81,867.00	3,94,79,504	2,40,10,62,290


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

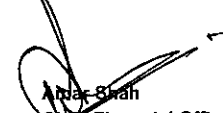
For DMKH & CO;
Chartered Accountants
Firm Registration No:116886W

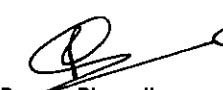

CA. Manish Bhansali
Partner
Membership No:403687
Place: Gandhinagar
Date: May 05,2022




For and on behalf of the Board of Directors


Sanjay Gupta
Director
DIN: 00496253


Anurag Shah
Chief Financial Officer


Praveen Bhansali
Director
DIN: 08764004


Chintan Thaker
Chief Executive Officer


Shashikant Thorat
Company Secretary



WELSPUN ANJAR SEZ LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	79,18,916	2,65,65,182
Adjustments for :		
Depreciation on PPE	1,86,83,812	2,76,24,667
Depreciation on Right to Use	62,496	62,496
Profit/loss from sale of Assets	38,72,657	(4,01,31,517)
Interest income	(2,30,22,788)	(1,09,42,249)
Profit on Investments	(38,18,896)	(34,45,391)
Interest and Other Expenses	2,53,30,232	2,33,84,948
	<u>2,11,07,513</u>	<u>(34,47,046)</u>
Operating Profit Before Working Capital Changes	2,90,26,429	2,31,18,136
Change in operating assets and liabilities :		
Trade Receivables	11,53,360	20,50,386
Trade and Other Payables and Provisions	(8,43,908)	9,73,860
Other current assets	(17,72,450)	(98,11,354)
Other non-current assets	(9,85,24,401)	(11,50,000)
Other financial liabilities	11,93,912	(2,41,139)
Other current financial liabilities	(1,97,10,200)	(1,65,39,997)
	<u>(11,85,03,687)</u>	<u>(2,47,18,244)</u>
Cash Flow Generated from Operations	(8,94,77,258)	(16,00,108)
Income Tax paid	(39,24,346)	(15,47,172)
Net Cash Flow from Operating Activities	<u>(9,34,01,604)</u>	<u>(31,47,280)</u>
B. CASH FLOW FROM / (USED) IN INVESTING ACTIVITIES		
Purchase of Fixed Assets and Capital Work-in-Progress	(3,36,15,261)	(6,32,71,719)
Sale of Fixed Assets	21,48,40,000	20,39,55,403
Profit on Sale of Investments	38,18,896	34,45,391
Investments	(11,23,90,916)	(14,95,60,431)
Interest received	1,80,98,141	1,09,42,249
Net Cash Flow used in Investing Activities	<u>9,07,50,860</u>	<u>55,10,893</u>
C. CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES		
Interest and Other Finance Expenses	(75,481)	(10,563)
Net Cash Flow (used in)/ from Financing Activities	<u>(75,481)</u>	<u>(10,563)</u>
Net (decrease) / increase in Cash and Cash Equivalents (A + B + C)	<u>(27,26,225)</u>	<u>23,53,051</u>
Cash and Cash Equivalents at the beginning of the year	60,01,337	36,48,285
Cash and Cash Equivalents at the end of the year	32,75,112	60,01,337
Net Increase in Cash and Cash Equivalents	<u>(27,26,225)</u>	<u>23,53,051</u>

Notes :

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

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

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

For DMKH & CO;

Chartered Accountants

Firm Registration No:116886W

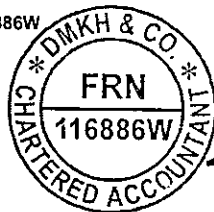

CA. Manish Bhansali

Partner

Membership No:403687

Place: Gandhinagar

Date: May 05,2022



For and on behalf of the Board of Directors

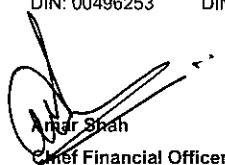

Sanjay Gupta
Director

DIN: 00496253


Paveen Bhansali
Director

DIN: 08764004


Chintan Thaker
Chief Executive Officer


Anil Shah
Chief Financial Officer


Shashikant Thorat
Company Secretary



Welspun Anjar SEZ Limited
Notes to the Financial Statements
Financial Year 2021-2022

General 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.

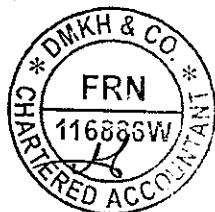
1.2 Revenue recognition

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.



Welspun Anjar SEZ Limited
Notes to the Financial Statements
Financial Year 2021-2022

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).

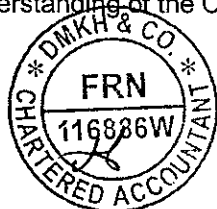
Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

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 2021-2022

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.

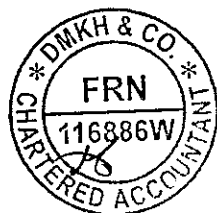
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component 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
Factory Building	30 years
Office Building	30 years
Road, Fencing, etc	Ranging between 3 to 5 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 2021-2022

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 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:

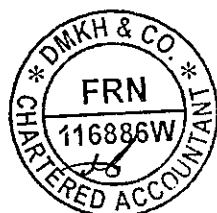
- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

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 2021-2022

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

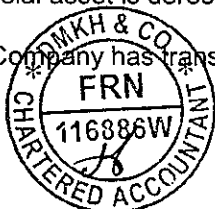
The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 20 details how the Company determines 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 2021-2022

• 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.

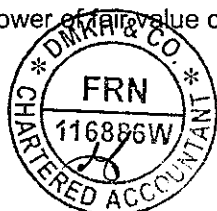
(vii) Trade receivable

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 2021-2022

(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.

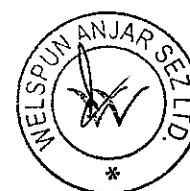
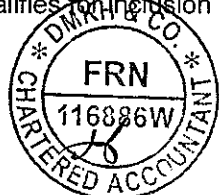
(iv) Trade and other payables

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 2021-2022
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.

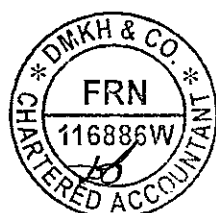
1.11 Provisions and contingent liabilities

- 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.



Welspun Anjar SEZ Limited
Notes to the Financial Statements
Financial Year 2021-2022

- 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)

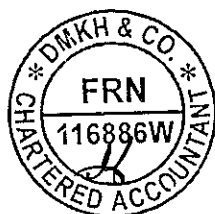
Diluted earnings per share

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 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.



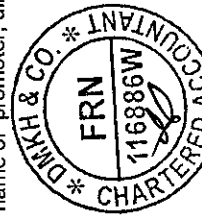
WELSPUN ANJAR SEZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 2 : Property, Plant and Equipment

	Free Hold Land	Building	Temporary Structures	Other Building	Computers	Total	Capital Work in Progress	Right to Use
Year ended 31 March 2021								
Gross carrying amount	2,69,01,33,760	7,75,66,724	4,73,171	11,86,50,645	30,952	2,88,68,55,252	30,13,826	25,00,000
Addition	7,46,14,484			30,74,495		7,76,88,979	60,669	
Disposals	17,48,36,815					17,48,36,815		
Transfers							30,74,495	
Closing gross carrying amount	2,58,99,11,429	7,75,66,724	4,73,171	12,17,25,140	30,952	2,78,97,07,416	-	25,00,000
Accumulated Depreciation								
Depreciation charge during the year	-	2,16,69,804	4,49,530	6,94,78,254	30,055	9,16,27,643		52,080
Disposals		53,10,206		2,23,14,461		2,76,24,667		62,496
Closing accumulated depreciation	-	2,69,80,010	4,49,530	9,17,92,715	30,055	11,92,52,310	-	1,14,576
Net Carrying amount	2,58,99,11,429	5,05,86,714	23,641	2,99,32,425	897	2,67,04,55,106	-	23,85,424
Year ended 31 March 2022								
Gross carrying amount	2,58,99,11,429	7,75,66,724	4,73,171	12,17,25,140	30,952	2,78,97,07,416		25,00,000
Opening gross carrying amount	2,28,55,645					2,28,55,645		
Additions	21,87,12,656					21,87,12,656	1,07,59,615	
Disposals								
Transfers								
Closing gross carrying amount	2,39,40,54,418	7,75,66,724	4,73,171	12,17,25,140	30,952	2,59,38,50,405	1,07,59,615	25,00,000
Accumulated depreciation and impairment								
Opening accumulated depreciation	-	2,69,80,010	4,49,530	9,17,92,715	30,055	11,92,52,310		1,14,576
Depreciation charge during the year		48,05,734		1,38,78,078		1,86,83,812		62,496
Disposals								
Closing accumulated depreciation and impairment	-	3,17,85,744	4,49,530	10,56,70,793	30,055	13,79,36,122	-	1,77,072
Net carrying amount	2,39,40,54,418	4,57,80,980	23,641	1,60,54,347	897	2,45,59,14,283	1,07,59,615	23,22,928

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

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

As at 31 March 2022

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	1,07,59,615	-	-	-	1,07,59,615
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2021

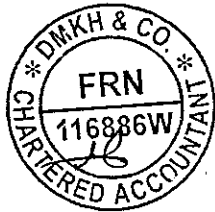
Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2022

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,74,23,335	-	-	-	3,74,23,335
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2021

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



WELSPUN ANJAR SEZ LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2022

	<u>As At</u> <u>March 31, 2022</u>	<u>As At</u> <u>March 31, 2021</u>
Note 3 : Other non-current assets		
Capital Advances to Others	12,61,65,000	2,91,65,000
Security Deposits to Others (with Govt. Authorities)	2,62,20,173	2,46,95,772
Total	15,23,85,173	5,38,60,772

4 (a) : Current investments

Investments at fair value through profit or loss

Mutual Funds (Quoted)

24208.296 (Nil) - SBI Overnight Fund Direct Growth	8,37,93,477	-
228212.397 (Nil) - SBI Savings Fund Direct Growth	81,15,552	-
Nil (4369.578) - SBI Liquid Fund Direct Growth	-	1,40,77,116

Bonds (Quoted)

157 (157) - 8.44% Indian Bank Bonds	15,87,58,400	15,65,29,000
1 (Nil) - 7.25% PNB Bonds (Series XXI)	10,00,703	-
90 (Nil) - 6.45% ICICI Bank Bonds	9,01,98,000	-
95 (Nil) - 6.41% IRFC Bonds	9,29,76,500	-
Nil (151) - 7.34% Power Finance Corp. Bonds	-	15,18,45,600
Total	43,48,42,632	32,24,51,716

4 (b) : Trade receivables

Unsecured

- Considered Good

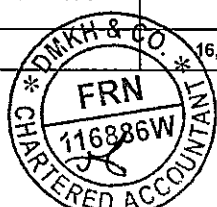
Trade Receivables	31,62,304	24,62,764
Receivables from related parties	-	18,52,900
Total	31,62,304	43,15,664

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	22,57,604	9,04,700	-	-	-	-	31,62,304
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	22,57,604	9,04,700	-	-	-	-	31,62,304

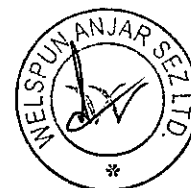
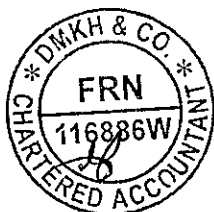
As at 31 March 2021

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	16,23,650	15,18,926	11,73,088	-	-	-	43,15,664
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	16,23,650	15,18,926	11,73,088	-	-	-	43,15,664



WELSPUN ANJAR SEZ LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2022

	<u>As At</u> <u>March 31, 2022</u>	<u>As At</u> <u>March 31, 2021</u>
4 (c) : Cash and cash equivalents		
Balances with banks		
- In current accounts	32,74,869	60,01,094
Cash on Hand	243	243
Total	<u><u>32,75,112</u></u>	<u><u>60,01,337</u></u>
4 (d) : Other financial assets		
- Interest Receivable	1,45,83,832	96,59,185
Total	<u><u>1,45,83,832</u></u>	<u><u>96,59,185</u></u>
Note 5 : Current Tax Assets		
- Advance Tax and Tax Deducted at Source	-	35,00,637
Total	<u><u>-</u></u>	<u><u>35,00,637</u></u>
Note 5a : Other current assets		
Advances Recoverable in Cash or Kind		
- Considered Good	19,22,066	1,14,645
- Balances other Government Authorities		
- Considered Good	83,566	1,38,346
Others		
- Prepaid expense	1,27,958	1,08,149
- Advance lease payment		
Total	<u><u>21,33,590</u></u>	<u><u>3,61,140</u></u>



WELSPUN ANJAR SEZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2022

Note 6 (a) : Equity share capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised 9,50,00,000 Equity Shares of Rs. 10 each (Previous Year 9,50,00,000)	95,00,00,000	95,00,00,000
Issued, Subscribed and Paid Up 50,700 Equity Shares of Rs. 10 each, fully paid up (Previous Year 50,700)	5,07,000	5,07,000

(i) Movements in Equity Share Capital	Equity Shares of Rs.10 each fully paid up	
	Number of shares	Amount
As at March 31, 2020	50,700	5,07,000
Additions during the year	-	
As at March 31, 2021	50,700	5,07,000
Additions during the year	-	
As at March 31, 2022	50,700	5,07,000

Terms and rights attached to equity shares

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

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

	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares : Welspun India Limited	50,700	5,07,000	50,700	5,07,000
	50,700	5,07,000	50,700	5,07,000

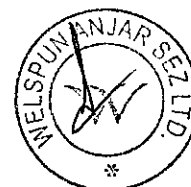
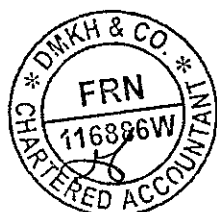
(iii) Shares held by promoters (Promotor as defined in the Companies Act, 2013)

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)

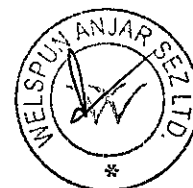
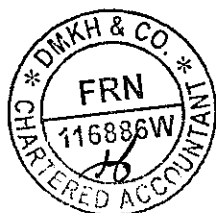
(iv) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2022		As at March 31, 2021	
	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, 2022

	As At March 31, 2022	As At March 31, 2021
Note 6 (b) : Reserves and surplus		
Capital Reserve on revaluation of Land	1,76,32,72,923	1,94,53,26,281
General Reserve	44,16,81,867	25,96,28,509
Retained earnings	3,94,79,504.27	3,42,97,528
Total	<u>2,24,44,34,294</u>	<u>2,23,92,52,318</u>
(i) Capital Reserve		
Opening Balance	1,94,53,26,281	2,06,45,49,536
Add : Additions during the Year	-	-
Less : Transfer to Reserves	18,20,53,358	11,92,23,255
	<u>1,76,32,72,923</u>	<u>1,94,53,26,281</u>
(ii) General Reserve		
Opening Balance	25,96,28,509.00	14,04,05,254
Add : Additions during the Year	18,20,53,358.00	11,92,23,255
Less : Transfer to Reserves	-	-
	<u>44,16,81,867.00</u>	<u>25,96,28,509</u>
(iii) Retained earnings		
Opening Balance	3,42,97,528	43,33,696
Net profit for the period	51,81,976	2,99,63,833
Closing Balance	<u>3,94,79,504</u>	<u>3,42,97,528</u>
Note 6 (c) : Equity component of compound financial instruments		
Opening Balance	15,66,27,996	15,66,27,996
Additions during the year	-	-
Closing Balance	<u>15,66,27,996</u>	<u>15,66,27,996</u>



WELSPUN ANJAR SEZ LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2022

	As At March 31, 2022	As At March 31, 2021
Note 7 : Non-current borrowings		
Unsecured :		
Liability component of compound financial instruments	62,46,73,405	59,94,18,654
Total non-current borrowings	62,46,73,405	59,94,18,654
Note 8 : Deferred Tax Liabilities		
Deferred Tax Liabilities	97,60,563	1,74,42,806
	97,60,563	1,74,42,806

Movement in deferred tax assets

Particulars	Unabsorbed Depreciation as per IT Act	Property, plant and equipment	Classification of preference share Liability in equity and liability at inception	Deferred Tax (Asset)/Liability, net
April 1, 2020	(23,62,253)	(74,71,792)	3,38,19,685	2,39,85,640
Charged / (Credited) to Profit & Loss	23,62,253	(30,22,222)	(58,82,865)	(65,42,834)
March 31, 2021	-	(1,04,94,014)	2,79,36,820	1,74,42,806
Charged / (Credited) to Profit & Loss	-	(13,26,127)	(63,56,116)	(76,82,243)
March 31, 2022	-	(1,18,20,141)	2,15,80,704	97,60,563

	As At March 31, 2022	As At March 31, 2021
Note 9 : Trade payables		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises [Refer Note below]	21,31,443	-
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		
- Trade payables to related parties	3,14,626	-
- Others	16,48,802	49,38,779
Total	40,94,871	49,38,779

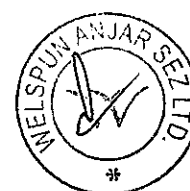
As at 31 March 2022

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	20,99,043	32,400				21,31,443
Others	19,63,428					19,63,428
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	40,62,471	32,400	-	-	-	40,94,871

As at 31 March 2021

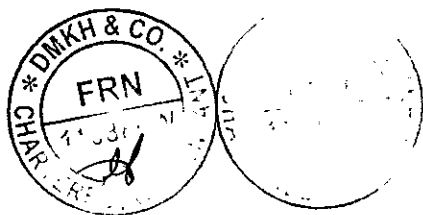
Particulars	Current but not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-
Others	28,38,895	8,69,310	-	-	12,30,373	49,38,578
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	28,38,895	8,69,310	-	-	12,30,373	49,38,578

	As At March 31, 2022	As At March 31, 2021
Note 10 : Current - Other financial liabilities		
Other Payables	24,19,771	12,25,859
Total other current financial liabilities	24,19,771	12,25,859



WELSPUN ANJAR SEZ LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2022

	<u>As At</u> <u>March 31, 2022</u>	<u>As At</u> <u>March 31, 2021</u>
Note 11: Current tax liabilities		
Provision for income tax	29,94,200	-
Total current tax liabilities	29,94,200	-
Note 12: Other current liabilities		
Statutory dues (including GST and Tax deducted at Source)	7,30,207	6,37,407
Security Deposits	47,39,040	47,39,040
Other Advances - Sale of Land	2,83,98,122	4,82,01,122
Total	3,38,67,369	5,35,77,569



WELSPUN ANJAR SEZ LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2022

	Year ended March 31, 2022	Year ended March 31, 2021
Note 13 : Revenue from operations		
a) Disaggregated revenue information of the company from contracts with customers		
Lease rent	3,18,92,313	2,71,54,625
Maintenance Charges	30,66,307	23,26,444
	<u>3,49,58,620</u>	<u>2,94,81,069</u>
b) Timing of revenue recognition		
Goods transferred at a point in time	-	-
Goods transferred over time	3,49,58,620	2,94,81,069
Total revenue from contract with customers	<u>3,49,58,620</u>	<u>2,94,81,069</u>
c) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price.		
Revenue as per contracted price	3,49,58,620	2,94,81,069
Adjustments		
Significant financing component	-	-
Other adjustments	-	-
Total revenue from contract with customers	<u>3,49,58,620</u>	<u>2,94,81,069</u>

Contract balances

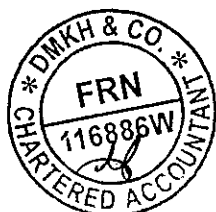
The following table provides information about receivables , contract assets and contract liabilities from contracts with

Trade Receivables * (Refer note 5 (c))	31,62,304	43,15,664
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.

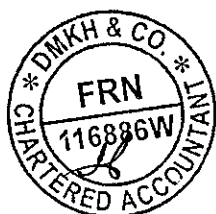
Note 14 : Other Income

Profit on Sale of Land	-	4,01,31,517
Interest received on Income tax refund	2,64,360	1,48,382
Interest on Investments	2,08,26,582	1,07,93,867
Interest Received others	19,31,846	-
Profit on Investments	39,00,693	43,08,891
	<u>2,69,23,481</u>	<u>5,53,82,657</u>



WELSPUN ANJAR SEZ LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2022

	Year ended March 31, 2022	Year ended March 31, 2021
Note 15 : Finance costs		
Interest Charge on debt component of preference shares	2,52,54,751	2,33,74,385
Discounting and Bank Charges	12,191	10,563
Interest on GST	63,290	-
	2,53,30,232	2,33,84,948
Note 16 : Depreciation and amortization expense		
Depreciation on property, plant and equipment	1,86,83,812	2,76,24,667
Depreciation on right to use	62,496	62,496
Amortisation on intangible assets	-	-
Total depreciation and amortization expense	1,87,46,308	2,76,87,163
Note 17 : Other Expenses		
General Maintenance, Electricity & Repairs	9,69,823	2,50,037
Administration Expense	7,44,900	5,56,668
Directors' Sitting Fees	2,20,500	1,72,500
Lease Rent	9,20,000	10,80,000
Rates and Taxes	23,70,159	36,35,628
Printing and Stationery	-	300
Legal and Professional Charges	1,80,870	3,56,700
Insurance Exp	3,88,839	1,90,895
Payments to auditors (refer note 17 a given below)	45,000	45,000
Fair value loss on financial instruments at fair value through profit or loss	81,797	8,63,500
Loss on sale of land	38,72,657	-
Miscellaneous	92,100	75,205
Total Other Expenses	98,86,645	72,26,433
Note 17 (a) : Details of Payments to auditors		
Payments to auditors		
As auditor:		
Audit fee	35,000	35,000
Tax audit fee	10,000	10,000
Reimbursement of Expenses	-	-
Total payments to auditors	45,000	45,000



WELSPUN ANJAR SEZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 18 : Fair value measurements

Financial instruments by category

	31-Mar-22			31-Mar-21		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Current financial assets						
Investments						
- Mutual funds	9,19,09,030	-	-	1,40,77,116	-	-
- Bonds	34,29,33,603	-	-	30,83,74,600	-	-
Trade receivables	-	-	31,62,304	-	-	43,15,664
Cash and cash equivalents	-	-	32,75,112	-	-	60,01,337
Other financial assets	-	-	1,45,83,832	-	-	96,59,185
Total financial assets	43,48,42,632	-	2,10,21,248	32,24,51,716	-	1,99,76,186
Non current financial liabilities						
Liability component of compound financial instruments	-	-	62,46,73,405	-	-	59,94,18,654
Security Deposits	-	-	-	-	-	-
Current financial liabilities						
Trade payables	-	-	40,94,871	-	-	49,38,779
Other financial liabilities	-	-	24,19,771	-	-	12,25,859
Total financial liabilities	-	-	63,11,88,047	-	-	60,55,83,292

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

	31-Mar-22		31-Mar-21	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Investments	43,48,42,632	43,48,42,632	32,24,51,716	32,24,51,716
Trade Receivables	31,62,304	31,62,304	43,15,664	43,15,664
Cash and Cash Equivalents	32,75,112	32,75,112	60,01,337	60,01,337
Other financial assets	1,45,83,832	1,45,83,832	96,59,185	96,59,185
Total	45,58,63,880	45,58,63,880	34,24,27,902	34,24,27,902
Financial liabilities				
Borrowings	62,46,73,405	62,46,73,405	59,94,18,654	59,94,18,654
Trade Payables	40,94,871	40,94,871	49,38,779	49,38,779
Other Financial Liabilities	24,19,771	24,19,771	12,25,859	12,25,859
Total	63,11,88,047	63,11,88,047	60,55,83,292	60,55,83,292

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

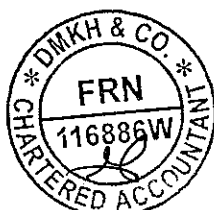
The fair values for loans, security deposits and investments in preference share were calculated based on cash flows discounted using a current lending rates. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit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

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

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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, 2022

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 statements.

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

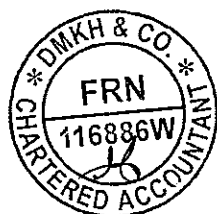
The Company's risk management is carried out by a central treasury department (group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the group's operating units. The Board provides written principles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

(A) Credit Risk

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

(i) Credit risk management

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



WELSPUN ANJAR SEZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD MARCH 31, 2022

Note 19 : Financial Risk Management

Ageing of Trade receivables is as follows

	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, 2022	22,57,604	-	9,04,700	-	-	-	-	31,62,304
As at March 31, 2021	16,23,650	11,85,129	-	-	3,33,797	-	11,73,088	43,15,664

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.

Contractual maturities of financial liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Beyond 5 years	Total
March 31, 2022							
Non-derivatives							
Borrowings	-	-	-	-	-	62,46,73,405	62,46,73,405
Trade payables	40,94,871	-	-	-	-	-	40,94,871
Other Financial Liabilities	24,19,771	-	-	-	-	-	24,19,771
Total non-derivative liabilities	65,14,642	-	-	-	-	62,46,73,405	63,11,88,047

Contractual maturities of financial liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Beyond 5 years	Total
March 31, 2021							
Non-derivatives							
Borrowings	-	-	-	-	-	59,94,18,654	59,94,18,654
Trade payables	49,38,779	-	-	-	-	-	49,38,779
Other Financial Liabilities	12,25,859	-	-	-	-	-	12,25,859
Total non-derivative liabilities	61,64,638	-	-	-	-	59,94,18,654	60,55,83,292

(C) Market risk

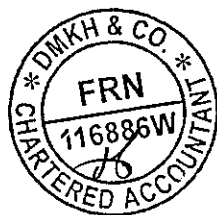
(ii) Cash flow and fair value interest rate risk

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

(a) Interest rate risk exposure

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

	March 31, 2022	March 31, 2021
Fixed rate borrowings	62,46,73,405	59,94,18,654
Floating rate borrowings	-	-
Total borrowings	62,46,73,405	59,94,18,654



WELSPUN ANJAR SEZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 20 : Capital Management

(a) Risk management

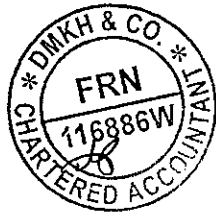
The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business. The Company's overall strategy remains unchanged from previous year.

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.
generation.

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

The following table summarizes the capital of the Company:

	31-Mar-22	31-Mar-21
Long term borrowings	62,46,73,405	59,94,18,654



WELSPUN ANJAR SEZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 21 : Segment information

(i) Information about Primary Business Segment

The Company is exclusively engaged in the business of leasing of factory buildings, which in the context of Ind AS 108 on Operating segments, is considered to constitute a single primary segment. Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the period are all as reflected in the financial statements for the year ended March 31, 2022 and as on that date.

(ii) Information about Secondary Geographical Segments:

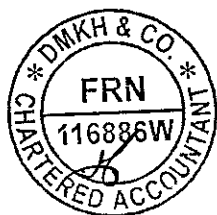
The Company is exclusively engaged in sales to customers located in India. Consequently the Company does not have separate reportable geographical segments for March 2022.

Note 22 (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 Steel Ltd
 - Welspun Metallics Ltd
 - Welspun Captive Power Generation Ltd
 - Welspun DI Pipes Ltd
 - Welassure Pvt Ltd

- Key management personnel
 - K H Vishwanathan



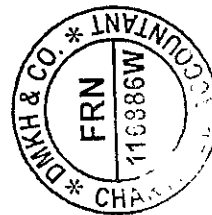
Note 22 (b) : Transactions with related parties
The following transactions occurred with related parties:

Particulars	Welspun India Limited		Welspun Corp Limited		Welspun Steel Limited		Welspun DI Pipes Ltd		Weissure Pvt Ltd		Welspun Metallics Ltd		Welspun Captive Power Generation Ltd		K.H. Viswanathan	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Statement of profit and loss heads																
Gross revenue from Lease Rent	15,38,604	6,96,172	-	-	3,38,268	28,189	29,18,709	15,72,956	9,05,105	-	-	-	-	-	-	-
Purchase of goods and expenses incurred	-	-	-	-	-	-	-	-	4,40,873	2,17,973	-	-	-	-	-	-
Sale of Fixed Asset	-	-	-	3,83,63,220	-	-	18,65,50,000	-	-	2,82,30,000	15,93,87,500	1,98,03,000	-	-	-	-
Advances Received During the Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General Maintenance Expense	7,26,511	17,97,409	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on loan given	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Administrative Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Given	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of Loan Given	-	-	-	-	-	-	-	-	-	-	-	-	6,56,868	-	-	-
Director's sitting fees	-	-	-	-	-	-	-	-	-	-	-	-	7,27,428	-	-	-
															2,20,500	1,72,500

* 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		Weissure Pvt Ltd		Welspun Metallics Ltd		Welspun Captive Power Generation Ltd		K.H. Viswanathan	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Balance sheet heads (Closing balances):																
Trade payables, Advances received and other	42,930	17,97,409	2,83,98,122	2,83,98,122	-	28,189	-	-	2,14,420	-	-	-	-	-	-	-
Trade Receivables, Advance given and other	-	16,24,711	-	-	-	-	-	-	-	22,880	1,98,03,000	57,276	51,262	-	-	11,100
Corporate Guarantee given on behalf of the	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

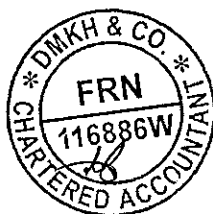


WELSPUN ANJAR SEZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 24 : Computation of Effective Tax Rate

Particulars	March 31, 2022	March 31, 2021
Profit Before Tax	79,18,916	2,65,65,182
Applicable Income Tax Rate (new)	25.17%	25.17%
Expected Income Tax Expense	19,93,033	66,85,925
Tax effect of adjustments to reconcile expected income tax expense to reported income		
Effect of expenses/provision not deductible in determining taxable profit	81,93,395	89,24,661
Profit on sale of land charged separately		(1,01,00,300)
Decrease in defer tax liability	(76,82,243)	(65,42,834)
Brought forward losses	-	(23,62,253)
Others	2,32,756	(3,849)
Total	27,36,941	(33,98,651)
Effective tax rate	35%	-13%

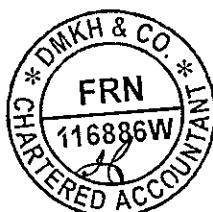


WELSPUN ANJAR SEZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 23 : Ratio

	As at 31-Mar-22	As at 31-Mar-21	Change in Ratio (%)	Explanation
Current Ratio (in times) Current Assets/ Current Liabilities	10.56	5.80	82.16	Increased in Current ratio is mainly due to liquidation of fixed assets (land)
Acid-test ratio (in times) (Current assets - Inventory)/ Current liabilities	10.56	5.80	82.16	Increased in Current ratio is mainly due to liquidation of fixed assets (land)
Cash ratio (in %) Cash and cash equivalents/ Current liabilities	7.55	10.05	-24.84	Surplus funds invested
Asset turnover ratio (in times) Revenue from operations/ Average total assets	0.01	0.01	17.98	
Trade receivables turnover ratio (in times) Revenue from operations (excluding government subsidy and export incentives)/ Average Accounts Receivable (Not annualised for quarters)	9.35	5.52	69.38	Regular receipts from customers
Debt Equity Ratio (in times) Total Debt/ Shareholder's Equity	0.26	0.25	3.99	
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)	1.94	3.47	-43.88	Reduction in other income
Return on Equity Ratio (in %) Profit after tax/ Average Shareholder's Equity	0.22	1.26	-82.83	Reduction in other income
Net Capital Turnover Ratio (in times) Revenue from operations/ (Current Assets - Current Liabilities)	0.08	0.10	-18.05	Increase in current assets
Net Profit Ratio (in %) Profit after tax/ Revenue from operations	14.82	101.64	-85.42	Reduction in other income
Return on Capital Employed Ratio (in %) Earnings before interest and taxes/ Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)	0.62	2.49	-74.99	Reduction in other income



WELSPUN ANJAR SEZ LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 25 : Commitments

(a) 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, 2022	As at March 31, 2021
Estimated value of Contracts in Capital Account remaining to be executed (Net of Capital Advances)	2,83,15,290	-

(b) 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. 9,82,496 (Previous Year: Rs. 11,42,496)

Note 26 : Earning per share

Basic and diluted earnings per share	March 31, 2022	March 31, 2021
Earnings per share attributable to the equity holders of the company	102.21	591.00
Profit for the year	51,81,976	2,99,63,833
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: Transactions with companies struck off

There are no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

Note 28 : Covid 19 Impact

The Company has considered the possible effects that may result from outbreak of COVID-19 in the preparation of this financial statements including the recoverability of carrying amounts of financial and non-financial assets and liquidity assessment based on future cash flow projections and also actualised excess liabilities / provisions. In building the assumptions relating to the possible uncertainties in the global economic conditions as at the date of approval of these financial statements, the Company has used internal and external sources of information and expects that the carrying amount of the assets will be recovered. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements.

Note 29 : Previous Year Figures Reclassification

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

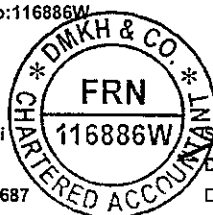
For DMKH & CO;

Chartered Accountants


Firm Registration No:116886W



CA. Manish Bhansali
Partner
Membership No:403687
Place: Gandhinagar
Date: May 05,2022




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

