ANNUAL REPORT 2020-21

WELSPUN INDIA
Home Textiles

Together for Tomorrow

Purpose. Progress. Passion

Scan to view our endeavours

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Corporate Information

Together for Tomorrow

Purpose. Progress. Passion

The past fiscal year was an extraordinarily challenging year for everyone. It was an unprecedented year that brought forth disruption in all areas of the industry, through which emerged the concept of a new normal. At Welspun India, we displayed great resilience, agility and responsiveness in our operations. This helped us survive the pandemic and find opportunities in times of adversity. However, it is our abiding belief that true growth lies in moving forward together.

As we renewed our operations post lockdown, we began our work with a new purpose as we progressed on our journey of launching Welspun 2.0. Our passion was displayed by our workforce who worked relentlessly in the time of crisis to ensure that our customers received the best of our products and services. Market disruption was tackled efficiently through innovation and digitalisation along with a gamut of new products that focused on health and hygiene, the need of the hour.

We interacted closely with our stakeholders to understand their needs and help them stay safe during this ongoing pandemic. By adapting to agile and flexible work structure, embracing efficient working capital management, and expanding our current market segments, we endeavour to create value for our stakeholders at each step.

As we enter into a new fiscal year, we aim to continue our operations with agility, progressing towards excellence with ultimate passion and a renewed sense of purpose. We are committed to cater to the needs of our stakeholders with innovative solutions and go a step beyond our operations to contribute significantly to the well-being of our environment and community.

JMD & CEO’s Message

“We have all experienced a unique and challenging year. The COVID-19 pandemic brought in its wake a lot of disruption and uncertainty that affected every aspect of life. However, at Welspun, we were guided by our principles and values while responding to these challenges.”

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Enhancing Capacity

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Manufacturing facilities in India (Anjar, Vapi and Telangana) running at peak utilisation

Page 06

Our Commitment to ESG

Low Risk

Rating on ESG factors moving toward “Negligible” risk rating

Page 42

Together for Growth

Financial highlights

₹74,080 mn
Total Income
▲8.4%

₹14,198 mn
EBITDA

13.8%
RoCE

0.64x
Net Debt to Equity

Together to Build Capacity

Operational highlights

3
Manufacturing facilities in India (Anjar, Vapi and Telangana) running at peak utilisation

32 patents
Highest in the Industry in India

Together for Society and Environment

ESG highlights

1,69,490+
Lives impacted

4,000+ mn litres
Water recycled annually

22,414 tCO_2e
CO_2 mitigated annually through energy conservation

2,78,206
Saplings planted during FY21

Welspun India at a Glance

Reimagining Home Comforts

Welspun India Ltd (WIL), part of the $2.7 billion Welspun Group, is a global leader in Home Textiles, supplying to marquee global retail and hospitality brands. Our state-of-the art manufacturing facilities in India produce globally benchmarked products, driven by our differentiation strategy based on Branding, Innovation and Sustainability.

Keeping consumer well-being at the core, we provide smart, comprehensive solutions for a healthier, sustainable world, supported by our integrated facilities and Farm to Shelf capabilities. Our keen sensitivity, exquisite design sense, and strong presence in the Bed, Bath and Flooring segments make us a much-preferred end-to-end home textiles solutions provider globally.

Growth Drivers

Brands

Brand portfolio – Owned and licensed

page 18

Emerging Businesses

- Flooring
- Advanced textiles

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E-commerce

Multi-pronged e-commerce strategy

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Value Enablers

Innovation

Thought leader in Home Textiles

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Digitalisation

Organisation-wide transformation

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ESG

Encompassing all stakehholders with defined roadmap

page 38

Vision

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

Principles

We take pride in providing our stakeholders with the very best. Four principles define and guide us to create a better, sustainable future.

Customer Centricity

Our customers are at the core of our beliefs. They inspire us to go the extra mile and create high-end, differentiated products

Technology & Innovations

Our world-class technology creates solutions that result in efficiency and bring more value to our customers

Collaboration

Through collaborations, we deliver unique and innovative experiences to our customers

Inclusive Growth

As a socially aware home textiles company, we believe in creating a sustainable environment through education and empowerment

Welspun India – milestones in our journey

2010

Transforming from a textile manufacturer to the world's #1 integrated home textile leader

2020

Transition from a manufacturing company to a end-to-end solution provider, direct-to-consumer company

Welspun 2.0

Evolving into Welspun 2.0 with 6 value drivers – brands, emerging businesses, e-commerce, ESG, innovation, and digitalisation

Competitive advantage

- Strategic partners to all the major global retailers as well as hospitality players
- Highest market share in the US, with a dominant position in India and the UK
- Innovative product offering, based on extensive consumer research
- The largest exporter of home textiles products from India
- Sustainability and circularity embedded across our value chain
- Consistent, strong financial performance with unmatched operational efficiency
- Leaders in Bed, Bath, and Flooring, with the widest product portfolio
- Vertically integrated facilities with 360-degree capabilities from farm to shelf
- A Diversified Brand and License portfolio
- A global distribution network with an omnichannel support system in over 50 countries
- Zero dependence on freshwater for manufacturing at Anjar
- Highly experienced, capable management team

Welspun India at a Glance

Our End-to-End Home Textiles Solutions

Enhancing capacity

We now move towards FY22 with a vision to grow in capacity. We are focusing on increasing the annual production capacity of our products and enhancing our services to cater to evolving customer needs in the best way possible.

1 in 5 Towels and 1 in 9 Sheets

Sold in the US is made by Welspun*

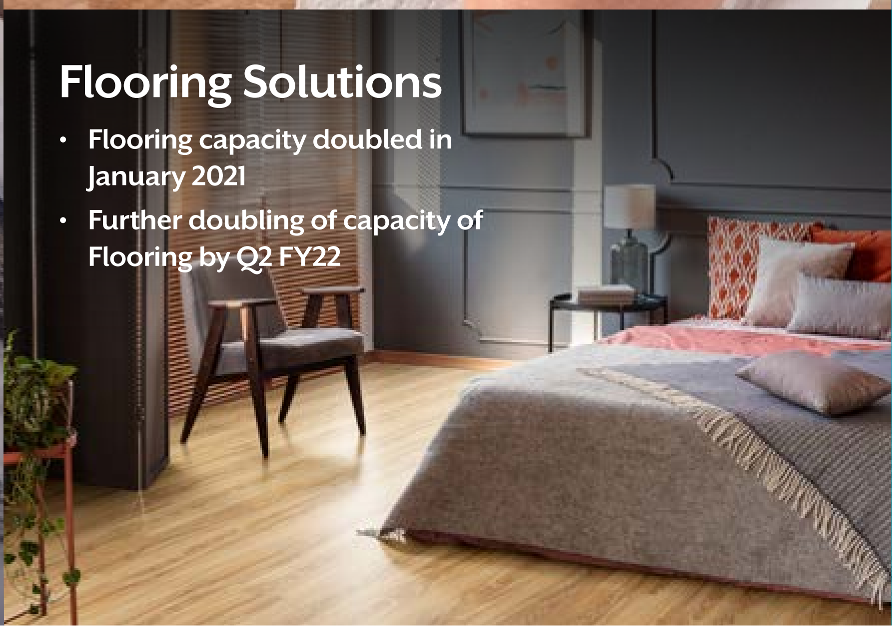
*Source: OTEXA data

Home Textiles

- Capacity expansion at Vapi and Anjar
- Benefits will start accruing from early Q2 FY22 and revenue potential from second year ~ ₹12,000 million

Advanced Textiles

- Spunlace expansion to commence operations in H2 FY22
- Potential business topline: over ₹6,000 million by FY23



Flooring Solutions

- Flooring capacity doubled in January 2021
- Further doubling of capacity of Flooring by Q2 FY22

Vertically integrated presence with significant capabilities

Bath Linen

80,000 mt
Annual Capacity

Bed Linen

90 mn m
Annual Capacity

Rugs & Carpets

10 mn sq m
Annual Capacity

Spunlace

10,000 mt
Spunlace Capacity

Needle Punch

3,000 mt
Needle Punch Capacity

Wet Wipes

75 mn packs
Wet Wipes Capacity

Flooring

12.9 mn sq m
Current Annual Capacity

27 mn sq m
Expected Annual Capacity

Global Footprint

Delivering Quality across Markets

We have an extensive distribution network stretching across 50+ countries. Our strategic warehousing facilities in key markets ensure seamless distribution to our retailers and retail consumers.

Key customer partnerships

North America

Walmart | Costco Wholesale | macy's | Kohl's | Bed Bath & Beyond
wayfair | Sam's Club | amazon.com | IHG Hotels & Resorts | Marriott Hotels • Resorts • Suites
The Home Depot | Shaw Floors | QVC | America's Floor Source | MSI | target | Lowe's

We export about 94% of our home textile products, and over 65% of our production to the US, 25% to Europe and the rest to the Middle East, Australia and Japan. Our products conform to top industry standards, and our design studios working collaboratively across the US, the UK help craft goods that keep up with customer preferences across the world.

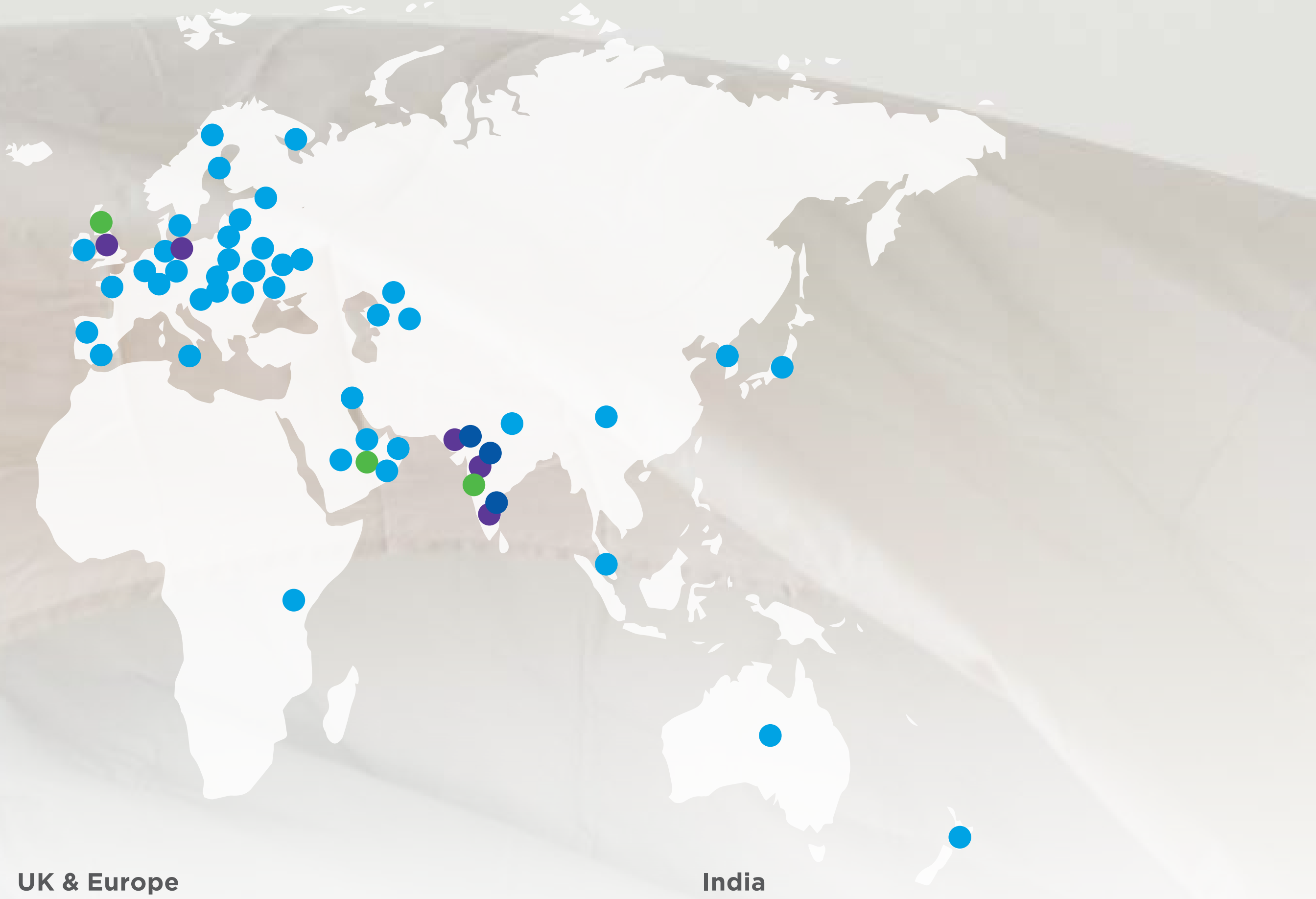
Weaving magic in millions of homes around the world

50+
Countries

#1 Ranking
In "Top 15 Home Textile Supplier Giants to USA" *

*Source: HTT Magazine

- Warehouses
- Facility
- Corp HQ / Marketing Offices
- Country Served



UK & Europe

TESCO, John Lewis, Sainsbury's, IKEA, Auchan, JYSK, LIDL, Dunelm, ASDA, Carrefour, headlam group plc

India

Shoppers Stop, @home, HomeTown, lifestyle, DMart, BIG BAZAAR, Oberoi Hotels & Resorts, TAJ, Himalaya Since 1930, Unilever, unicharm

ROW

the warehouse, SHERIDAN EST. 1967, homecentre, NITORI, DANUBE HOME Making Your Home, So Easy Now

Chairman's Message

Braving the Challenge

"Amidst the pandemic and because of it, the global home textile industry is undergoing a structural shift, with the homebody economy shaping the digital consumer experience. At Welspun, we continue to pursue our differentiation strategy, along with the thrust on digitalisation and e-commerce.

My dear fellow Stakeholders,

"Tough times don't last, but tough people do," they say. At Welspun, we are no strangers to challenges. However, we have always succeeded in converting these challenges into opportunities, and FY21 was no different. The tough year helped us redefine our responsibilities towards our stakeholders as we navigated through the global crisis on the strength of our differentiation strategy that once again proved right.

Achieving broad-based growth

FY21, in the end, turned out to be a milestone year for us, as we not only saw broad-based growth, but also scored on two fronts – achieved the highest ever annual income that crossed the $1 billion mark for the first time, and the highest ever Home Textile sales volume in a year.

It was equally satisfying to see our sustainability initiatives being recognised through a case study on the Ivey publishing website.

As we move forward, we are evaluating all our actions through the Environmental, Social and Governance (ESG) lens. These efforts have been validated by the high ESG score accorded to us by one of the leading global rating agencies and bears testimony to the Board's commitment to accelerate our sustainability journey. We have also constituted the ESG Committee of the Board to proactively address any material issues that may impact our ability to deliver sustainable growth and enhance enterprise value.

Capitalising on dominant industry trends

Amidst the pandemic and because of it, the global home textile industry is undergoing a structural shift, with the homebody economy shaping the digital consumer experience. At Welspun, we continue to pursue our differentiation strategy, along with the thrust on digitalisation and e-commerce.

We gained from the increasing preference for quality and performance-driven hygiene and wellness products given that our brand is synonymous with quality. Online spending on home goods has also accelerated tremendously, and we are well-positioned to meet the demand. To give further impetus to our e-commerce growth strategy, we have embarked on Project Wave (accelerated e-commerce growth), which should lead to a topline of over $100 million by FY23.

Capital-light capacity expansion to address growing demand

To cater to the demand, our plants at Vapi and Anjar operated at peak capacity in FY21. With demand continuing to rise, we are expanding capacity through debottlenecking and rebalancing at both the plants, which will lead to increased capacity for towels, bed linen, rugs, and carpets. We have earmarked capex of around ₹225 crores over FY21 and FY22, and will see the benefits accrue from as early as Q1 FY22.

Delivering innovative solutions

Even as we expand and grow our business, we intend to keep the focus on innovation, which is part of Welspun's DNA. Our innovation-driven approach has helped us to challenge the status quo, and set new industry benchmarks – be it through our Nanocore technology, or our unique traceability process, Wel-Trak that tracks finished products back to the raw material, or our HygroCotton technology. We were recognised among the most influential innovators at the Clarivate South and South East Asia Innovation Award 2020, where Welspun was the only player from the textile and apparel industry. The award is a testament to our efforts to develop more relevant and innovative solutions for our customers.

Licensed brands deliver strong performance

In the domestic market, we continued to invest in our brands, especially the value brand for the domestic market 'Welspun'. During the year, we witnessed strong domestic retail performance as consumer confidence recovered with the fall in COVID-19 cases, the roll-out of the vaccines and the return of festive demand. Our strong performance in our B2C business through licensed brands is evidence of our deepening consumer connect across markets, particularly in the aspirational categories. The Martha brand is seeing expansion, both online and offline. We are also very excited about the prospects of the Scott Living brand, which we signed up in Q4 FY21. The licensed brand brings us new opportunity pockets by opening new channels and shelf space without cannibalising our existing business. We expect annualised revenue from licensed brands to cross $100 million in the next 2-3 years.

Flooring solutions to be the next growth engine

We believe the flooring business will be a game-changer in India, as well as in the exports market, given the kind of convenience and customisation we will provide to customers as well as to contractors and distributors. We would be the only brand in the market offering consumers safety and the convenience of one-day installation (COVID-19 safe installation).

There are several factors that hold out promise. For example, US retailers have been increasingly looking at India as the sourcing destination to reduce the concentration risk in sourcing. We entered a long-term strategic arrangement with one of the largest US distributors for hard flooring during the year. In FY21, the export business contributed 50% of our total flooring revenue. We also see export opportunities for carpet tiles and wall-to-wall carpets in the flooring business.

The domestic flooring business saw tailwinds during the second half of FY21 as we added business from large marquee brands across both commercial and hospitality channels. With a continued focus on network expansion, we have added 5 Gateways 40 plazas and 273 portals to our retail footprint. With business gaining strength in the hard flooring segment, and soft flooring beginning to gain traction, we are confident about achieving EBITDA breakeven in Q3 FY22.

Adding to the product mix

During the year, the Advanced Textiles Division, which manufactures disposable towels and wet wipes out of non-woven textiles, forayed into disinfectant wipes and surgical masks. The business offers a diverse range of products using three major technologies – Spunlace, Needlepunch and Thermobond. Each has an in-house downstream conversion unit to manufacture value-added products. In Spunlace, we saw better price realisations and improved operating metrics. The new disinfectant wipes line commenced production in February 2021, and we expect the expansion of the Spunlace business to begin operations by September 2021. These would help this category achieve a topline of around ₹600 crores by FY23.

Combating the pandemic

This past year has been very challenging in terms of the challenges that the pandemic threw at us. Our aim is to ensure they feel supported and valued, while ensuring the well-being of their families, no matter the circumstances. In times like these, it is important to come together and to value health over everything else.

The COVID Care Measures we initiated have been done so keeping in mind the health requirements of our employees. We set up various facilities such as a vaccination drive, COVID-care centres and other hospital facilities for our workforce and their families. These challenging times also led to the loss of some of our employees. We have decided to provide their families 50% of monthly salary for two years as living allowance and education fees for two kids up to graduation. We have also decided to provide medical insurance to the family of our employees for a duration of 10 years. With the second wave of COVID-19, we continue to stand in solidarity with every member to ensure their mental, physical and financial well-being, as they navigate through these challenging times

Welspun's Health Mask 'Made to Protect' Campaign

In gratitude

We would not have achieved what we have without the dedicated service of our employees. I express my sincere gratitude to them, and to our shareholders, bankers, customers and Board of Directors for supporting us throughout our journey. I believe in our capabilities, and look forward to sharing more good news about our accomplishments with you as we move forward.

Best wishes,

B. K. Goenka

Chairman
Welspun Group

JMD and CEO's Message

Resilience in Times of Distress

"

Emerging businesses delivered strong performance during the year and global e-commerce sales contributed 6% to the topline. Besides, our cost rationalisation initiatives, the growing share of value-added products in the product mix, and improved efficiency across all functions helped us deliver a strong performance.

Dear Stakeholders,

We have all experienced a unique and challenging year. The COVID-19 pandemic brought in its wake a lot of disruption and uncertainty that affected every aspect of life. However, at Welspun, we were guided by our principles and values while responding to these challenges.

FY21 has been a landmark year for Welspun. We have touched the $1 billion mark in our annual revenue, the highest ever for our Company. This has been possible because of committed team work, and I take this opportunity to express my gratitude to my team members for their resilience, dedication and unparalleled efforts that helped the Company navigate the unprecedented challenges of past year.

Industry-leading safety protocol

As you are aware, we have implemented industry-leading operating procedures to combat COVID-19 and safeguard our employees. Our Penta Protocol and Intertek Protek standards and procedures, together with the WelHeal app, secured the health, safety and well-being of all our employees and service providers. These not only helped us maintain business continuity, but also respond to the needs of our customers through product innovation and adding muscle to our digital capabilities. With our formalised COVID care measures, we are better equipped to deal with the challenges of the future.

Setting new performance records

The relentless efforts of each and every member of Welspun has helped our organisation overcome difficulties over the past year. As a result, we have been able to bring down the curtains on FY21 with a robust set of numbers.

Our Total Income stood at ₹74,080 million compared to ₹68,362 million last year, registering a YoY growth of 8.4%; EBITDA at ₹14,198 million as against ₹13,098 million in FY20 saw a YoY increase of 8.4%. PAT for the year was ₹5,397 million, which is around 1.06x that of previous year's PAT of ₹5,074 million, and our Net Worth stood at ₹36,447 million. I am happy to report that Net Debt of core business has reduced by 46% in the last three years along with a continuous improvement in ROCE. FY21 also saw a significant 2.8x rise in Free Cash Flow (FCF) and continuous pay-out through dividend/ buyback.

Making the best of opportunities

We know that India is best positioned in the textiles segment to unlock the next wave of growth, and a focus on man-made fibres and technical textiles could reap substantial dividends. The pandemic has also positioned India well in the emerging scenario, with retailers towards it in a bid to diversify their supply chain. Emerging businesses delivered strong performance during the year and global e-commerce sales contributed 6% to the topline. Besides, our cost rationalisation initiatives, the growing share of value-added products in the product mix, and improved efficiency across all functions helped us deliver a strong performance.

The pandemic saw a shift in the consumption pattern towards online spending, and we adapted to this change by introducing Project WAVE to accelerate our e-commerce growth, Welspun Carrefour Blockchain to strengthen our traceability system, introduced a virtual showroom and revamped our brands WelHome and Christy to make these products and services available to a broader range of customers.

Growing together

At Welspun, we believe in progressing together with society; to leverage our scale to strengthen communities and protect the environment. Our ESG strategy, 'Welocity' has acceleration at its core. It aims to propel the well-being of our environment, society and economic performance, with governance as a strong bedrock. Our social mission is based on the 3Es – Education, Empowerment and Environment & Health.

Various projects have been undertaken by the Welspun Foundation for Health and Knowledge (WFHK) to implement these objectives. Project Wel-Accelerate, an initiative to bring education to villages, has reached 175 schools across rural India and has impacted the lives of over 35,000 students.

In order to improve health practices and create sustainable livelihood opportunities for women from rural areas, we began Project Wel-Netrutva, which has helped 588 women across 90 villages and has aided the creation of 50 group enterprises. Overall, the project has impacted the lives of 1,00,000 people. Welspun's initiative to provide medical/health services for communities in the villages around the manufacturing sites has touched the lives of 20,000 adolescent girls and women across 50 villages and helped 2,500 children overcome malnutrition.

To empower female athletes from challenging backgrounds, Welspun Super Sports Women Programme was initiated. It covers 14 sports and has already helped 27 athletes across India. Akankshita Center, another initiative by WIL to empower women to become entrepreneurs, has impacted 75 women to execute orders of over ₹9 lakhs. We have been Sustainability champions for a while now and this year saw us continue our attempts and offsetting our environmental footprint and weave in circularity in our functions. At Welspun, diversity and inclusion are more than just words for us. We have launched several programmes keeping this in mind and we launched our Women of Welspun Programme to work towards this core belief.

8.4%
YoY growth in total income

8.4%
EBITDA YoY

2.8x
Rise in Free Cash Flow (FCF)

Our sustainability journey is part of our core processes and sustainable raw materials are a vital part of this system. We joined hands with farmers and trained to grow BCI (Better Cotton Initiative) and Organic Cotton in Wardha, Maharashtra and Kutch, Gujarat. The main cotton producing regions for Welspun farmers are given complete farm management solutions right from the field to the market. This project is spread over 250 villages and indirectly impacts 50,000 farm workers. This contributes to lowering our impact on the environment and improving lives of farmers while conserving the quality of products.

Strengthening our systems

We have always believed in the power of digitalisation in transforming business. During the year, we continued to upgrade our systems, tools, processes, and people while focusing on digital as the 'new norm'. Our digital transformation is based on three main principles – enhanced system efficiency, real-time information collection and decreasing human intervention. The aim is to make our system leaner and more agile so as to enhance the user experience, reduce risks and increase stakeholder value. Our farm-to-shelf model of vertical integration is backed by this digital transformation, which has helped us provide our customers comprehensive solutions for a healthier, sustainable world.

Looking ahead

Our external environment continues to remain uncertain, given the recurrent waves of the pandemic. We understand that acting with resilience and adapting to change are the only way forward. Welspun is ready to face this challenge from a position of strength and with a promise to do better. We will continue to provide our customers with high-quality, innovative products and a wholesome service. Our learnings over the past year have been important and will continue to be reflected in the way we function.

I take this opportunity to extend thank Welspun's people for working tirelessly to ensure that our customers receive the best service. Most importantly, I would like to thank our stakeholders for their trust, support and confidence in Welspun India Ltd.

Warm regards,

Dipali Goenka
JMD and CEO

Lead Independent Director's Message

Leading with Prudence

Dear Stakeholders,

As your Lead Independent Director, I take this opportunity to share insights into functioning of the Board and the key board priorities during the year.

The last year has been a challenging year due to the pandemic and has necessitated the need for increased Board oversight.

Key Board priorities during the year

Strategic guidance and support to the management to navigate through the uncertain times	Oversight on risk management and strengthening resilience
Ensuring safety of our people (Safety First)	Sustainability and long-term value creation
Accelerating digitisation and analytics initiatives	Greater use of Technology and Automation

Corporate Governance

Your Board is committed to maintain the highest standards of corporate governance, transparency and fairness in dealing with all stakeholders. The Board continues to take various initiatives from time to time to sustain and further advance the governance practices. During the year, your Company's Board established a voluntary Board Effectiveness Committee, comprising of all independent directors, to re-assess the corporate governance structures and practices. Based on the deliberations at the Board Effectiveness Committee and a benchmarking exercise by a leading business consulting firm, key enhancements undertaken during the year are as follows:

Key themes	Initiatives undertaken
Strengthening governance structure and policies	• Designating a Lead Independent Director • Full Independence of Audit Committee & Nomination and Remuneration Committee (100% independent directors) • Enhanced transparency and disclosure standards (Board Evaluation outcome, ESG disclosures, etc.) • Review and benchmarking of Ethics Framework to incorporate evolving leading practices (whistle blower policy and mechanism, anti-bribery and anti-corruption, fraud prevention) • Review of related party transaction policy to further enhance it in line with the evolving leading practices. Further, a holistic pricing framework has been formalised to serve as a guideline for all related party transactions

Key themes	Initiatives undertaken
Unlocking ESG's strategic value	**Making ESG a strategic priority** ESG is a strategic priority for the Board and the Company has taken various initiatives to accelerate the ESG journey: • ESG Committee at the Board level • Development of ESG Committee charter • ESG Materiality and Maturity assessment • ESG Goals and targets • ESG Rating preparedness • Benchmarking ESG Governance indicators • Linkage of ESG Goals with Executive remuneration • Formalising ESG Organisation structure, roles and responsibilities. Appointed Sustainability Head to drive ESG initiatives **Key initiatives planned** • ESG Governance – Operationalising ESG into the overall governance structure • Carbon neutrality initiatives - Greenhouse gas (GHG) emission inventory, science-based target, Task Force on Climate-related Financial Disclosure • Sustainable supply chain • ESG Data Governance • ESG Rating submission • Whistle blower platform to facilitate anonymous reporting • Fraud risk assessment
Board effectiveness	• Dedicated meeting on strategy • Formalising Board Charter and Committee Charters

As a Lead Independent Director of your Company, I want to emphasise about the Board's collective commitment towards highest standards of governance, transparency and fairness in dealing with all stakeholders.

Should you have any suggestions, please share your views during the upcoming annual general meeting or write to the company secretary. We value your feedback.

Thank you for your continued faith in the Board of your Company. We would continue to work to represent the interest of all stakeholders.

Sincerely,

Arun Todarwal

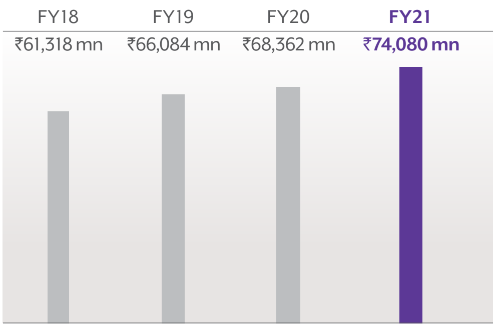
Lead Independent Director

Key Performance Indicators

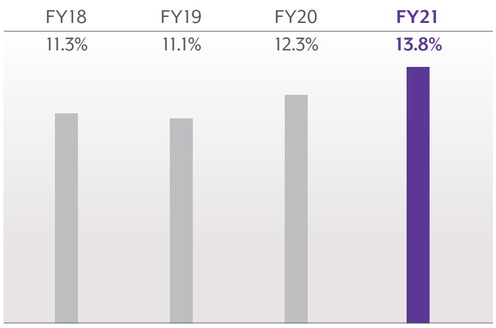
A Closer Look at Our Performance

The Company has delivered sustainable and profitable volume-led growth. While our Net Debt has reduced, we have seen a continuous improvement of RoCE. Our investment in enhancing capacities in various businesses will yield significant cash flows in the future.

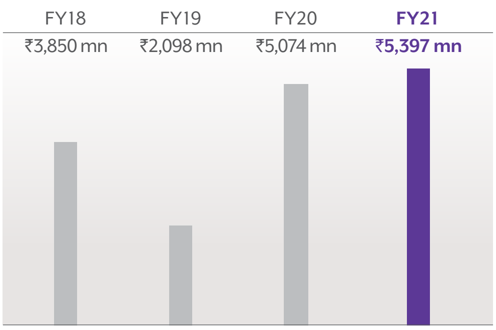
Total Income



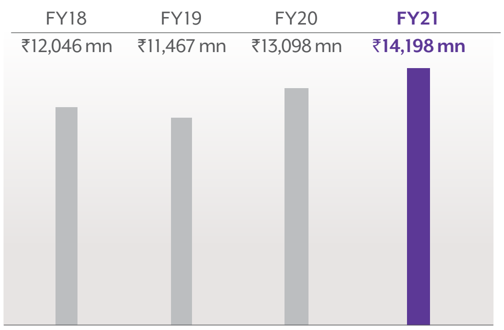
RoCE



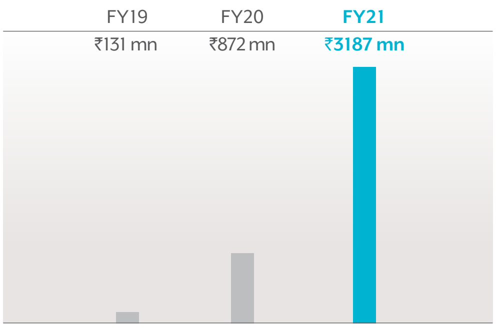
Profit after Tax



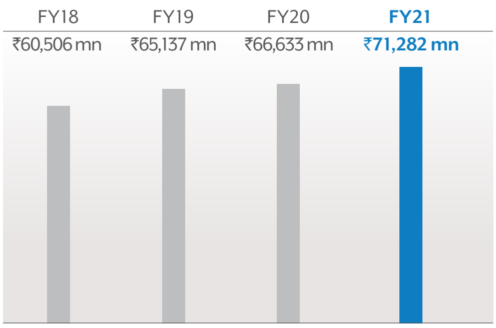
EBITDA



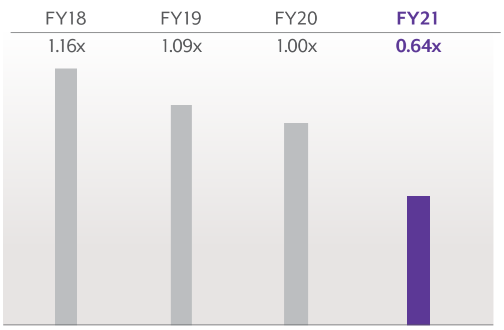
Flooring



Home Textile



DEBT/EQUITY



Welspun: Core Businesses

Welspun is dedicated to providing a complete bouquet of products and services for Homes and Institutions. Welspun is a leader in the area of Home Textiles but is steadily expanding into flooring solutions, advanced textiles, e-commerce, hospitality, and wellness, which offer significant future growth opportunities. Along with continuous strengthening of our export leadership, we have moved aggressively to capture the emerging opportunities led by consumer-driven growth in the domestic market. With our proclivity to innovate, we aim to revolutionise the home textiles and floorings industry with unique products.

Retailer Solutions

At Welspun, we are driven to be the most comprehensive strategic partner and solution provider for the retailers, by keeping consumers at the core. We actively listen to consumers through Welspun Braintrust that guides our decision-making process. Innovation is an integral part of our process helping us enhance our 360° farm to shelf capabilities. Our system enables the creation of end-to-end solutions right from market insights, design, product development to integrated manufacturing, global distribution, omnichannel support, and SCM analytics.

Hospitality Solutions

We cater to some of the best-known names in the hospitality industry with a suite of innovative products focusing on guest satisfaction. We supply high-quality towels and home textiles to hotels, vacation rentals, spas/ resorts, gyms, and health clubs. Our products conform to the most stringent laundering standards and wash testing requirements globally. We are known to be one of the best towel brands in India who's towels are quick-to-dry, resulting in cost savings for our customers.

360° Capabilities from Farm to Shelf

We are focused on being socially responsible and focused on sustainability at each level of our operations. For this, we have transformed every aspect. We have achieved this through well researched innovative offerings backed by deep consumer understanding. Our vertically integrated facilities are seamlessly connected to global supply chains and cover a wide distribution footprint. Leveraging digitalisation, we strengthened our brand portfolio & omni-channel capabilities.

the welspun brain trust

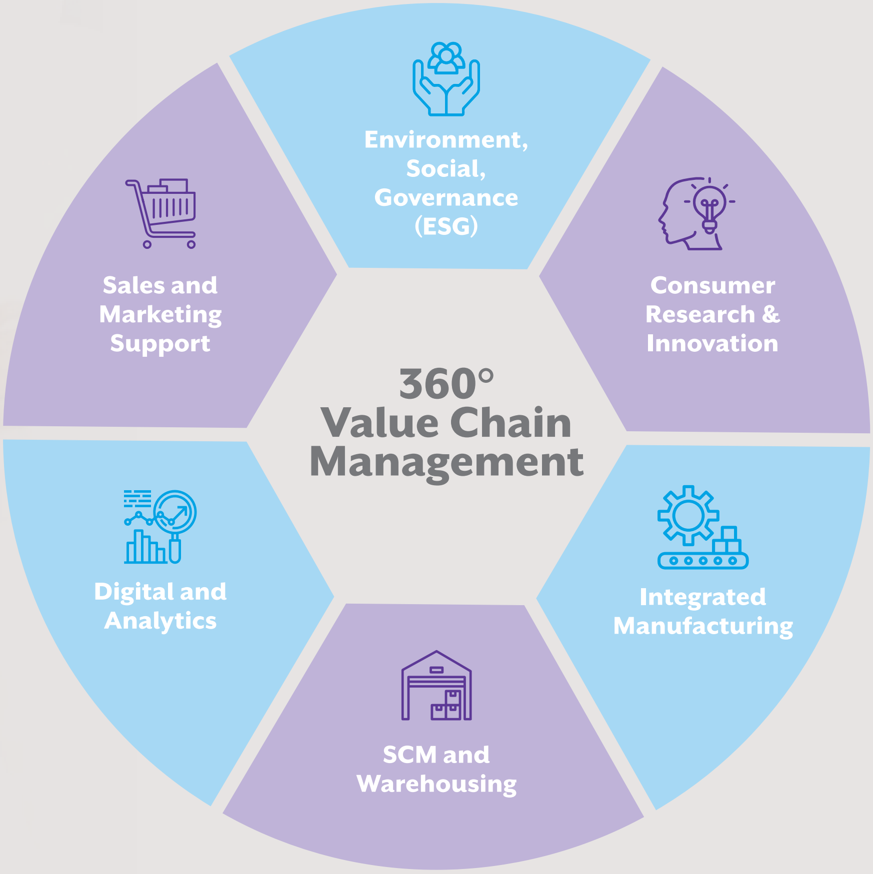
Welspun Braintrust

We actively listen to consumers through Welspun Braintrust, a real-time platform for users to give their feedback with results segmented across various demographics that guides our decision-making.
This enables us to develop relevant consumer solutions and innovations in sleep, comfort, wellness and performance with our breadth of capabilities from design to execution. This system guides our decision making with regards to product development, consumer marketing, retailer assortments.

Digitally Engaging with our customers

We connect closely with our customers to help us gain a better understanding of their needs and expectations, based on which we design our products and services. We engage with our customers using the following platforms:

- Virtual Showroom & Product presentation
- Virtual Shop floor walkthrough
- Virtual Quality Inspections
- Design Microsite



Growth Drivers | Brands

Meeting and Triggering Aspirations

While our Home and Innovation portfolio grows from strength to strength, we continue to build and cement our global licensed and owned brand portfolio to cater to changing consumer preferences across geographies.

We cater to both niche segments and mass markets. Addition of brands gives us additional shelf space, opens up new channels and creates incremental volumes, both online and offline.

Overall brand strategy

- Strengthening owned and licensed portfolio
- Penetration of consumer business across geographies
- Securing additional shelf space
- Alternate revenue streams

Owned brands		Licensed brands	
India	**Global**	**India**	**Global**
Spaces, Welspun, Welspun Flooring	Christy, Living by Christy, Kingsley, WelHome, Welspun Basics	The Championships Wimbledon Despicable Me, Marvel, Disney	Martha Stewart, ScottLiving, Stay Well, American Cotton, Wimbledon

Owned Brands–Domestic

The domestic market is valued at ₹12,000 crores and is expected to move up to ₹23,000 crores by 2025. A major part of this market is unorganised and unbranded.

For the market, we have a dual brand strategy: 'Welspun' brand for mass market segment and 'SPACES' for premium segment. Our aim is to enhance our brand reputation through Trust, Quality and Availability, and Innovation product offerings based on consumer needs and pain points.

₹1,000 cr
Business target in the domestic market by 2025

Brand positioning

- Premium
- Mass
- Thoughtfulness

Success story

2nd Most famous brand in the premium category

#1 Shop-in-shops brand

Best brand On Myntra in home category

2nd Most famous brand in Home Linen mass-market category within 2 years of launch

Presence

2,300+ Outlets

400+ Cities and Towns

200+ Shop-in-shop locations

4,000+ Outlets

50+ Distributors

50+ Cities

Aims

To be **"Har Ghar Welspun"**

To be a **Leader** in the Home Textiles space in India by 2023

Innovative and quality products available at arm's length

Nationwide presence in urban and rural, and be preferred partners for every modern trade and marketplace retailer

Target for brand penetration by 2025

SPACES® BED • BATH • RUGS

8 lakh Households

4,400 Outlets

WELSPUN

20 lakh Households

23,000 Outlets

Growth Drivers | Brands

Highlights FY21

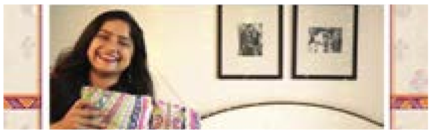
Retail business

Despite a major drop in walk-ins to our offline retail stores, SPACES' consumer penetration was 18% in its addressable market, while Welspun's penetration was 7%, according to an independent study (Hansa Research). In the new normal, it was also imperative for us to change the content and promotion strategy for both our brands. Here is what we did:

- Focused our efforts towards boosting online presence and e-commerce platforms of SPACES and Welspun
- Created contextual communication with respect to COVID-19 hygiene protocol (why not to share towels) along with film stars Pulkit Samrat and Varun Sharma of Fukrey fame. The video garnered 7.9 million views on YouTube

Rangana campaign

We came up with a festive collection called Rangana that celebrated India's diverse traditions, cultures, rituals, beliefs and the celebration of festivity through SPACES bedsheets and bath towels. These products were carrying the distinctive prints and patterns after the Indian art forms of Patan Patola, Ajrakh, Meenakari, Kashmiri Paisley, Phulkari, Madhubani, Paithani and Patachitra.



The Magic of Rangana

Launch of healthy life campaign

We launched an exclusive range of anti-viral home textile products – towels and bedsheets – for the Indian market in partnership with HealthGuard Corporation, which specialises in tailored non-invasive healthcare products. The technology combats the spread of harmful viruses through textiles.

CREATIVE CAMPAIGNS

Hunt for the Next Chief Style Officer

In a unique endeavour, SPACES launched a one-of-a-kind talent hunt for aspiring decor influencers. Aptly named SPACES Hunt for the Next Chief Style Officer, the contest was open to everyone who is house proud and passionate about decor.

With this campaign, we launched India's first-ever platform for aspiring home decor creators and enthusiasts to showcase their skills. The jury consisted of renowned industry stalwarts Krsnaa Mehta, Founder, India Circus; Ronitaa Italia, Editor-in-chief of GoodHomes magazine; and Payal Singhal, a leading designer. The campaign elicited participation from over 900 contestants. After multiple rounds, three winners were selected who collectively won ₹3.5 lakhs. We will be working with these winners to create digital content on an on-going basis.

900+

Contestants as part of the SPACES Hunt for the Next Chief Style Officer campaign

Safe SPACES

Partnering with Mandira Bedi and renowned clinical psychologist, Prerna Kohli, the Safe SPACES campaign gave people an outlet to voice their concerns and find solutions to mental health issues. The campaign reached out to 13 million people and was won the IAMAI India Digital Awards in the Best Brand-Influence Collaboration category.

13 million

People reached through the Safe SPACES campaign

#ChaloPaltai

As a certified 'Woman-Owned Business', we strongly believe in and work towards female empowerment and gender equality. Launched during the Durga Puja festivities in Kolkata, the #ChaloPaltai campaign highlighted stories of women who have taken on roles that are typically reserved or associated with men, and we urged people to take a pledge for gender equality. The campaign not only performed well in its intended cause, but also boosted the brand's purchase consideration by 240% (as measured through an independent study).

240%

Increase in brand's purchase consideration through campaign

#DonoTarafKhushiyan

During Diwali, we launched our #DonoTarafKhushiyan campaign video that highlighted the plight of domestic workers, many of whom had lost their jobs during the pandemic or were profoundly impacted by it. The campaign offered a specially curated back to work kit to the buyers with every purchase of a Welspun reversible bedsheet that homeowners could gift their domestic help. Additionally, we donated 1,000 standalone kits to an NGO for distribution amongst domestic workers.

1,000

Standalone kits donated to NGOs supporting domestic workers

Growth Drivers | Brands

Owned Brands–Global

Our global brands are household names, and that too for generations. Christy has a 170-year-old heritage in global luxury brands. Christy, again, has been the official towel supplier of The Championships, Wimbledon, since 1988. We are now repositioning ourselves in the digital space and gaining greater access to millennials.

Brand positioning

170-year-old heritage

Luxury Premium

Success story

1.7X
YoY Growth

35%
Christy business now comes from E-Commerce channel

Presence

Moving from phygital to
global digital

Repositioning
for millennials

Chiristy - Brand new Wimbledon collection

Licensed brands

Licensed brands are bringing us new opportunities without aggrandising shelf space from existing brands. We expect annualised revenue from licensed brands to cross $100 million by 2023.

$100 mn
Expected annualised revenue from licensed brands by 2023

Scott Living - High Quality home living

Martha

Strong performance
across channels

Healthy contribution
from E-commerce

Strong performance
across retailers, especially with largest store format

Top rated
programme status credentials

Scott Living

Scott Living and Welspun plan to reach
wider consumer base
with innovative bed and bath linen products

The brand has been able to create
healthy interest and generate a pipeline
for FY22 across WH clubs and department store formats alike

Martha - 100% Organic Certified Collection

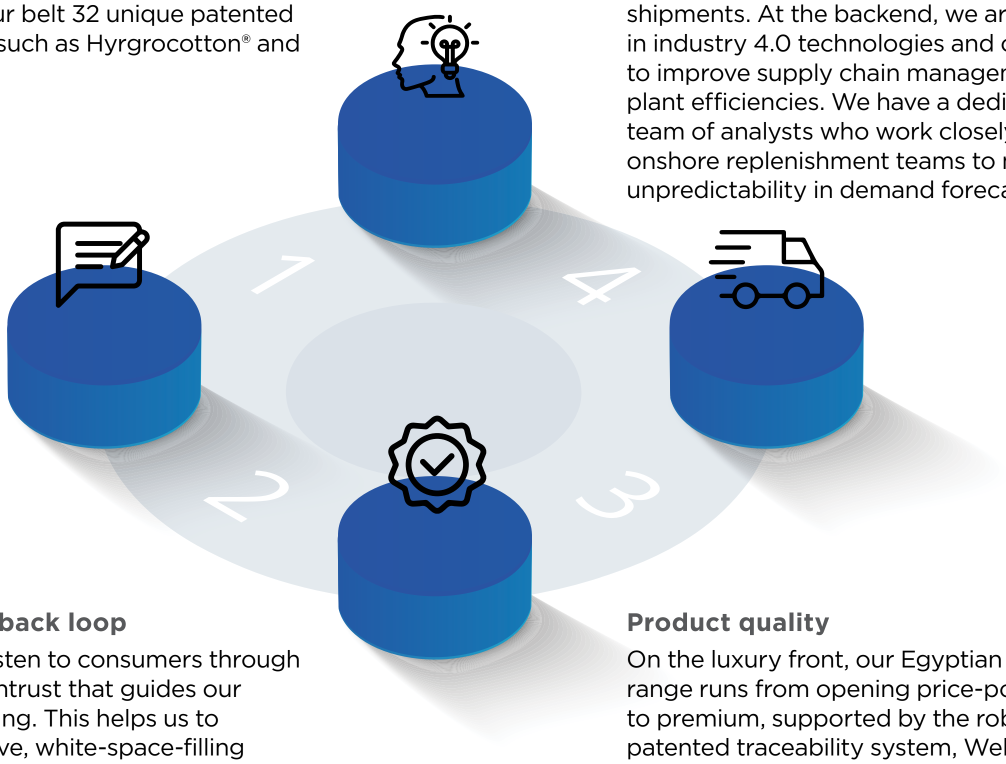
What Are we Doing Differently

Innovation

With a focus on wellness, sustainability, style and sense of community, we rely on our innovation DNA to provide value-added services to the customer. We have under our belt 32 unique patented technologies such as Hyrgrocotton® and Wel-Trak.

Smoothening the logistics

We have invested in strong in-house capabilities from assortment to analytics. Our warehousing facilities in the US and Europe also support e-commerce businesses for drop shipments. At the backend, we are investing in industry 4.0 technologies and capabilities to improve supply chain management and plant efficiencies. We have a dedicated team of analysts who work closely with onshore replenishment teams to minimise the unpredictability in demand forecasting.



Strong feedback loop

We actively listen to consumers through Welspun Braintrust that guides our decision-making. This helps us to create exclusive, white-space-filling merchandising ideas at a wide variety of price-points, with our breadth of capabilities from design to execution. We retain our design authority with our WelSpotted zeitgeist publication.

Product quality

On the luxury front, our Egyptian product range runs from opening price-point to premium, supported by the robust patented traceability system, Wel-Trak. Our Wellness range of home textiles have lifelong anti-microbial properties and odour prevention benefits. Our solution-based basic bedding is also offered in full sequential sleep-systems and we continue to add to our sustainable offerings.

Growth Drivers | Emerging Businesses

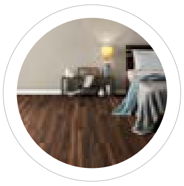
Solutions for New Age Needs

We are entering new ventures such as flooring solutions, advanced textiles, e-commerce, hospitality, and wellness to capture emerging opportunities in newer markets. With our unique and value-added products, we aim to continue to dominate the home textiles space and set new trends in the flooring segment.

Welspun Flooring

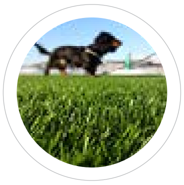
We are the only Company to manufacture hard and soft flooring solutions under one roof with a quick turn-around time and hassle-free installation. We cater to the Home, Hospitality and Commercial segment. Our greenfield fully-integrated facility in Telangana, with an annual generation capacity of 27 mn sq m, is India's largest LEED certified production facility.

Our innovative and design-forward flooring solutions



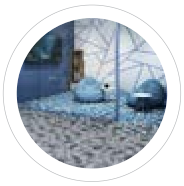
Click N Lock Tiles

A revolution in flooring, Click N Lock® tiles are made of a combination of Stone and Polymer which are highly durable while being lightweight and come along with the innovative Wel-Lock™ technology that enables quick and hassle-free installation - without noise, dust and in less than a day.



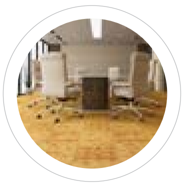
Greens

Easy-to-maintain, artificial grass, ideal for sport arenas, commercial applications, residential terraces, and gardens giving a lush look to the space and can withstand the wear and tear even in high intensity zones.



Carpet Tiles

Easy to customise and even easier to manage, carpet tiles help you create the work environment you've always dreamt of, whether it's an inspiring educational space or an upbeat office using a wide range of designs and types including Nylon, PET and PP with an integrated backing.



Wall to Wall Carpets

Wall to Wall Carpets are a class apart in beauty and prestige when it comes to enhancing the look of any space be it with Nylon or PET. With infinite design possibilities, these always give a feeling of distinction and also offer superior sound insulation.

Spatium6

Revolutionary flooring design, which choreographs movement and a therapeutic ideology with aesthetics as per the human psyche

INNOVATIVE SOLUTIONS

Flooring during pandemic

Office and commercial spaces are looking at drastic changes to reconfigure the space in accordance with the COVID-19 hygiene protocols.

Welspun Flooring has introduced a revolutionary flooring design, called Spatium6, a collection of visual cues in terms of floor markers, which choreographs movement and a therapeutic ideology with aesthetics as per the human psyche. Spatium6 has been shortlisted for CII Awards 2020

Key customers

Infosys
BNP PARIBAS
Google
HYATT
Radisson
Marriott
TAJ

Highlights FY21

Clocked ₹52.7 crores of sales

Launched PET Carpet Tiles, a revolutionary product comparable to nylon carpet tiles at a more economic price point

Completed setting up of the yarn multiplying section with a capacity of 2,500 MTPA

Deployed digital in a big way to expand outreach and engagement with focus on “Floor Makeover in a Day” and “Healthy Floors” messaging. Offering infinite customisation and colour possibilities

We have also introduced the industry first anti-viral flooring solutions for hard and soft flooring

Implemented several energy saving projects, resulting in cost saving of ₹87 lakhs per annum

Growth Drivers | Emerging Businesses

Advanced Textiles

Our Advanced Textiles business houses a diverse range of products under its portfolio using three major technologies – Spunlace, Needlepunch and Thermobond.

Each of them has an in-house downstream conversion unit to manufacture value-added products as per customer requirements. Application of products range from medical disposables, hygiene, cosmetic, coating substrate applications to various kinds of filtrations. Advanced Textiles clocked growth of 23% YoY. For FY22, we intend to add Spunlace capacity of 18,000 mt in Telangana. We foresee a growth of 26% in FY22. Our invention having title "Tampon with Consolidated Fibrous Assembly and Method of Making" has been patented in Europe as well as USA. Another invention title as "Multi-Layer Composite Filter Media and Method of Making Same" has been patented in Europe.

23%
YoY growth of Advanced Textiles business in FY21

18,000 tpa
Spunlace Capacity augmentation in FY22

Highlights FY21

Spunlace

Catering to medical disposables, hygiene, and cosmetic industries.

- Highest ever sales and revenue in FY21
- Successfully tested for manufacturing Aerospace cleaning material
- Developed special PE coated virus resistant SL fabric for PPE for health workers
- Built capability to manufacture and service products for fem-care segment; commencing business with a large global multinational
- Developed and branded 100% cotton SL product PUROKOTT with 30% regenerated cotton and created a market successfully in the US

Wet Wipes

Applications like baby care, personal hygiene, cosmetics, industrial use, and home care.

- Made record sales for the SBU in FY21
- Partnered in commercial activation of wet wipes at a large Japanese Baby care giant
- Invested in a state-of-art, fully automatic set up to harness the increased sales potential due to onset of the pandemic
- Manufacturing partners for brand launches and category extensions with innovative product claims and solutions for packaging, lotion formulas, and substrates
- Developed knowhow to manufacture disinfectant wipes

NEEDLEPUNCH

Engineered non-woven solutions for applications like Industrial Air and Liquid filtration, Cabin filters, Engine filters and Sound insulation in Automobiles, Thermal Liners and Moisture barriers for Protective apparel, Fire blocker and fire blankets, Composites for wind mills, Geo textiles and Carpet underlays.

- Commercialised PP Core non-woven product for composites for parts of equipment in Wind Energy application
- Ties-ups with OEMs in the US and European markets for filtration segment; started supply in the Nordic market
- Started commercial supply of various structural Arc/ Firefighting products to multiple US partners

Growth Drivers | E-commerce

Growing our Channel Expertise

We want to be a digitally driven organisation by 2025 – Welspun 2.0. Our vision is to build strong global B2C brands with enhanced focus on profitable growth driven through increased e-commerce penetration. The vehicle to achieve this growth is Project WAVE (Welspun Achieving Value through E-Commerce).

Powered by Accenture, the programme seeks to drive multifold profitable growth in 10+ global markets.

Our growth tenets

Scaling up D2C business

We want to transform customer experience holistically through scaling up D2C business. For this, we have redesigned digital experiences for two D2C sites (UK, IN) and have plans to foray into D2C brand.com for the US. We have grown our customer pool through Customer 360° analytics with 100,000+ consumers using 1st and 3P data and plan to reach 1+ million consumers in the near future.

Global platform partnerships

We seek to create sustainable value on our journey to be future-ready, through deep-rooted strategic partnerships with marketplace leaders and technology partners to drive digital adoption. Going forward, we want to strengthen these partnerships and seek more meaningful ways to create value for our business.

Global command and control centre

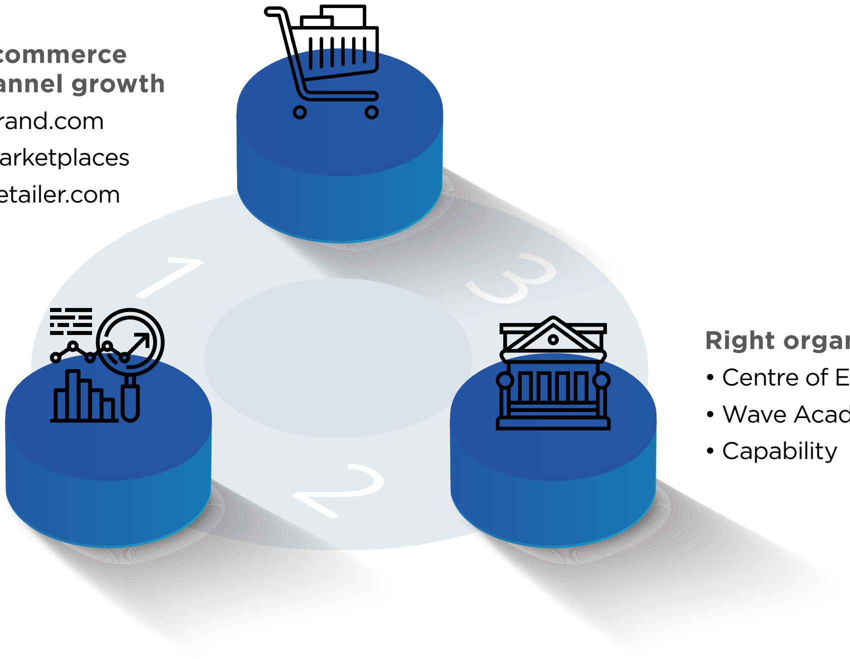
Data-led innovation is integral to our growth. The Global Command and Control Centre is a combination of a central hub, based at Welspun Mumbai, acting as an analytics and merchandising centre of excellence for global markets. The GC3 Analytics platform has enabled the achievement of steep growth of 2x in the first quarter through performance monitoring and insight driven decisions across the e-commerce value chain.

Technology stack

Technology is one of our core values that powers business in this rapidly changing sales and marketing landscape. Thus, we are laying the foundation for future growth by building a comprehensive next-gen technology stack for e-commerce business. We have deployed best-in-class e-commerce products throughout the value chain across commerce engine, product information management, middleware and marketing automation.

Chief differentiators

E-commerce channel growth
- Brand.com
- Marketplaces
- Retailer.com



Strong technology back-end
- Tech-Stack: Middleware
- Product Information Management
- Analytics – Global Command & Control Centre

Right organisation
- Centre of Excellence
- Wave Academy
- Capability

wave

20,000

Employees to benefit through Wave Academy, upskilling them for the digital world

GLOBAL E-COMMERCE PROJECT

Wave Academy

We cannot transform as a Company unless we grow and learn to adapt. We want to unlock the power of 20,000 employees by upskilling them for the digital world.

As part of this Digital Transformation, in December 2020, we launched a key part of Project Wave – The Wave Academy in collaboration with Accenture. It is a five-month training programme, built not just for the Welspun e-commerce team but also supporting business areas (starting with the US) to help us deepen our industry knowledge and sharpen specific key skills to help us hit our financial targets. The programme blends in expert led sessions followed by self-paced digital learning content.

The most liked part is its B-school style, case-based learning and expert interactions, blending in the best of Welspun SMEs, project leads and external speakers, followed by self-paced online courses powered by Percipio and Udemy. We see Wave Academy as a corporate asset and key to our digital transformation.

Value Enablers | Innovation

Remaining future-ready

We have always stayed ahead of the curve with our pathbreaking innovations. As a thought leader in Home Solutions, we have 32 patents in our portfolio, the highest in the industry. Our innovations in flooring and advanced textiles are diversifying choices for customers.

32
Patented technologies filed globally

Winner
Clarivate South and South East Asia Innovation Award 2020

Global Collaborations
with top universities, technology partners and industry associations

Key innovations

HYGROCOTTON

Patented spinning technology that makes the towel softer, loftier and more absorbent and bedsheets that provide temperature regulation all through the year.

What does it do?

- Softer, fluffier after wash
- Temperature regulating

HYGRO COTTON

WEL-TRAK

Patented traceability solution tracking fibre from source to finished product. The solution is further being made robust by moving into blockchain technology in its upcoming version Wel-Trak 2.0-and carries digital and third-party verification. Select premium fibres can even be further traced back to origin, independently verified by Oritain™, an expert in origin traceability.

Latest technology to delight consumers

AUTHENTIC WEL-TRAK FIBER
traced - tracked - trusted™

What does it do?

- Builds trust
- Enhances transparency

Other innovations

NANOCORE

Textiles with patented Nano Core™ fabric structure creates a natural allergen barrier and their chemical-free finish is easy on even the most sensitive skin.

What does it do?

- Prevents allergy and asthma
- Chemical-free

nano core
Anti-allergen comfort is here™

CHARCOAL

Charcoal is infused into a special line of textiles that make them soft, breathable and hygienic. They have natural anti-odour properties that make them fresh for life.

What does it do?

- Odour-control
- Hygienic

DRYLON

Textiles or accessories infused with this technology are easy to dry and soft to touch.

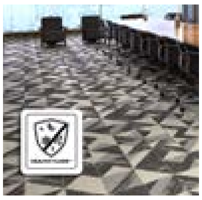
What does it do?

- Ultra-soft
- Dries super-fast

drylon
EZcare comfort is here™

Innovations in Flooring Products

HealthyFloor™

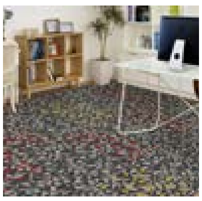


India's first anti-viral flooring solutions for hard and soft flooring, HealthyFloor™ uses a special coating of silver ion and titanium oxide giving the floors anti-viral and anti-microbial properties

ResilonX™

Resilon X ™ is derived from recycled polyester yarn for maintaining the shape and texture of the carpet in the long run. Made out of special spinning technology, which ensures superior durability and resilience. Resilon X ™ offers excellent shape and texture retention, high performance, and wearability so your floor always looks beautiful.

Welspun Ecolite™



Revolutionary backing made up of lightweight PVC ensuring 40% less environment footprint than traditional carpets

Innovations in Advanced Textiles

Non-woven technologies are to manufacture high-performance innovative materials for a wide range of customer applications, including personal protection. Non-woven textiles use novel techniques of binding fibres together to form a unique fabric through Hydro-Entanglement, Needle Punching and Thermo-Bonding.

- Engine air and cabin air filter media
- Higher dust holding capacity
- Unique and patented blend
- Abrasion resistance
- Mid-range temperature filtration
- Industrial filtration media
- Pleatable filter media
- Liquid filtration media
- Superior pleatability
- Zero fibre migration

Manthan

To foster an entrepreneurial work culture and propel innovative thinking, we launched Manthan, an organisation-wide program with an aim to encourage employees across all departments and functions to come up with impactful, innovative and adaptable ideas that are aligned with business goals.

Value Enablers | Digitalisation

Leveraging automation for efficiency

We have accelerated our digital transformation in the wake of the pandemic and are now focusing on upgrading our systems, tools, processes, and people while focusing on 'Digital as the new norm'.

The entire digital transformation is based on three core principles in terms of improving our process efficiencies, real-time visibility of information with deep analytics and driving automation with minimal/no human interventions. This will make us leaner and more agile, thereby enabling us to serve our customers better and increase our stakeholder value. We are concentrating on Advanced Analytics, Power BI based Dashboarding tools and Robotic Process Automation.

Goals for digital transformation

- Increasing customer satisfaction and experience
- Enhanced reliability and reduced risk
- Increased flexibility and scalability

For product management

- Collaborative E-PLM (Extended-Product Lifecycle Management)
- Digitisation of product development
- Master data management system
- Collaborative 3D design platform for customers
- B2C product information for the management platform

For the Supply Chain

- Supply Chain visibility enabled by Analytics
- Planning Platform enabled by ML Algos
- Warehouse Automation to serve new channels
- E-Documentation (RPA)

For manufacturing

- Industry 4.0
- Computer vision-based QC
- Real time performance monitoring
- Energy management systems
- IoT/Connected machines
- Robots, Sewbots, Cobots
- AI enabled projects

For sales & marketing

- Digital customer engagement
- Virtual showroom, shop floor walkthrough & Inspection
- Global E-Commerce Programme via marketplaces & brand.com portals

For suppliers

- E-Sourcing
- E-Procure to Pay

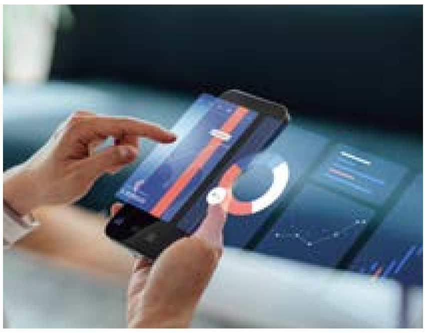
For customers

- Virtual showroom and product presentation
- Virtual shop floor walkthrough
- Virtual quality Inspections
- Customer feedback

Digital initiatives

Project Athena

We implemented Enterprise Resource Planning (ERP) to eliminate manual interventions in data preparation, review and analysis and created a data warehouse by connecting multiple data sources and applications to integrate Machine Data for future and present analysis. We plan to implement predictive analysis using cases from supply chain management, Industry 4.0 or customer experience and also upgrading our core backend to a huge data lake which will be a vast storage repository.



Master Data Management (MDM)

We have developed a web portal specifically to digitise the master data creation process to bring in improved data management to gain more efficiency. A robust system has been developed, SOPs for managing master data have been made. Master data governance has also been introduced for improvements in data streaming, data availability and decrease in data errors.

Industry 4.0

The whole view of industry 4.0 at Welspun is to have an end-to-end automation and digitisation in every section of the manufacturing plant. We have implemented initiatives to help automate the machines and integrate the machine data back to the data warehouse with a focus on digitising total quality management (TQM), supply chain management SCM, and warehouse section

Value Enablers | Welspun's ESG approach

Changing from Within

In a year that saw disruption on multiple fronts, we chose to adopt a holistic ESG approach, naming it 'WELOCITY', that aims to propel well-being of all our stakeholders at each stage of our operations.

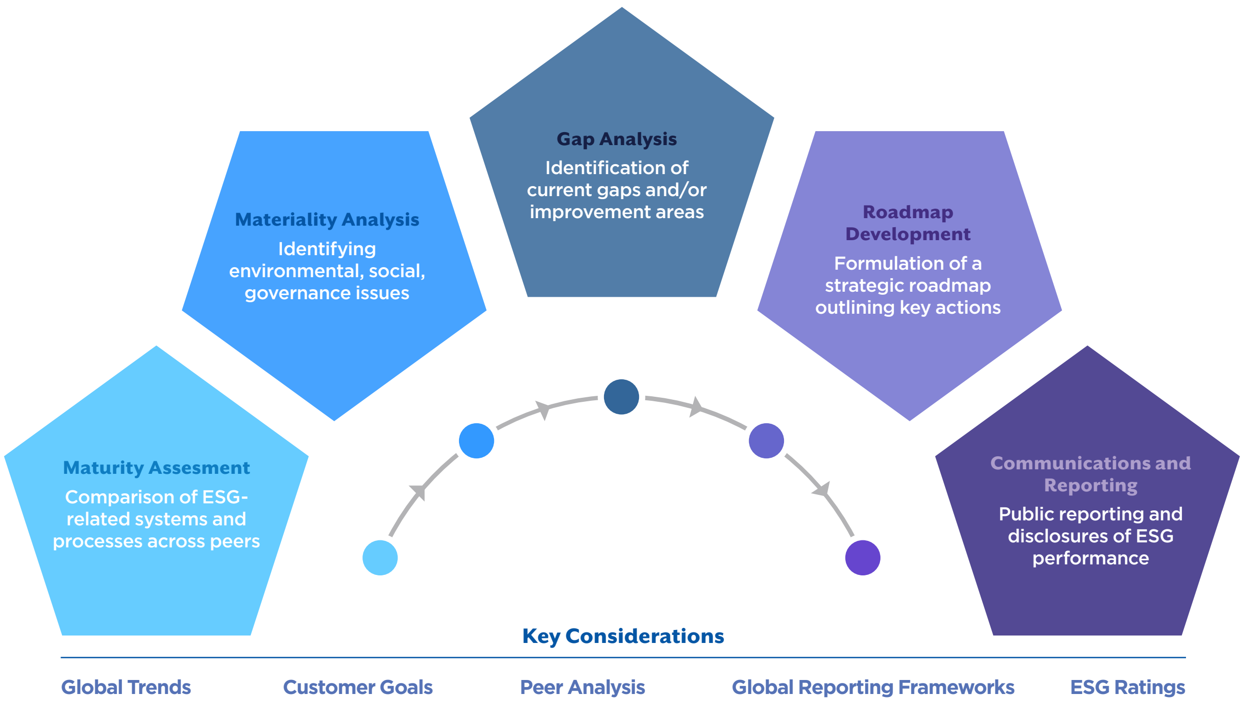
Our ESG strategy, 'WELOCITY', stands on the three pillars of economic growth, environmental conservation and social empowerment, with acceleration at its core. It aims to propel the well-being of the environment, well-being of the society, along with the well-being of our stakeholders with a strong governance providing the bedrock.

We are aware that we can leverage the size and influence of our organisation to make a powerful positive impact in the life of our local communities and in preserving the environment. This aspiration is reflected in the bold and strong logo of 'WELOCITY', which depicts how the three bottom lines are to be the building blocks of our ESG approach that will drive the Company's future growth.

We drew up a strategic map to advance systematically on the path of sustainable development. This included first identifying the key focus areas to be targeted, followed by designing initiatives to target each of these areas, and finally communicating our efforts, progress and future plans through reporting.

Welocity
Accelerating Sustainability

What we did

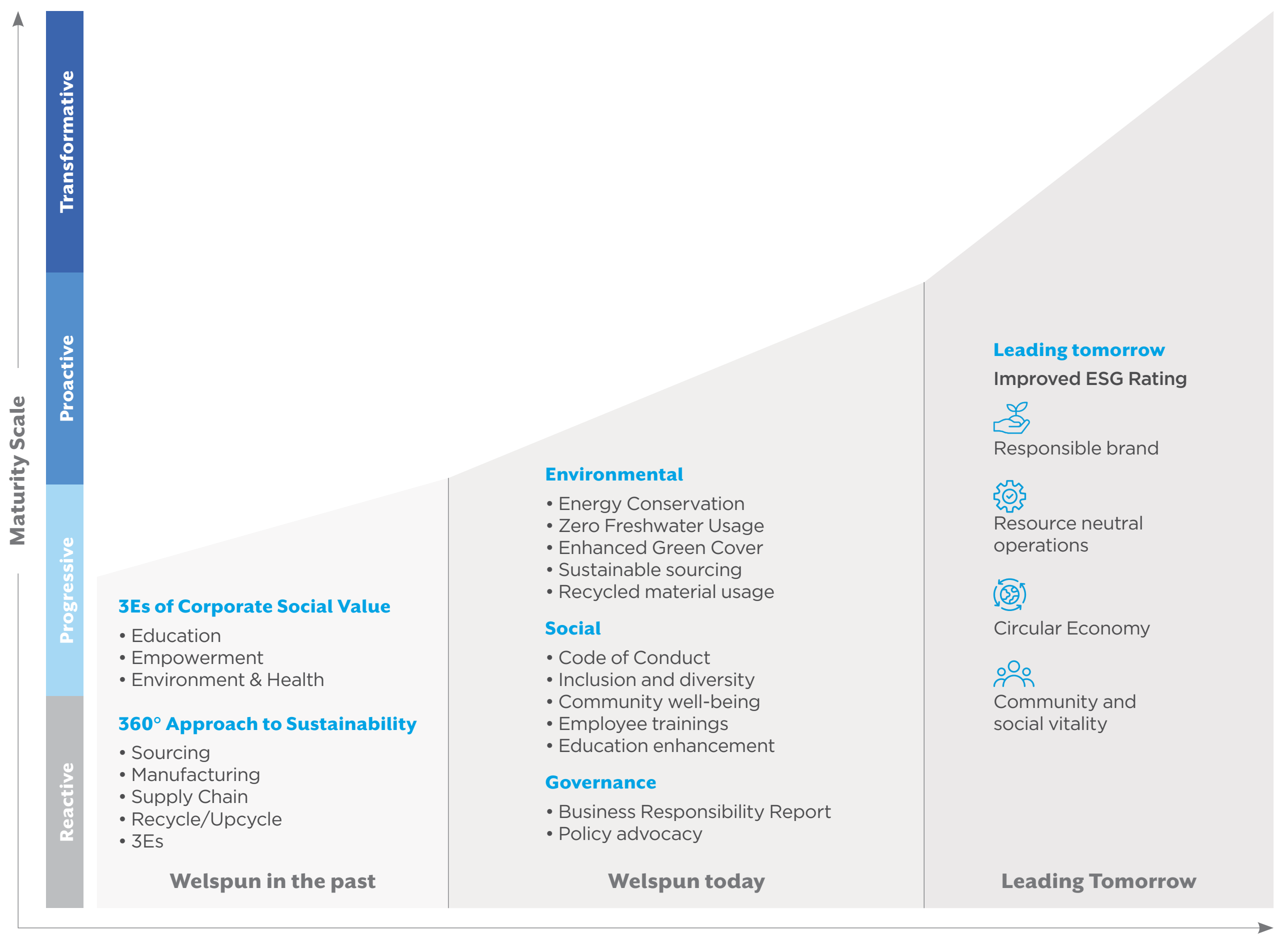


Transformation in our Sustainability Approach

We changed our approach to sustainability from being **reactive** to situations to becoming **proactive** – taking measures in advance to prevent adverse impact on the triple bottom line. We are now going one step ahead to becoming **transformative,** where we are now focused on developing holistically as an organisation, integrating sustainable solutions at each step. Sustainable development is a continuous process and we thus constantly endeavor to upgrade our systems, processes and culture to become better corporate citizens while transforming into a future-ready organisation committed to creating value for all. As a part of transforming into a sustainable organisation, we are embedding sustainability and circularity in every realm of our value chain right from sourcing of raw materials to manufacturing, supply chain and waste recycling.

ESG World website

Welspun's transformation



Business Model

Our Approach to Value Creation

Inputs

Financial Capital
Net Debt | **23,327 mn**
Equity | **36,447 mn**
Fixed Assets Net Block | **39,872 mn**
Working capital | **27,267 mn**

Manufactured Capital
Domestic manufacturing facilities | **3**

Natural Capital
Water consumed | **20,13,742 KL**
Energy consumed | **52,11,406 GJ**
Total cotton procured | **54,346 mt**

Human Capital
Total number of employees | **24,594**
Women Talent across functions | **25%**

Social & Relationship Capital
Investment on CSR initiatives in FY21 | **160.30 mn**
Strong domestic retail outlets network | **5,100**

Intellectual Capital
Members R&D Strength | **77**
Patented technology owned by WIL | **32**

Value Creation Approach

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

Principles
- Consumer centric
- Collaboration
- Technology and Innovations
- Inclusive growth

Strategic Pillars
- Strengthening brands
- New growth engines Emerging Business
- Create shared value
- Innovation
- ESG
- E-commerce
- Digitalisation

Business Activity
- Research and innovation
- Product Development
- Procurement of raw material
- Product manufacturing and packing
- Supply chain and logistics
- Consumer Analytics
- End of life/recycling

Enablers
- Business Models
- Innovations
- Digitalisation
- Mainstreaming Sustainability

Stakeholders We Rely upon and Create Value for
- Shareholders
- Consumers
- Employees
- Value-chain Partners
- Community
- Environment
- Government and Regulators
- Customers

360° Capabilities from Farm to Shelf

Consumer Research & Innovation
Well researched innovative offerings backed by deep consumer understanding

Integrated Manufacturing
Vertically integrated facilities with seamless connectivity to global supply chains

SCM and Warehousing
Global distribution footprint

Our business model supports our growth and defines our activities, the relationships we depend on, and the value we create for each of our stakeholders.

Outputs

Home Textile

80,000 mt
Bath Linen

90 mn m
Bed Linen

10 mn sq m
Rugs and Carpets

Advanced Textile

10,000 mt
Spunlace

3,000 mt
Needle Punch

75 mn packs
Wet Wipes

Flooring Solutions

7.5 mn sq m
Soft Flooring

5.4 mn sq m
Hard Flooring (KA1)

Outcomes

Financial Capital

Market Capitalisation | **81,232 mn**

RoCE | **13.80%**

RoE | **16.3%**

Dividend pay-out in FY21 | **15%**

Total Income | **74,080 mn***

EBITDA | **14,198 mn**

EBITDA Margin | **19.2%**

EPS | **5.37**

Natural Capital

GHG intensity (per production) | **5.1**

Water recycled annually | **4,000+ mn ltrs**

Sustainable cotton procured | **45%**

Human Capital

Employees with tenure > 10 years with WIL | **1,670**

Social & Relationship Capital

Lives impacted | **1,69,490**

Intellectual Capital

Percentage of Sales in FY21 from Innovation | **42%**

Patent Grants | **78**

Digital and Analytics
Digital transformation across the organisation

Sales and Marketing Support
Strengthening brand portfolio and omni-channel capabilities

Environment, Social, Governance (ESG)
Socially responsible, sustainability focused

Making textiles you can feel good about

*Consolidated Figures

Operating Context

Understanding the Industry Dynamics

The pandemic brought about a global transformation in consumer trends. With altered lifestyles and added focus on hygiene and wellness, consumers' purchase decisions are now being influenced by new set of factors.

Changing consumption pattern

As the world came to a standstill in March 2020 and lockdowns was imposed in many countries across the world, the retail industry saw a massive transformation in the consumption pattern. With the lives of consumers upended by COVID-19, there have been substantial and lasting changes in the way people live, work and shop.

As per the PwC global Consumer Insights Survey 2020, 40% of global consumers have experienced a drop in income due to job loss, decreased income and increase in the household bills.

About 50% of the consumers ranked financial security as one of their top three concerns—a rise of 36% since March 2020.

Up to 30% of Indian consumers plan on spending lesser amount of money on discretionary goods. However, consumers are willing to spend more on products that offer quality and convenience. 61% of consumers are making more environmentally friendly, sustainable or ethical purchases with 89% are likely to continue post-crisis.

Shift towards trusted brands

As consumers adapted to a new normal, what they are buying and how they are shopping has changed dramatically. Consumers are consciously choosing brands that offer them value-for-money products. As more consumers move towards online shopping, they have the ability to compare prices, quality, convenience and other factors before choosing a brand.

What consumers are buying and how they are shopping has changed dramatically as a result of the pandemic, and these new habits are continuing. In many cases, consumers have used this life pause to reflect on their own consumption. They are striving to shop locally, mindfully and cost-consciously.

Reasons for choosing name brands

(%)

Reason	
I trust name brands products	25
Value of name brand justifies the price differences	17
It is what I have always done	18
Name brands are higher quality	27
Name brands are more likely to be available	11

Source: Deloitte Consumer Tracker, India, April 2021

Reason for trying a new brand

(%)

Reason for trying a new brand	% of respondents selecting reason in top 3
Availability	48
Convenience	34
Value	30
Quality	16
Health/Hygiene	13
Purpose-driven	11

Source: Mckinsey Consumer Survey, US, 2020

Increase in online shopping

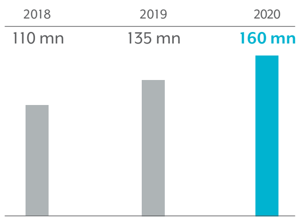
Due to the pandemic, a massive growth in online shopping was observed as people avoided physical store visits. The increase in adoption of internet use and technology across all age groups, demographics and consumer cohorts, has led to an acceleration in online sales of consumer products. Shopping through online channels not only enabled customers to shop from the comfort and safety of their homes but it also allowed retail players to operate and survive despite restrictions during the period of lockdown and subsequent stages of opening up. Online sales went up from -3% in the month of February 2020 to 17% in the month of September 2020.

The ongoing pandemic has accelerated the speed of the ecommerce industry in India as never seen before. It has brought about a revolution in the way companies operate run and grow the business.

Companies are now moving towards e-commerce, a multichannel approach to sales that seeks to provide customers with a seamless shopping experience, whether they're shopping online from a desktop or mobile device, by telephone, or in a brick-and-mortar store.

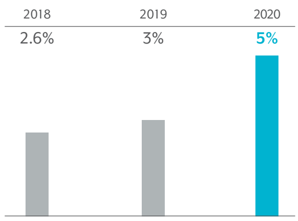
Companies have shifted their operations online, enhancing their presence through various digital platforms and forming innovative product bundles aligned with the needs of customers and thus ensuring greater customer engagement. The competition in this field is very high and companies are constantly bringing forth innovative solutions that set them apart from the competitors. The Indian market size is expected to grow at 30% CAGR to cross $110 billion by FY25.

Annual Online Shoppers
in India



Source: Redseer Consulting

Online penetration
(as a percentage of total retail spend)



Source: Redseer Consulting

Increased focus on health and wellness

The past year has been a learning curve, reinforcing the importance of mental and physical well-being in the lives of consumers thus, they are shifting towards choosing a healthier lifestyle. As per a PwC global Consumer Insights Survey 2020, the pandemic influenced 69% off respondents to make more health and safety conscious decisions. As the importance of hygiene and safety was highlighted in this past year, consumers are adopting a holistic approach towards a healthy lifestyle.

69%
Consumers are more focused on mental health and well-being

51%
Indian consumers more focused on hygienic packaging

Source: PwC Global Consumer Insights Survey, 2020

Value Creation Strategy

Focusing on the Path Ahead

Guided by innovation and a strong consumer focus, we strive to be global leaders in our business, while becoming more sustainable without compromising on profitability.

At WIL, we are always focused on value creation while retaining our competitive edge. We are undergoing a major transformation, reducing the linearity in its system, and embedding circularity in every aspect of our business. We have built a roadmap on Sustainability that enlists our goals and targets till 2030.

Our strategy for growth

Consumer-centricity

- At Welspun, we believe in designing our products around the needs of our customers which helps us in creating top-class, quality products
- Our forwards-looking approach helps us cater to the needs of our customers efficiently and in a foresighted manner. This has helped us operate as 'strategic partners' with our B2B customers and gain the trust and value of our B2C customers
- We have invested in systems such as Welspotted, BrainTrust, web scraping and other focused consumer researches for feedback from consumers and making data-driven decisions
- The data helps us customise and modify our service, making it the best-in-class service

Strengthening brands

- Our strong brand portfolio continues to helm our business growth, enabling us to deepen our connect with various stakeholders across markets and product categories. We have, in recent years, enhanced our focus on growing our B2C business share by powering specialised strategies to steer different brands across diverse channels and markets
- Our deeper understanding of the market has enabled us to launch Welspun 2.0, driven by our owned and licensed brands, emerging businesses and e-commerce

New growth engines – Emerging business, E-commerce

- Our world-class technology creates solutions that result in efficiency and brings more value to our customers. Since e-commerce has become a huge part of our daily lives, platforms such as omni-channel, D2C sites and marketplaces has taken a centre place in our business
- Considering the changing industry landscape and digital disruption, we have accelerated focus on enabling a digital culture. We are upgrading our systems and training our people keeping in mind 'Digital as the new norm'
- We continue to come up with creative solutions to the emerging and nascent needs of our stakeholders

Creating shared value

- Collaboration is key to enabling a successful sustainability strategy and thus we try to constantly engage stakeholders across the value chain to create sustainable solutions that will have a positive long-term impact
- Our collaborations with top universities, technology partners and industry associations are expected to act as a catalyst for us to gain a competitive edge in areas where we do not have the necessary solutions and capabilities
- We grow with our communities. The Welspun Group ensures a strong commitment towards all-round social progress, as well as sustainable development that balances the needs of the present with those of the future. We are committed to building a sustainable and progressive community through our emphasis on the 3Es – Education, Empowerment and Environment and Health

Building a circular system

- We are taking conscious efforts to move from a linear system to a circular system. For this, we optimised the raw material requirement, set up recycling systems for waste, and designed upcycling systems for products
- We segregate, package and label our waste and treat each waste category separately. We have a mechanism to upcycle the waste fabric from sheets to create designer products
- We use sustainable packaging in the form of FSC-certified paper packaging and LDPE (Low Density Polyethylene) packaging containing 30-50% of r-LDPE content made from recovered plastic packaging in the scrap house
- To minimise the amount of waste sent to landfills, we have nominated recycling companies for each type of waste. Most of this waste is recycled and introduced back into the system and packaging waste is recycled and reused for packaging. We managed to recycle around 1 mt of plastic waste this year. We send metal and paper waste to recycling companies while waste cuttings from bed sheets and towels are recycled to make cotton fibres used in stuffing pillows
- Successful trials are carried out to use the sludge from the Anjar factory as a source of fuel to reduce use of fossil fuels. This will also lead to zero hazardous waste sent to landfill

Spun - Handcrafted Contemporary Designs

An Eye on the Triple Bottom Line

We are striving to be a global leader in the use of the ESG framework and compliance with sustainable practices. We are enabling a sustainable and circular approach in all our operations, be it sourcing of raw materials, manufacturing, supply chain and waste recycling.

Featured among
Top 100
Sustainable companies in India by ET-Futurescape

Welspun is rated
Low Risk
on ESG factors by one of the top ESG rating agencies

Welspun's Sustainability journey now a
case study
on Ivey publishing website

Conducting Gap-assessment and identifying measures to move to
Negligible Risk
rating

Welocity
Accelerating Sustainability

Sustainability goals

Aspects	FY21 (baseline)	Goal 2025	Goal 2030
Carbon Neutral	Nil	20% RE	100% RE
100% Sustainable RM - Cotton	45%	50%	100%
Fresh Water Positive	10 KL/MT	5 KL/MT	0
Zero waste out of site (ETP chemical sludge – landfill)	41 MT	0	0
Impacting 1 million lives in CSV	1,60,735	5,00,000	10,00,000
Farmers in sustainable farming project	12,167	20,000	50,000

What are we doing to improve our ESG performance?

Maturity assessment
Comparison of ESG-related systems and processes across peer set

Gap analysis
Identification of current gaps and/or improvement areas based on maturity assessment and materiality analysis

Communications and reporting
Public reporting and disclosures of ESG performance

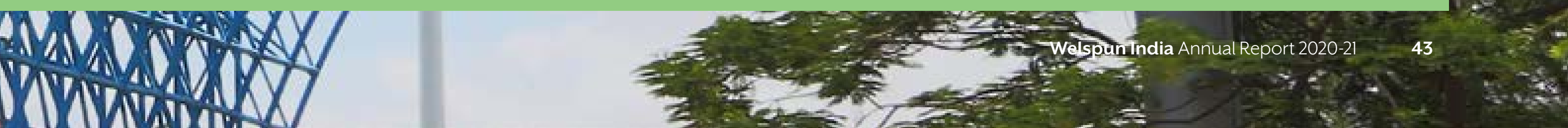
Materiality analysis
Identifying, refining, and assessing numerous potential environmental, social and governance issues that could affect the business and stakeholders

Roadmap development
Formulation of a strategic roadmap outlining key actions to be undertaken in short, medium, and long term

Prioritising issues that impact value creation

Material ESG factors

ESG factor	Initiative	Key metrics
GHG Emissions	• Carbon neutral by 2030 • Shift to 100% renewable energy by 2030	• GHG emissions (scope 1 and scope2) were 8,69,925 tCO_2e for FY21 • Energy Intensity was 30.8 GJ/T in FY21
Water	• Freshwater positive (in production operations) by 2030 • Reduce current freshwater usage by 50% in 2025	• Product water intensity of 36.3 m^3/tonne • Fresh water intensity 10.1 m3/T • Total water consumption 6.1 million m^3
Waste	• Recycled plastic waste and used in packaging • Recycled hazardous waste into captive power plant • Factory waste recycled/upcycled • Target Zero hazardous waste to landfill (ETP chemical sludge) by 2025	• More than 80% hazardous waste externally recycled • Significant amount of non-hazardous waste recycled and reused • Recycled around 1 metric tonne of plastic waste
Cotton sourcing	• Targeting to source 100% sustainable cotton by 2030 • Engages with farmers to grow BCI as well as organic cotton • Engages 70k farmers	• 45% of cotton sourced is sustainable
Diversity, inclusion	• ESG Committee at Board-level to oversee all governance around ESG	• Females are 25% of workforce • 80k training hours in FY20 • 160k beneficiaries of community development programme • SA-8000 certified • 28.5% of directors are women
Supply chain related	• Completed assessments with 76 of total tier 1 suppliers (audited on social and environmental aspects) • Target to assess all tier 1 suppliers by FY22	• Assessed 76 tier 1 suppliers for ESG

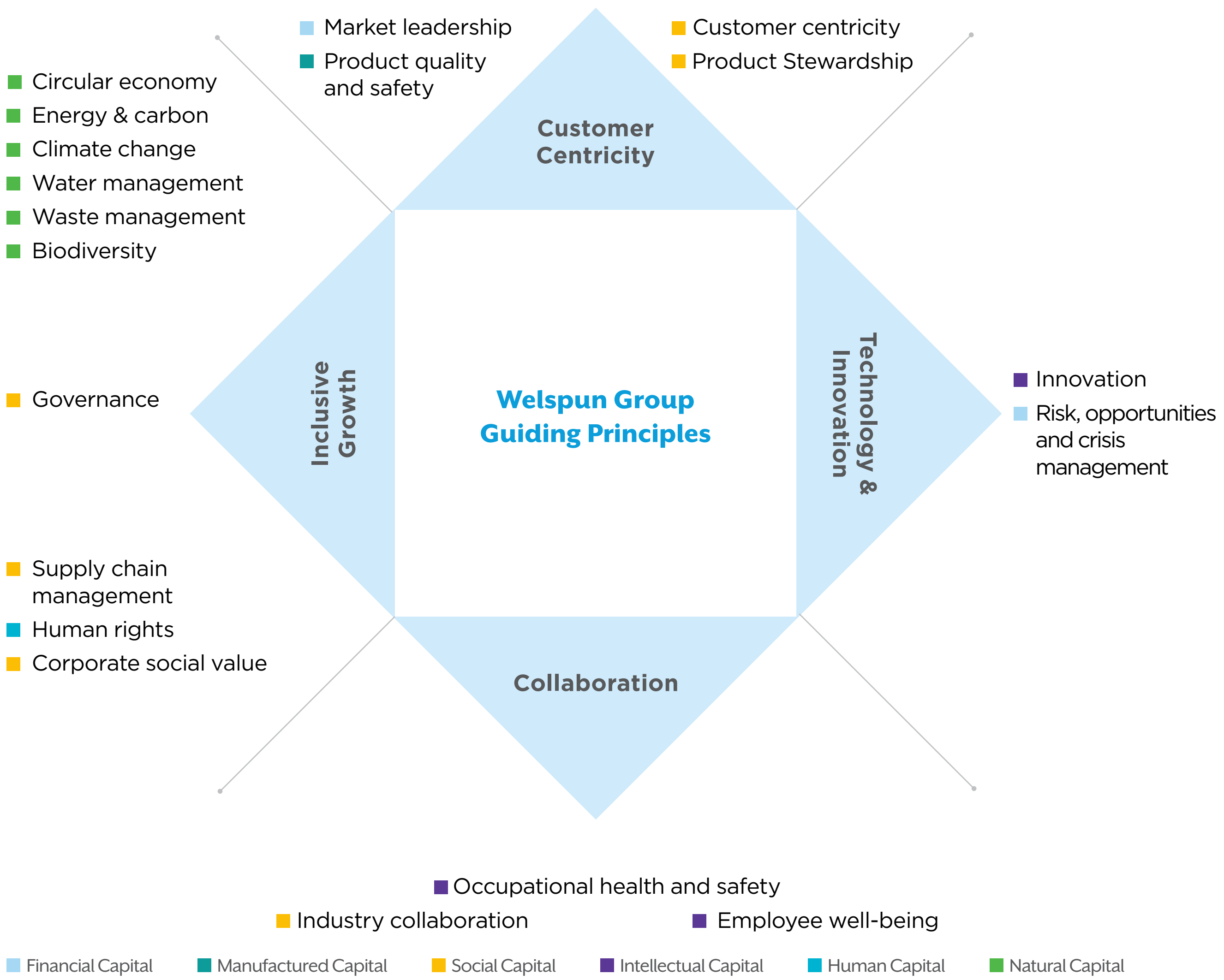


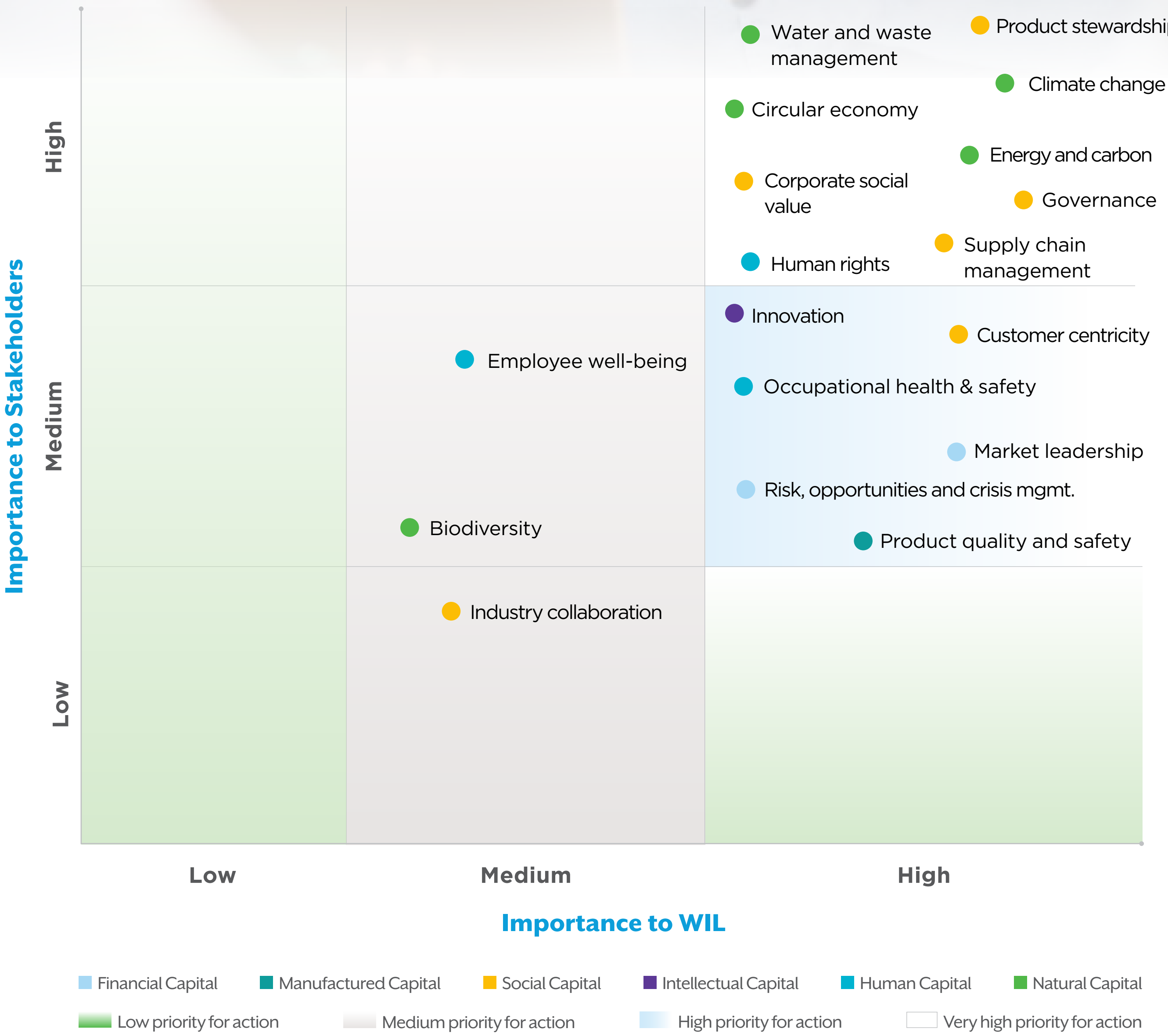
Materiality

Our Materiality Matrix

At WIL, we understand the growing concern on ESG risks and its impact on the ecosystem and business operations. While, ESG action has always been at the core of what we do, this year we realise it needed to be structured and formalised.

Therefore, we began with the materiality assessment, which is a process of identifying and prioritising key ESG focus areas, relevant to the organisation. We analysed industry trends, global frameworks including Sustainability Accounting Standards Board (SASB), Global Reporting Initiative (GRI), ESG metrices, National Voluntary Guidelines (NVGs); and mapped them with WIL's business objectives and principles. Stakeholder perspectives were also considered to prioritise the material issues and they were also the basis for setting the goals and KPIs.




Water and waste management
Product stewardship
Climate change
Circular economy
Energy and carbon
Corporate social value
Governance
Supply chain management
Human rights
Innovation
Customer centricity
Employee well-being
Occupational health & safety
Market leadership
Risk, opportunities and crisis mgmt.
Biodiversity
Product quality and safety
Industry collaboration
Importance to Stakeholders
High
Medium
Low
Low
Medium
High
Importance to WIL
Financial Capital
Manufactured Capital
Social Capital
Intellectual Capital
Human Capital
Natural Capital
Low priority for action
Medium priority for action
High priority for action
Very high priority for action

Environment

Environmental Sustainability

We strive to adopt a proactive approach to safeguard the environment and integrate it into the business philosophy. All our facilities have ISO 14001 certified robust environment management systems in place to ensure environment-friendly operations.

We acknowledge the risk of climate change, its implications, and the adverse environmental impacts from our business operations. Our facilities in Anjar and Vapi are OEKO-TEX® Standard 100 certified, designed with an environmentally sensitive approach. We strictly monitor their sustainability performance besides taking initiatives to increase our energy efficiency, carbon reduction, water, and waste management.

Creating positive impact through sustainability

Energy

Energy costs make up a significant proportion of our operational costs. Our energy management practices are targeted to improve energy efficiency through process and equipment modification, energy conservation and introducing new technology.

25,82,168 GJ
Direct Energy Consumption

26,29,238 GJ
Indirect Energy Consumption

52,11,406 GJ
Total Conventional Energy Consumption

Key initiatives

- Hot water recovery
- Optimised blower operation at ETP
- RO permeate pump replaced with optimum head pump
- Cooling tower pump pressure optimisation

Emissions

We are aware that our processes significantly contribute to greenhouse. We are exploring methods to mitigate GHG emissions through process improvements and investment in low-carbon technologies.

Key initiatives

- Focus on energy efficiency
- Recycle waste
- Sustainable cotton consumption
- Usage of PET bottles to make fibres
- Avoid waste to landfill

Water

Our processing operations are water-intensive, and hence judicious use of water resources is critical to the Company in the long term. We strive to ensure the sustainability of local water sources everywhere we operate and have taken several initiatives to promote water efficiency.

Key initiatives

- Both our factories undertake recycling and reusing of wastewater. We have set up a 30 MLD Sewage Treatment plant at our Anjar factory, which recycles sewage wastewater from the neighbouring areas, leading to zero intake of freshwater for manufacturing processes
- Rainwater harvesting carried out for our factories, enabling more freshwater availability for neighbouring communities

(KL)

Source of Water Consumed	Quantity
Municipal Supply	17,03,541
Ground Water	0
Rainwater	3,10,201
Wastewater Generated	49,96,010
Water Recycled (STP)	29,63,415
Water Recycled (ETP)	1,55,818
Wastewater Discharged (Including RO Reject)	38,03,230

Environment

Waste

Our waste management practices include segregation at source, recycling and upcycling textile waste, responsible disposal of hazardous waste and reducing waste. Across all our facilities, we regularly monitor the waste generated from our operations and identify areas for developing zero waste by recycling and up-cycling hazardous and non-hazardous waste generated in the factory. Waste disposal is carried out through appropriate methods and directed to authorised disposal channels as per the laws and regulations of the respective State Pollution Boards.

Key initiatives

- Horticulture waste converted to compost used for gardening in the Anjar factories
- Food waste from canteens converted to manure for plants at our Vapi factory

Biodiversity

We aim to continually identify opportunities that reduce our impact on the environment and reduce our environmental footprint through afforestation and tree plantation efforts.

2,78,206

Saplings planted during FY21

Embedding sustainability in our operations

We constantly make efforts to integrate sustainability into our operations, and we go beyond compliance to work towards a healthy environment.

Responsible supply chain practices

Collaborate with suppliers with an aim to achieve synergetic benefits through lower transportation costs, lower inventory, faster working capital cycle, and recycling of packaging

Responsible sourcing from certified vendors

- Regular assessment of vendors social and environmental performances
- Organise annual supplier meets to discuss and strategise on our ecological and social goals

Sustainable raw materials

- Source sustainable cotton through better cotton initiative and organic cotton
- Using recycled cotton by converting the waste fabric into cotton fibre
- Recycled plastic bottles turned into fabric, thereby reducing landfill waste
- Recycled polyester used in rug-making

Sustainable production

- Life Cycle Assessment (LCA) of our products to identify additional opportunities to reduce environmental impact across the value chain
- Organic Textile Standard (GOTS) and OEKO-TEX® Standard 100 ensure our textile products are manufactured responsibly
- ZDHC (Zero Discharge of Hazardous Chemicals) with continuous improvement in our processes and treatment methods
- SA 8000 certified factories to enable sound human rights as well as health and safety practices
- Our operations are also audited based on SMETA (Sedex Members Ethical Trade Audit) ethical audit formats (4 pillar) that cover the following aspects: labour, health and safety, environment and business ethics

Sustainable packaging

- Reducing PVC and using recycled and recyclable packaging material
- Exploring the use of bio-based and compostable packaging

Products with unique sustainability features

Recology

An eco-elegant bed, bath and home linen brand, Recology commits to make sustainable lifestyle a daily practice. Inspiring people to slow down and make kinder choices for themselves, their home and planet.

GoodRest™

Our GoodRest™ proprietary Organic sheets are wrinkle resistant without chemicals.

Natural

Made from GOTS certified organic cotton. Free from Genetically Modified Organisms (GMO) and harmful pesticides. Oeko-Tex in green-certified dyes ensures products are free from harmful toxins or chemicals while maintaining vibrant colour

rPET

Made from 100% used pet bottles through a transparent, traceable manufacturing process using renewable energy. It has one of the lowest fibre carbon footprints globally

Social

Positively Impacting Lives

From embedding sustainability in the supply chain to investing in communities for their betterment to promoting talent and building a safe work environment, we ensure all our stakeholders – customers, suppliers, vendors, our people and others – are both partners and beneficiaries in our journey towards sustained value creation.

People

Our people are the backbone of our organisation and we take pride in our culture that recognises and promotes talent, openness, transparency, and inclusion. The Welspun Family adds nearly >10,000 new members every year and we take responsibility for providing every Welspunite a nurturing environment, just compensation, merit-based career-progression and opportunities to enhance their personal and professional growth.

Diversity and Inclusion

We provide equal opportunities to all our employees irrespective of their gender, race, caste, religion, marital status, sexual orientation, age, nationality, ethnicity, ability, or other personal characteristics. We encourage collaboration among inclusive teams and recruit people across diverse backgrounds. We ensure respect, dignity, fairness, and human rights for all our members.

25%
Of Women
across all levels

Employee engagement

We believe in engaging with our employees through open and interactive communication channels. The employee engagement strategies reduce staff turnover, improve productivity, and result in higher customer retention rates, which keeps our employees motivated and committed to the achievement of our business objectives. Welspun conducts regular Employee Engagement Surveys to understand employee pulse and drive better initiatives basis feedback. The Employee Engagement Index of Dec 2020, reflects an overall Satisfaction index of 80%, which is a reflection of a satisfied and motivated workforce.

Key initiatives

- Enabled digital employee engagement platform ‘MyBuddy’ to stay connected with employees and listen to them through surveys and chatbot
- Launched Global Engagement Calendar focusing on employees’ mental well-being and motivation; various activities were conducted digitally, such as Global Town Hall, festival celebrations, health-based webinars, talent showcase contests for employees and their family members

Learning and Development

We believe in retaining, grooming, and motivating our people by helping them acquire the necessary skills for different roles and to cater to their aspirations. The Welspun Learning and Development team has rolled out an extensive digital learning plan that includes technical upskilling according to business requirements. Our Plant associates also underwent regular Classroom Trainings and On-the-Job Trainings to ensure knowledge enhancement leading to improved performance. In line with our overall growth strategy the investment in overall staff training grew by 18% since FY 2019-2020; employees on average invested 52 hours annually in training and the average training cost per employee was approximately ₹ 5,000 for FY 2020-21.

Key initiatives

Certification Programme in Data Analytics
A customised and intensive Certificate Programme in Data Analytics in partnership with UpGrad that helps

- Build a more robust data culture as a way of working
- Higher analytical and data-savvy workforce
- More efficient business decisions, backed by structured data supported by numbers and factual interpretation

Targeted training
Aimed at staff whose role/job profile requires to undertake data analytics using Power BI

- Basic to Intermediate level – Focus on practitioner level with skill development
- Certification – Post successful completion of capstone project, tests and individual assignments

Leveraging digital platforms for skill building

- Self-directed learning using the e-Learning platform; achieved 90%+ active usage amongst employees on WeLearn, our digital learning platform.
- 45,000+ Total Training hours across Functional, Technical and Behavioural programmes among staff based out of Mumbai, Anjar and Vapi

WeVolunteer

is a platform to align our CSR initiatives based on the needs identified in the communities

SOCIAL RESPONSIBILITY

We-Volunteer for a better world

Welspun corporate philosophy has always been to practice ethical business and be socially responsible. We partnered with iVolunteer is a platform to align our CSR initiatives based on the needs identified in the communities.

This platform encourages employee volunteering in community initiatives that foster economic development, especially in the marginalised sections of society. For this initiative, employees can log in to a portal where the upcoming activities are listed. Employees can then volunteer for any activity they wish to. They are given a choice between several options such as upcoming CSR initiatives among Civic and community, Education and Human Rights. Employees can also volunteer for activities such as website revamping, content writing, social media branding, etc. for those NGOs/ institution in need. The employees are given certificates for their volunteering work. Immediate families of the employees can volunteer for these activities as well. This initiative by Welspun is to inculcate in the employees, a sense of belongingness as well as responsibility towards the environment and the society.

Social

Entry-level cadre-building programme
We revamped all our entry-level campus programmes under Career Acceleration Program (CAP).

- 10 Management Trainees joined us from various reputed Business Schools as a part of CAP, effective from August 3, 2020, and were placed into multiple roles across departments and plants for the first time
- 47 graduate and 11 Diploma engineer trainees have joined us at Anjar and Vapi locations and will be trained on the basis of a Six Sigma based Action Learning Project and structured learning inputs
- Successfully concluded GET 2019 Programme, which resulted in the shortlisting of Top 4 projects for implementation

WAVE Academy
To upskill and enable for digital commerce and transformed ways of working across S&OP; marketing and analytics. More on WAVE Academy;

page 29

Health and Safety

We are conscious of the health and safety risks our workers are exposed to and are committed to maintaining a zero-harm workplace.

Key initiatives

- ISO 45001-2018 certification at all our facilities to ensure our operations are conducted according to international standards on health and safety
- OEKO-TEX® Standard 100 certified work processes that follow the REACH regulations, which restrict the use of harmful substances in our manufacturing processes
- Mandatory safety training to our employees, contractors, sub-contractors, and other agencies regularly on HS aspects such as fire safety, emergency preparedness, and office safety

SKILL AND TALENT BUILDING

WeAspire Programme to build up a talent pipeline

- Conducted Talent Assessment of eligible employees through an external global assessment partner SHL to assess employees based on Aspirations, Ability and Engagement at Work
- Post assessment process, Career Dialogues helped identify key talents
- Created Talent Profile Sheet containing individual Development Plan (IDP) and career goals
- The developmental journey has begun for all recognised Key Talent to build their Succession Readiness

WeAspire

is a platform to build up a talent pipeline

Community

We are committed to creating Corporate Social Value and not merely executing our Corporate Social Responsibility. We have adopted a multi-pronged approach that goes beyond compliance and works towards holistic development of communities by strengthening the educational foundation, improving access to healthcare services, empowering people, and conserving the environment.

Our social mission is enshrined in the **3Es – Education, Empowerment and Environment and Health**. Several projects encompassing the 3Es have been taken up by the Welspun Foundation for Health and Knowledge (WFHK). These projects either run independently powered by Welspun or through nurtured partnerships with the local government or Non-Governmental Organisations (NGOs).

Education

Project Wel-Accelerate

The project aims to create a revolution at the grassroots by merging the previous three programmes of Gyankunj, Para Teachers and Learning Levels by facilitating volunteers from the villages to promote education.

Outreach

175
Schools reached

900
Teachers trained

330
Digitalisation of classrooms across government primary schools

35,000
Students impacted

Interactive

Activities as part of teaching to improve engagement towards reading, writing and arithmetic

EDUCATION

Bhavin cracks maths

Bhavin Rabari is a 5th-grade student of Kharapaswariya Primary School in Anjar, Kutch. During the baseline assessment, it was found that Bhavin could not read even simple sentences in Gujarati and could not recognise three-digit numbers in Mathematic. Bhavin was also found to be a disinterested learner.

Our volunteers focused involving Bhavin through fun interactive activities guided by para teachers, and soon Bhavin began to take active interest. He now regularly attends class and has improved engagement on reading, writing and arithmetic. Volunteers are using flashcards to help him improve on maths. At the end line assessment, Bhavin could read sentences fluently and was also able to recognise three-digit numbers and solve basic maths problems. Bhavin's parents say, "We thought Bhavin was a slow learner, but he isn't. He only wants a different and fun way of learning."

Social

Empowerment

Project Wel-Netrutva

The project aims to empower women in rural areas by improving health practices and creating sustainable livelihood opportunities.

Outreach

588
Women entrepreneurs across 90 Villages

50
Group enterprises created

1,00,000
People impacted

18,000+
Sanitary packets sold

Encouraging women entrepreneurship

Akankshita centre

We aim to empower women to become entrepreneurs in the manufacturing ecosystem, to achieve a sustainable livelihood and equitably engage with local and global markets.

Outreach

75+
Women reached

₹9 lakh
Worth orders executed

EMPOWERMENT

Helping a dream take wings

Shradha Reddy, a native of Karnataka, shifted to Anjar almost 14 years ago after getting married. She was always very passionate about starting her own business, and tried various things such as running a food stall to taking up stitching after doing her duties as a homemaker.

On receiving small orders for stitching uniforms and other tailoring work, she was gradually moving towards her dream, but the pandemic played spoiler. The lockdown not only forced her to stop her work, but also forced her to use her savings to meet daily household expenses.

She was very disturbed and was desperately looking for some support when she came across Welspun Foundation during an SHG meeting in the community. Shradha told the Foundation team about her receiving an order from one of the hospitals based in Ahmedabad to prepare aprons, and that she was unable to meet the order for the lack of funds. Without any delay, the Welspun team followed the approval process and gave her seed capital at no interest rate for a month. The fund not only helped Shradha meet her commitment, but also grow her business. She completed the order of 100 aprons and made sound profit from the order that would go a long way to fulfil her dreams.

"I always dreamt of scaling up my business, and Wel-Netrutva has provided wings to that dream" says Shradha.

SHG Meetings

Effective medium through which Welspun Foundation supports the community actively

Health

We provide medical/health services to the communities in the villages around the manufacturing sites.

Outreach

20,000	2,500	50
Adolescent girls and women reached	Children cured of malnutrition	Villages benefitted

Counselling

and regular follow ups by the Welspun team has helped Krupal find health

HEALTH

A child finds nourishment

Master Krupal from Village Paria in Vapi belongs to a below-the-poverty-line family and has three siblings. One of our village facilitators visited his house as part of our routine door-to-door screening activity and found that Krupal fell under the category of malnourished children. During the line-listing, Krupal's weight, height and MUAC were 8 kg, 75 cm and 12, respectively, and his Z score was -3SD (Moderate acute malnutrition).

The village facilitator did a regular follow-up and counselled Krupal's parents to reach the nearest primary health facility. She also sensitised his parents about the need for dietary modifications for better and improved growth for Krupal. She also stressed the importance of hygiene and a healthy diet that need to go hand in hand to better their child's health. At present, Krupal weights 9 kg, 77 cm in height and 13 MUAC (Current Z score is -2SD Normal), which shows a significant improvement in his overall health after three months of constant counselling and follow up by the Welspun team.

Welspun Super Sports Women programme

We empower female athletes coming from challenging social set up and backgrounds to achieve their sporting dreams and thus create ambassadors of change.

Outreach

27	14
Athletes across India benefitted	Sports reached

Our Super Sport Women

Accolades

Won at many international and national level competitions

SPORTS

Suvarna Raj, para-athlete and role model

"At every point in my life, I have had to fight - be it with my educational institutes so that they provide accessible spaces or even society, to demand inclusivity. It's a constant effort to create a better world for everyone," says 39-year-old international para-athlete Suvarna Raj.

An inspiration for many across the country, she performs several roles—a mother, a para table tennis player, an activist, a social worker, and an accessibility counsellor—all of which make her true change leader. "I knew that my life would be difficult at a very young age. I was two when polio affected both my legs. Although that meant that I would be in a wheelchair, it did not discourage me from pursuing my passion for sports. My parents had admitted me to a hostel at a very young age, and throughout the whole decade that I spent there, I continued to work on myself. I would always remind myself that it was difficult but not impossible," adds Suvarna, who has won several international accolades, including two medals at the Thailand Para Table Tennis Open 2013.

Not limiting her work to the court, she has spent several years advocating accessibility in public spaces. Her efforts in this route won her the National Women Excellence Award in 2013 for Sports, the Karamveer Puraskar by ICONGO in 2015 and the prestigious National Centre for Promotion of Employment for Disabled People (NCPEDP) — Mphasis Universal Design Award (MUDA) in 2017.

Sustainability at Welspun Flooring

At Welspun Flooring Limited, our Vision is "To achieve a state of right balance between all the elements of biosphere by empowering people to reimagine life for a delightful sustainable growth."

Our concern for our environment and the community drives us to strive for their betterment. Our efforts are designed to maintain a balance to the Triple Bottom Line incorporating sustainable measures across our operating methods, systems and processes.

Key Highlight: Our Journey till date and way forward

45 mn ltr
Water saved by reusing water back in to process after treatment

2,800+ tCo_2
Annual reductions through energy saving activities & use of renewable resource

6,000 trees
Planted within the facility to improve green cover

3 lakh Shrubs
Planted within the facility to improve green cover

100%
Carton used for product packaging is made with recycled paper

400+ mt
Yarns manufactured from R-Nylon & Resilon X plastic chips

100 mn ltr
Rainwater Recharge Capacity

Zero Waste to Landfill
All process wastes are responsibly reused / recycled / repurposed and no waste is sent to landfill disposal

Sustainability targets

Aspects	FY20	FY21	Goal 2022	Goal 2025	Goal 2030
Non fossil fuel Energy	Nil	15.0% (4.2 % in house + 11% from grid)	20% RE	25%	50%
Recycled Raw material (yarn)	Nil	4.7% POY ResilonX	7.0% ResilonX	15.0% ResilonX	20.0% ResilonX
Fresh water Positive (L/Kg Product)	4.47	3.27	2.97	2.67	2.4
Solar PV in house	Nil	Nil	1 MW	+2 MW	+3 MW
Management of Process Waste (Soft flooring division)	Nil	46.0% Reuse 41.5% Recycle 12.5 % Repurpose	47.0% Reuse 42 % Recycle 11% Repurpose	50% Reuse 40% Recycle 10% Repurpose	65 % Reuse 30% Recycle 5 % Repurpose
Energy Intensity (MJ/KG Product)	9.43	6.10	5.75	4.7	3.6
GHG Emission Intensity (KG CO_2/KG Product)	1.9	1.2	1.15	1.0	0.8
Impacting lives through CSV		407 students +35 families			
Promote women Workforce in employees and worker roles		6%	10%	15%	25%

Our targets

Environment

- 100% recycled LDPE and PVC free packaging by 2025
- Start accounting for Scope 3 emissions in FY22

Social

- Measure age diversity and retention rate in FY22
- Conduct periodic assessments/ social audits for Tier 1 and 2 suppliers in FY22
- Become a signatory to WAS pledge compliance in FY22
- Convert rope making activity from yarn waste a CSV activity to support Akankshita skill development center in October 2022

Our green product & facility certifications

Product certifications

- **Global Recycled Standards** certification for our recycled nylon and recycled polyester chips
- **Oeko Tex** is certified for Welspun Flooring BCF and POY yarns manufactured at our facility
- All the product of Welspun flooring limited are certified with **Green Pro** which marks that the product is environment friendly throughout its life cycle
- All the product of Welspun flooring limited have verified **third party LCA (Life Cycle Assessment) and EPD (Environmental Product Declaration)** which evaluates and quantifies the Greenhouse Gas Emissions, Energy use, Water consumption, Acidification and Ozone layer depletion for the products
- We have **CRI GLP (Carpet Rug Institute-Green Label Plus)** and Indoor advantage gold certification for higher standards of indoor air quality, assuring that the carpet product meets the most stringent criteria for low VOC
- Welspun flooring Click N lock tiles and Nylon carpet tiles are certified with **SGBP (Singapore Green Building product)** product with 3 ticks as excellent
- Welspun flooring products SPC, PET and Nylon carpet tile and wall to wall has passed the criteria for CE
- Our product SPC is certified with **FloorScore** which helps us in providing exceptional quality that assures VOC content is less than 0.5 mg/m3

Facility certifications

Welspun Flooring Limited is the

1st LEED V4 BD and C Gold certified project

in India with largest footprint

IGBC Platinum certified Project

for Indian Green Factory Building

Certified Integrated Management System -

ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018

Governance

Commitment to Highest Standards of Governance

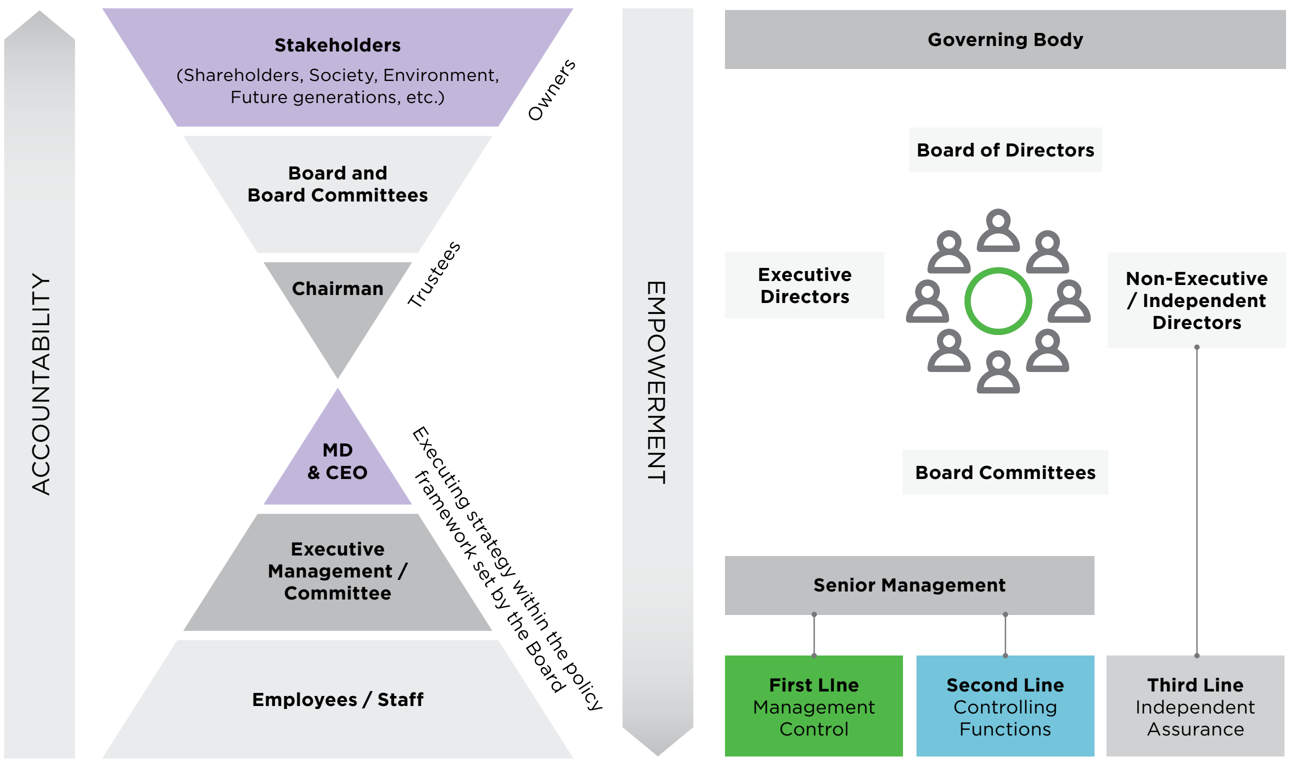
We are committed to operating and growing our business in a environmentally and socially responsible way, ensuring creation of long-term value for our stakeholders. Our leadership and Board ensure that we do so, while maintaining the highest standards of professionalism, honesty, integrity and ethical behaviour.

Our leadership, involving the Board of Directors, Committees of Board is designed to ensure transparency and accountability at every level of the organisation. The management strives to enable growth, profitability, stability, and sustainability across our businesses in an equitable manner and create value for all stakeholders by promoting the highest standards of ethical and responsible conduct of business.

Board	Responsible for governance, ethics, and sustainability
Committees	Responsible for identifying, mitigating, and managing ESG risks and material issues, review sustainability performance, recommend realignments and review policies governing sustainability and CSR practices

Corporate Governance Framework

Inculcating the three lines of defense culture



Key functions of the Board to ensure best-in-class governance practices

Review the business strategy and operational plans developed by the management

Monitor and review management performance

Discharge statutory or contractual responsibilities

Oversee the process for compliance with laws and regulations

Provide oversight on corporate governance practices

Review the risk management approach

Oversee the reliability of external communications

Monitor and review the Board evaluation framework

Our governing policies

1. ESG Policy
2. Sustainable procurement Policy
3. Policy on Investors' Grievance Redressal Mechanism
4. Whistle Blower Policy and Vigil Mechanism
5. Policy on transaction with Related Parties
6. Policy on Governance of Material and Other Subsidiaries
7. Nomination and remuneration policy
8. Code of conduct for Board of Directors and Senior Management
9. Foreign exchange risk management policy
10. CSR Policy
11. Investment policy
12. Risk management policy
13. Legal compliance policy
14. POSH policy
15. Dividend distribution policy
16. Insider trading policy
17. Policy for inquiry in the event of leak or suspected leak of UPSI
18. Ethics policy
19. Record and archival management
20. Internal financial control framework

We have a well-established Governance Structure with three lines of defence that governs the effective functioning of the organisation. Each of the three lines plays a distinct role within the organisation's wider governance framework.

At Welspun, all three lines of defence operate in a coordinated manner with the common objective to support the organisation in achievement of its objectives and effective risk management. We review the model at regular intervals to embrace evolving leading practices.

First line (Prevent risks)	Second line (Prevent & detect risks)	Third line (Detect risks)

Management Control	• Operating Management / Business Functions • Primary ownership of risks. Owns and manages day-to-day risks as a first line of defense as per defined policies and procedures • Prevent risks • Reports to the senior management	• Over the years, the Company has established a very robust first line of defense through a combination of people, process and technology. There are well-defined policies, procedures, responsibilities and system controls to prevent the occurrence of risks • Automation and digitisation of processes have further enabled to reduce risk and enhance governance
Contolling Functions	• Monitoring and Oversight functions • Monitors risks and controls, legal compliances, enterprise risk management; supports in establishing policies and procedures • Prevent and Detect risks • Reports to the senior management	• Second line of defense plays an important monitoring role. The Company has established a comprehensive management reporting framework and leverages data analytics for monitoring Key Performance Indicators (KPI) and Key Risk Indicators (KRI)
Independent Assurance	• Independent assurance (Internal Audit Function) • Detect risks • Reports to the governing body	• Independent assurance function serves as a third line of defense. It helps accomplish objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, controls, and governance processes

Board demographics

The members of our Board are drawn from diverse backgrounds, qualifications, skills, and experiences that contribute to a well-rounded leadership at the helm. The Board and its Committees are able and equipped to effectively guide our strategy and oversee our operations in a rapidly evolving industry.

Highly engaged & diverse Board & Board Committees

95%
Board attendance Percentage

8
Board meetings during FY21

37
Board Committee meetings during FY21

59 years
Median Director age

29%
Women Director

8 years
Average tenure

29%
Of Directors were appointed in the last five years

Board Independence

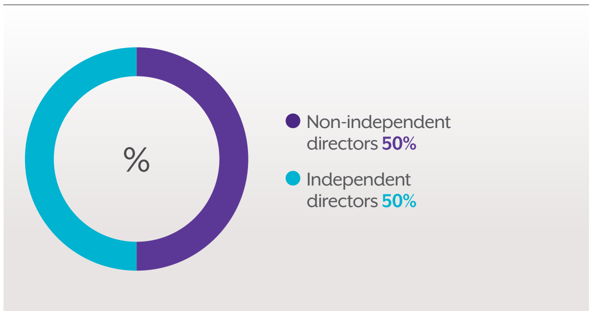
4 of 7
Independent Directors

2 of 7
Female Directors

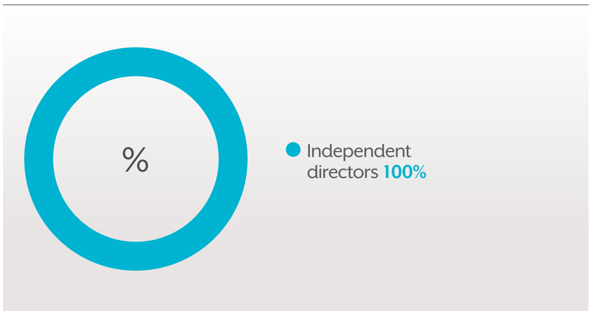
6 of 7
Directors are non-management

Robust
Lead
Independent Director Role

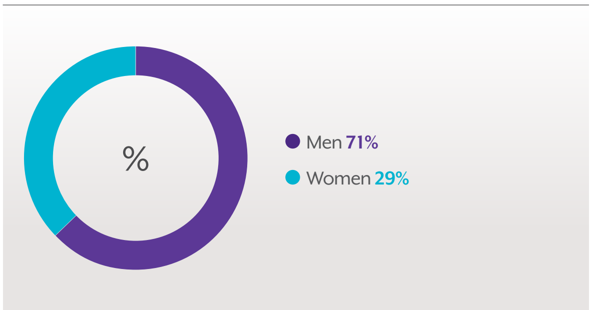
Board Independence



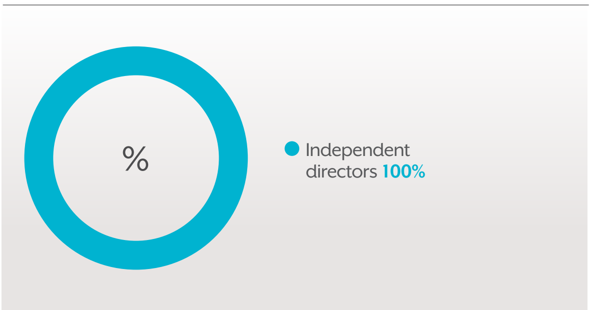
Audit Committee Independence



Gender Diversity



Nomination & Remuneration Committee Independence



Board of Directors

Mr. Balkrishan Goenka
Chairman

- Amongst India's most dynamic businessmen
- Past President of Associated Chambers of Commerce and Industry of India (ASSOCHAM) (2019)
- Recipient of Asian Business Leadership (ABLF) Award, 2019

Ms. Dipali Goenka
CEO & Joint Managing Director

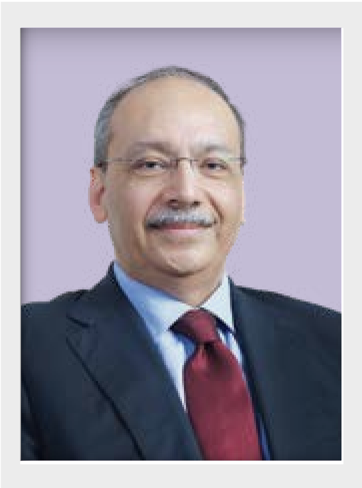
- Driving force behind Welspun's global leadership in Home Textile business with focus on Innovation, Brands and ESG
- Graduate in Psychology; studied Management at Harvard

Mr. Rajesh Mandawewala
Managing Director

- Qualified Chartered Accountant; played an instrumental role in establishing Welspun's Textile & Pipe business
- Leading new strategic initiatives of the Group

Mr. Arun Todarwal
Lead Independent Director, Audit Committee Chairman

20+ years of experience in Finance, Audit, Taxation and Quality Management. Member of ICAI, practicing since 1981



Mr. Arvind Singhal

Independent Director

MBA from University of California, founded Technopak, India's leading management and operations consulting firm with focus on Textiles, Retail, Healthcare and so on

Mr. Pradeep Poddar

Independent Director

Technocrat and Corporate Leader with 30+ years of experience in consumer products industry and vast experience in brand building

Ms. Anisha Motwani

Independent Director

28+ years' experience in advertising, auto-manufacturing, financial and health services. Currently advisor to the World Bank; voted among '50 Most Powerful Women in Indian Business' by Business Today for three consecutive years

Awards and recognition

Validation of our Excellence

Global Textile Company of the Year 2021
by Textile Magazine

Platinum Award
for Highest Global Exports by Texprocil for the year 2019-20

Most Influential Woman 2020
awarded to Ms. Dipali Goenka for her contribution to Industry and Society by Business World

Award for Sustainability & CSR 2020
Amongst Top 100 Companies in India by Futurescape

Supplier Titan 2020 Award
for Response to COVID and stakeholder support by Home Textiles Today

Sustainability 2019
GIGA GURU Status Energy Conservation Award by Walmart

Macy's Award for Sustainability 2019
Supplier Partner for the Year

Home Greatness Award
by KOHL's in Home Category 2019

Supplier Award For Trust by ASDA
Home category 2019

Welspun's Sustainability journey
now a case study on Ivey publishing website

Welspun has been recognised by Walmart as its trusted partner for 20 years
in their recent corporate announcement and HT leadership summit

Voices of Nature
a global initiative at UN's historic 1st Biodiversity Summit 2020 in New York, representing Developing Nations (South East Asian nations) joined by Ms. Dipali Goenka, CEO and joint MD

Creating positive impact through sustainability


TOP
100
Sustainability &
CSR 2020
Futurescape
Global Textile Company
of the Year 2021
Textile Magazine
2020
Today
SUPPLIER
PARTNER
OF THE
YEAR
Macy's Award for
Sustainability 2019
20
YEARS
Trusted Partner with Walmart

Management Discussion and Analysis

Welspun India Limited – An Overview

Welspun India Limited ('Welspun' or 'WIL' or the 'Company'), part of the $2.7 billion Welspun Group, is one of the largest home textile manufacturers in the world. The Company offers a broad spectrum of home and technical textile products and flooring solutions. With a distribution network in 50+ countries, the Company is the largest exporter of home textile products from India. It is the trusted partner and preferred supplier to top global retail giants and hospitality players, and supplies from its world-class manufacturing facilities at Anjar and Vapi, both in Gujarat. It has been ranked No. 1 home textile supplier to the US five times in six years. WIL is differentiated by its strategy based on Branding, Innovation and Sustainability.

About 91% of the Company's revenue is derived from exports to various countries worldwide, with a strong presence in key markets such as the US and the UK. In the US, it has a dominant presence in the towel and bed linen market, and in the UK, it is present across every major store via its own brand and private label. The Company is continuously working on increasing its footprint in newer geographies, including Continental Europe, Japan, Australia, the Middle East, and the Indian domestic market in particular. Branded business (Own brands, Ingredient brands and Licensed brands) sales during FY21 was ₹9,670 million registering a growth of 20% YoY and contributed 14% to the top line.

"Our success is driven by our propensity to adapt swiftly to changing times and respond within minimum time to our clients' demands. This ability has helped us not only withstand the challenges that we faced through the past year but also capitalise on opportunities and leverage our industrial expertise to deliver value to our stakeholders.

We crossed a significant financial milestone in FY21 by crossing the $1 bn mark. Adding to this, we emerged as a united organisation that can persevere in the face of adversity and deliver great results, backed by a healthy balance sheet and prudent management of our working capital."

Mr. Rajesh Mandawewala, Managing Director,
Welspun India Limited

WIL Key Competitive Strengths

Diversified brand and license portfolio

- Vertically integrated presence and capabilities
- Global distribution network with marquee clients
- Exceptional track record of innovation
- Strong focus on sustainability
- Experienced Board and management team with proven track record
- Widest product range in the industry
- Consistent strong financial performance

Economy Review

Global Economy

The COVID-19 pandemic raised unprecedented health challenges on a global scale and posed unique policy dilemmas. Since 2018, the growth momentum in global output had weakened due to various factors such as trade tensions, political instability, flagging demand and industrial activity reduction. The pandemic accentuated the deceleration by causing severe demand and supply disruptions. April 2020 saw a global lockdown and the world economic activity coming to a standstill, leading to a steep fall in output during the second quarter of 2020. As per January 2021 reports of the International Monetary Fund (IMF), global growth in 2020 contracted by -3.5%. The pandemic hit the developed economies the hardest due to the strict and prolonged lockdown measures imposed in many European countries and some parts of the US during the outbreak, while the contraction was comparatively milder in developing countries.

Timely stimulus measures, amounting to $12.7 trillion, prevented a total collapse of the world economy. Unprecedented monetary responses have complemented the fiscal measures. Since March 2020, 92 central banks have cut policy rates a total of 241 times, many taking additional monetary and prudential measures to boost liquidity and ensure financial stability. Several monetary authorities also announced changes in their monetary policy frameworks to enhance policy flexibility and improve monetary transmission.

The COVID-19 crisis has delivered a significant shock to trade, restricting cross-border travel, disrupting international production networks and depressing demand worldwide. Global trade in goods and services shrank by an estimated 7.6% in 2020, only marginally less than during the global financial crisis. International travel remains at a fraction of its pre-pandemic level, although global merchandise trade has been recovering since mid-2020 on the back of strong demand for electric and electronic equipment, pharmaceuticals and, the demand for personal protective equipment. The recovery in merchandise trade has been led by China and other East Asian economies, which had better success in containing the virus's spread and experienced a faster-than-expected rebound in economic activities.

Indian Economy

The Indian economy, after subdued growth in 2019, had begun to regain momentum from January 2020 onwards, only to be stalled by the once-in-a-century health crisis. The economy witnessed a sharp contraction of 23.9% in Q1 FY21 and 7.5% in Q2 Q2 FY21, due to the stringent lockdown imposed during March-April, 2020. Since then, several high-frequency indicators have demonstrated a V-shaped recovery. The fundamentals of the economy remain strong, and the gradual scaling back of lockdowns along with the astute support of the Atmanirbhar Bharat Abhiyan have placed the economy firmly on the path of revival.

After the unprecedented lows of the first quarter of FY21, the overall movement of high-frequency indicators showed a speedy pick up in Q2 and growing convergence to pre-pandemic levels in Q3. As India's mobility and pandemic trends aligned and improved concomitantly, indicators like E-way bills, rail freight, GST collections and power consumption reached not only pre-pandemic levels but also surpassed previous-year levels.

Source: GoI Economic Survey-2020-21, IMF, and World Bank

Management Discussion and Analysis

Economic Outlook

After the severe contraction in 2020, the global economy is projected to grow at 6% in 2021, moderating to 4.4% in 2022. Nonetheless, the outlook presents daunting challenges related to divergences in the speed of recovery both across and within countries, and the potential for persistent economic damage from the crisis.

	Year over Year			
			Projections	
	2019	2020	2021	2022
World Output	2.8	–3.2	6.0	4.9
Advanced Economies	1.6	–4.6	5.6	4.4
United States	2.2	–3.5	7.0	4.9
Euro Area	1.3	–6.5	4.6	4.3
Germany	0.6	–4.8	3.6	4.1
France	1.8	–8.0	5.8	4.2
Italy	0.3	–8.9	4.9	4.2
Spain	2.0	–10.8	6.2	5.8
Japan	0.0	–4.7	2.8	3.0
United Kingdom	1.4	–9.8	7.0	4.8
Canada	1.9	–5.3	6.3	4.5
Other Advanced Economies 3/	1.9	–2.0	4.9	3.6
Emerging Market and Developing Economies	3.7	–2.1	6.3	5.2
Emerging and Developing Asia	5.4	–0.9	7.5	6.4
China	6.0	2.3	8.1	5.7
India 4/	4.0	–7.3	9.5	8.5
ASEAN-5 5/	4.9	–3.4	4.3	6.3
Emerging and Developing Europe	2.5	–2.0	4.9	3.6
Russia	2.0	–3.0	4.4	3.1
Latin America and the Caribbean	0.1	–7.0	5.8	3.2
Brazil	1.4	–4.1	5.3	1.9
Mexico	–0.2	–8.3	6.3	4.2
Middle East and Central Asia	1.4	–2.6	4.0	3.7
Saudi Arabia	0.3	–4.1	2.4	4.8
Sub-Saharan Africa	3.2	–1.8	3.4	4.1
Nigeria	2.2	–1.8	2.5	2.6
South Africa	0.2	–7.0	4.0	2.2
Memorandum				
World Growth Based on Market Exchange Rates	2.4	–3.6	6.0	4.6
European Union	1.8	–6.0	4.7	4.4
Middle East and North Africa	0.8	–3.0	4.1	3.7
Emerging Market and Middle-Income Economies	3.5	–2.3	6.5	5.2
Low-Income Developing Countries	5.3	0.2	3.9	5.5
World Trade Volume (goods and services) 6/	0.9	–8.3	9.7	7.0
Advanced Economies	1.4	–9.2	8.9	7.1
Emerging Market and Developing Economies	–0.2	–6.7	11.1	6.9
Commodity Prices (US dollars)				
Oil 7/	–10.2	–32.7	56.6	–2.6
Nonfuel (average based on world commodity import weights)	0.8	6.7	26.5	–0.8
Consumer Prices				
Advanced Economies 8/	1.4	0.7	2.4	2.1
Emerging Market and Developing Economies 9/	5.1	5.1	5.4	4.7
London Interbank Offered Rate (percent)				
On US Dollar Deposits (six month)	2.3	0.7	0.3	0.4
On Euro Deposits (three month)	–0.4	–0.4	–0.5	–0.5
On Japanese Yen Deposits (six month)	0.0	0.0	0.0	0.0

Note: Real effective exchange rates are assumed to remain constant at the levels prevailing during May 5--June 2, 2021. Economies are listed on the basis of economic size. The aggregated quarterly data are seasonally adjusted. WEO = World Economic Outlook.

1/ Difference based on rounded figures for the current and April 2021 WEO forecasts. Countries whose forecasts have been updated relative to April 2021 WEO forecasts account for approximately 80 percent of world GDP measured at purchasing-power-parity weights.

2/ For World Output, the quarterly estimates and projections account for approximately 90 percent of annual world output at purchasing-power-parity weights. For Emerging Market and Developing Economies, the quarterly estimates and projections account for approximately 80 percent of annual emerging market and developing economies' output at purchasing-power-parity weights.

3/ Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries.

4/ For India, data and forecasts are presented on a fiscal year basis and GDP from 2011 onward is based on GDP at market prices with fiscal year 2011/12 as a base year.

5/ Indonesia, Malaysia, Philippines, Thailand, Vietnam.

6/ Simple average of growth rates for export and import volumes (goods and services).

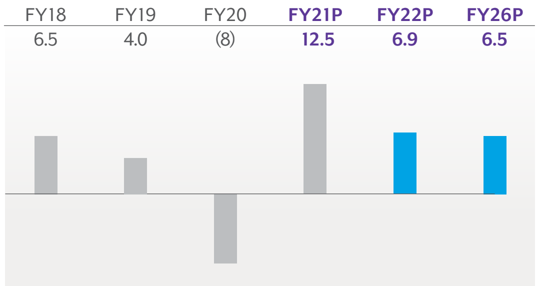
7/ Simple average of prices of UK Brent, Dubai Fateh, and West Texas Intermediate crude oil. The average price of oil in US dollars a barrel was $41.29 in 2020; the assumed price, based on futures markets (as of June 2, 2021), is $64.68 in 2021 and $63.02 in 2022.

8/ The inflation rate for the euro area is 1.8% in 2021 and 1.3% in 2022, for Japan is --0.1% in 2021 and 0.6% in 2022, and for the United States is 4.0% in 2021 and 3.3% in 2022, respectively.

9/ Excludes Venezuela.

The Economic Survey has projected India's real GDP to record a growth of 11% in FY22, and nominal GDP 15.4%, the highest since independence. This V-shaped economic recovery of India is supported by the initiation of a mega vaccination drive, hopes of a robust recovery in the services sector and in consumption and investment. However, given that the growth would come on the projected contraction of 7.7%, it would entail a growth in real GDP by 2.4% over the absolute level of FY20. This implies that the economy would take two years to reach and go past the pre-pandemic level. These projections are in line with the IMF's estimate of real GDP growth for India at 11.5% in FY22, and 6.8% in FY23. India is expected to emerge as the fastest growing economy in the next two years as per the IMF.

Real GDP India (%)



(Source: IMF, World Economic Outlook, April 2021)

Industry Review

Global Retail Industry

The year 2020 may be behind us, but the past year's events will undoubtedly have a lasting impact on the retail industry. We just lived through a market-shaping year; roughly 50 retail bankruptcies occurred when others experienced record earnings. This just shows what an extraordinary year 2020 was. While the retail industry remained in shutdown mode for many months, it underwent changes at the macro level. The events of 2020 fueled a thirst for innovation. Consumer behavior changed overnight as health and safety concerns suddenly became the purchase driver, and the industry had to go for technological adaption in a matter of months that would typically have taken years to occur. While the pandemic accelerated innovation, it also set in force trends that will not subside with the virus. For e.g., consumers' demand for convenience and services such as curb side pickup, buy online, pickup in-store and shopping by appointment. It is abundantly clear that retail subsectors performed very differently during 2020. Grocers, home improvement, and mass merchants benefited from changes in consumer behavior and categorised them as essential services. As such, they are aggressively looking to drive revenue growth in 2021. However, like apparel and department stores, others struggled from the onset of the pandemic and are approaching the upcoming year with a higher priority around cost-cutting.

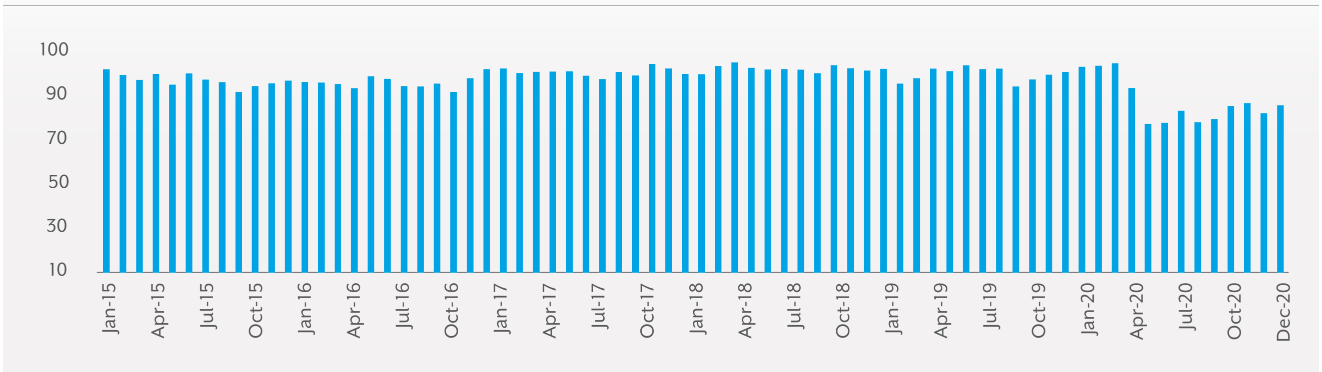
Developments in Key Markets

US holiday sales rose 8.3% in 2020 from a year earlier despite the pandemic's economic challenges. That was the highest holiday growth rate in records going back to 2002 – topping 6.8% in 2004 – and more than double the 3.5% average increase over the previous five years, including 4% gain in 2019. Consumers' ability to spend was bolstered by the stimulus payments they received earlier in the year and the money they saved by not travelling, dining out or attending entertainment events. Rising record wealth from increasing home values and stock prices also provided support for holiday spending. Further, consumers were likely encouraged by the news of COVID-19 vaccines becoming available, which helped offset concerns about increased infection rates and state restrictions on activity.

Total sales for the November-December holiday season (excluding automobile dealers, gasoline stations and restaurants) came to $789.4 billion, easily exceeding the forecast of the National Retail Federation (NRF) that sales would grow between 3.6% and 5.2% to between $755.3 billion and $766.7 billion. These are preliminary results based on US Census Bureau data, but they represent a record year for holiday sales despite unprecedented challenges. YoY retail sales growth for all 12 months of 2020 was 6.8%, exceeding its pre-pandemic trend.

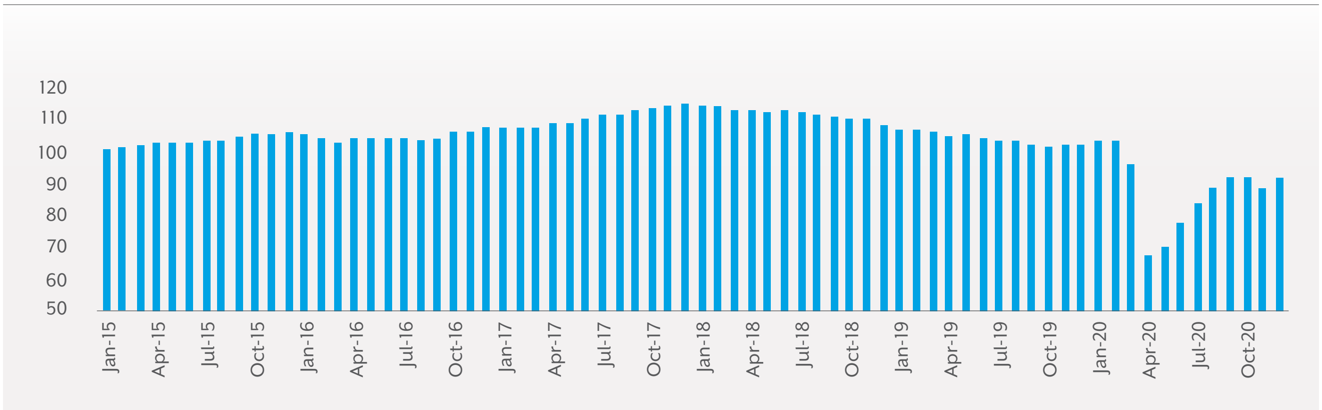
The holiday total includes online and other non-store sales, a standout this holiday season, growing 23.9% YoY to $209 billion as consumers shopped more online, irrespective of whether they made their purchases from pureplay online sellers or traditional retailers' websites.

US Consumer Confidence Index



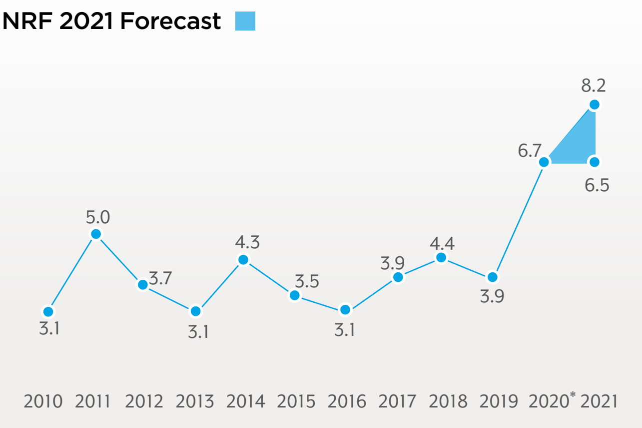
Management Discussion and Analysis

EU Economic Sentiment Index

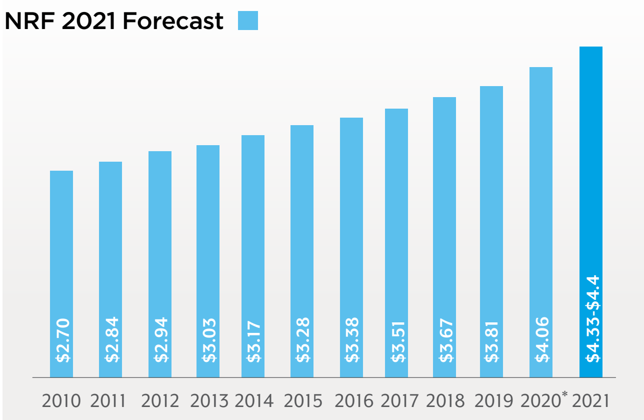


The NRF has issued its annual forecast, anticipating that retail sales will grow between 6.5%-8.2% to more than $4.33 trillion in 2021 as more individuals get vaccinated, and the economy reopens. Online sales, included in the total, are expected to grow between 18-23% to between $1.14 trillion and $1.19 trillion. Despite the continuing health and economic challenges COVID-19 presents, the NRF is optimistic that healthy consumer fundamentals, pent-up demand and widespread distribution of the vaccine will generate increased economic growth, retail sales and consumer spending. From the outset of the pandemic, retailers have gone above and beyond the most conservative safety guidelines to protect and serve their associates and consumers alike. Retailers are increasingly engaged in working with federal, state, and local health officials to distribute and administer the vaccine. This partnership has been key to economic health throughout the pandemic and will continue this year.

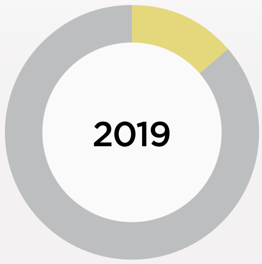
Historical changes in Retail Sales

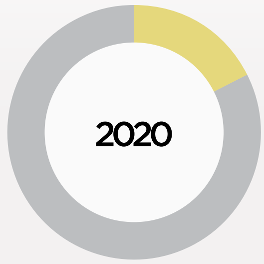


Historical Retail Sales (in trillions)



Source: NRF based on U.S. Census Bureau data.
*Reflacts Feb, 17, 2021 U.S. Census revisions.





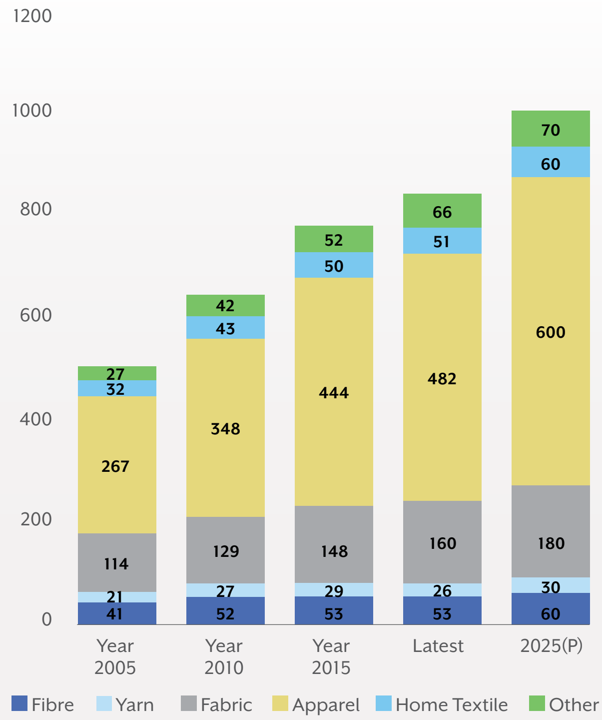
Four Priority Areas in 2021

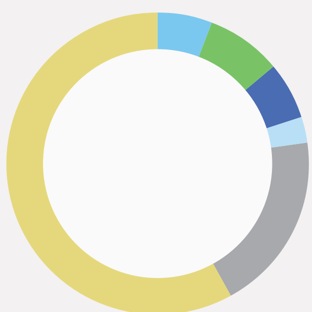
- Digital investment should go beyond differentiation
- Supply chains, inventory management, and digital user experience can no longer operate in silos
- Health and safety will remain a top priority as it continues to shape consumer behavior
- Cost realignment will need to be coupled with fresh viewpoints on how to address profitability

Textile and Apparel Industry

As per latest data, Global textile and apparel trade stood at $839 billion which has grown at a CAGR of 4% since 2005. Apparel was the most traded T&A category across the globe with a share of 58% of the total T&A trade. Fabric was second to apparel and accounted for 19% of the total T&A trade. The global trade of T&A is expected to grow from the current $839 billion to $1,000 billion in 2025, while growing at a promising rate of over 3% when compounded annually.

Global Apparel Market Size ($ billion)



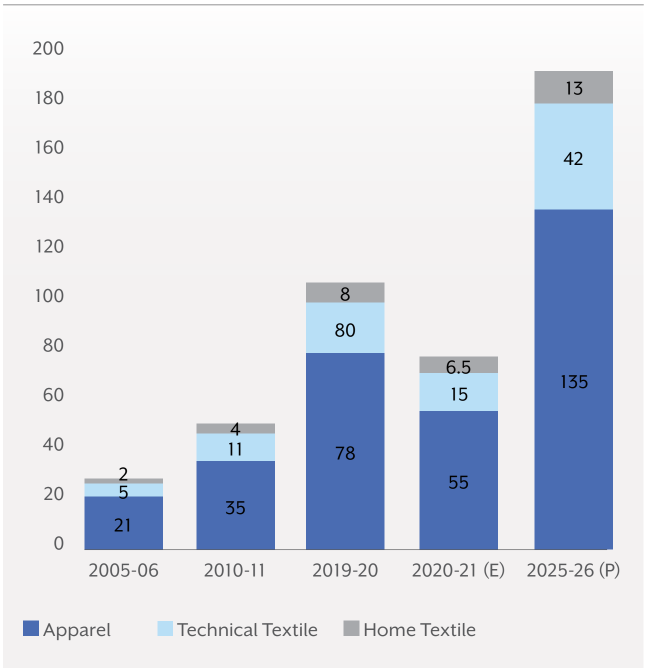


Management Discussion and Analysis

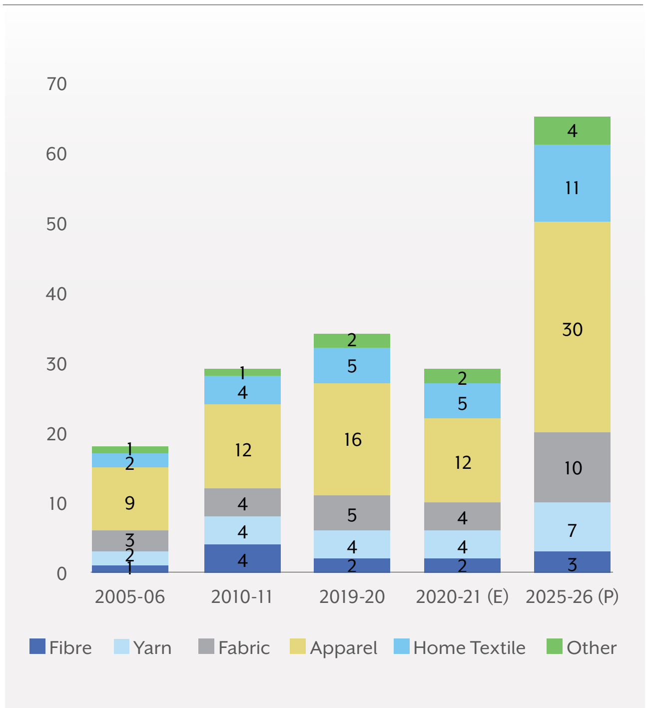
Indian domestic textile and apparel market is estimated at $75 billion in FY21. The market fell 30% from $106 billion in FY20. The market is expected to recover and grow at 10% CAGR from FY20 to reach $190 billion by FY26. Apparel constitutes ~74% share of the total T&A market in India and Home Textile constitutes ~19%. Home Textile is projected to grow at 23% CAGR from 2021 to reach $42 billion by FY26 and to constitute 22% of the total T&A market in India.

India's T&A exports reached $33.5 billion in FY20. Due to the impact of COVID-19, India's T&A exports are expected to fall around 15% to reach $28.4 billion in FY21. India's exports of T&A are expected to grow to $65 billion by FY26, growing at a CAGR of 11%.

India's Domestic Textile and Apparel Market Size ($ billion)



Indian Textile and Apparel Exports ($ billion)



Source: DGCI&S and Wazir Analysis

Facts about the T&A Sector in India:

- 2nd largest employment generator in India (45 million direct employment)
- Presence of manufacturing in the entire value chain from fibre to finished goods
- Abundant availability of raw material
- 2nd largest exporter of textiles and apparel
- Contributes to 7% of the country's manufacturing production, 2.3% of the GDP and 12% of the country's export earnings
- 8 centres of excellence set up to promote technical textiles
- 6 Focus Incubation Centres (FIC) set up under Technology Mission for Technical Textiles

Growth Drivers

Fibre to Fashion:
- Presence of complete value chain from fibre to fashion

Abundant Availability of Raw Material:
- Largest producer of cotton
- 2nd largest producer of polyester and silk
- 3rd largest producer of viscose
- 4th largest producer of acrylic and nylon

Availability of Manpower:
- Pool of a large young, trained workforce with 62% of Indian population in the working age group of 15 to 59 years

Comparative Factors of Production

Parameters	Unit	China	India	Bangladesh	Vietnam	Ethiopia
Labour Wages	$/month	550-600	160-180	110-120	190-200	80-90
Power Cost	$/KWh	0.15-0.16	0.10-12	0.09-0.12	0.08-0.10	0.03-0.04
Water Cost	$/M^3	55-60	16-20	20-22	50-80	30-40

Home Textile (Retail)

The global home textile market was valued at $123.2 billion in 2019 and is expected to reach a value of $151.8 billion by 2025, registering a CAGR of 3.5% during the period (2019-2025). The US and Europe are the biggest consumers, receiving 60% of the home textiles imports, with countries like India, China, and Pakistan being the key suppliers.

The industry is witnessing steady growth, driven by rising consumer spending on home renovation and fashionable household furnishing. Home textile products have surfaced as one of the most attractive and fashion-sensitive segments in the overall textile market. The market has seen considerable growth during the past few years.

Increasing purchasing power is one of the drivers of the housing market and is expected to boost home textile sales. Rapid industrialisation and urbanisation in developing countries have resulted in improvements in the standard of living and an increase in disposable income. These are among the factors projected to support revenue growth of the global market.

Global Home Textile Market (in $ billion):

USD Billion

Region	2019	%	2025	%	CAGR
Asia Pacific	56.2	46%	77.0	51%	5.4%
Europe	29.8	24%	31.4	21%	0.9%
North America	28.7	23%	32.6	21%	2.2%
RoW	8.6	7%	10.8	7%	4.0%
Total	**123.2**	**100%**	**151.8**	**100%**	**3.5%**

Source: Fibre2Fashion.com

Global Home Textile Product Categories (in $ billion):

USD Billion

Region	2019	%	2025	%	CAGR
Asia Pacific	56.2	46%	77.0	51%	5.4%
Europe	29.8	24%	31.4	21%	0.9%
North America	28.7	23%	32.6	21%	2.2%
RoW	8.6	7%	10.8	7%	4.0%
Total	**123.2**	**100%**	**151.8**	**100%**	**3.5%**

Source: Fibre2Fashion.com

Bed Linen and Bed Spread

Bed linen covers home textile products such as bed covering, bed throws, blankets, cushion covers, cushions, duvets, duvet covers, mattress, mattress cover, and pillows, is the largest segment in the home textile market. The segment is expected to grow at an increased rate due to the growth of end-use sectors such as hospitality, housing, growing fashion sensitivity of urban consumers toward home furnishings, increasing demand for digitally printed home textiles, and rapidly mounting fashion trends in home textiles.

Bath and Toilet Linen

US and Europe are two significant importers of bathroom linen products from Asia, and manufacturers have strong tie-ups with global retailers. The major vendors present in the global bathroom linen market are involved in various innovations to differentiate their product offerings from that of their competitors. These innovative bathroom linen products, assuring both superior quality and comfort, are in high demand among customers worldwide. Personalised and customised bathroom linen products are gaining traction among customers globally. Customised bathroom linen products include bath towels, bathrobes, bathmats, shower curtains, and other bath accessories. The retail market for bathroom linen products is expected to witness significant growth due to the tie-ups between manufacturers and retailers (online and offline).

Management Discussion and Analysis

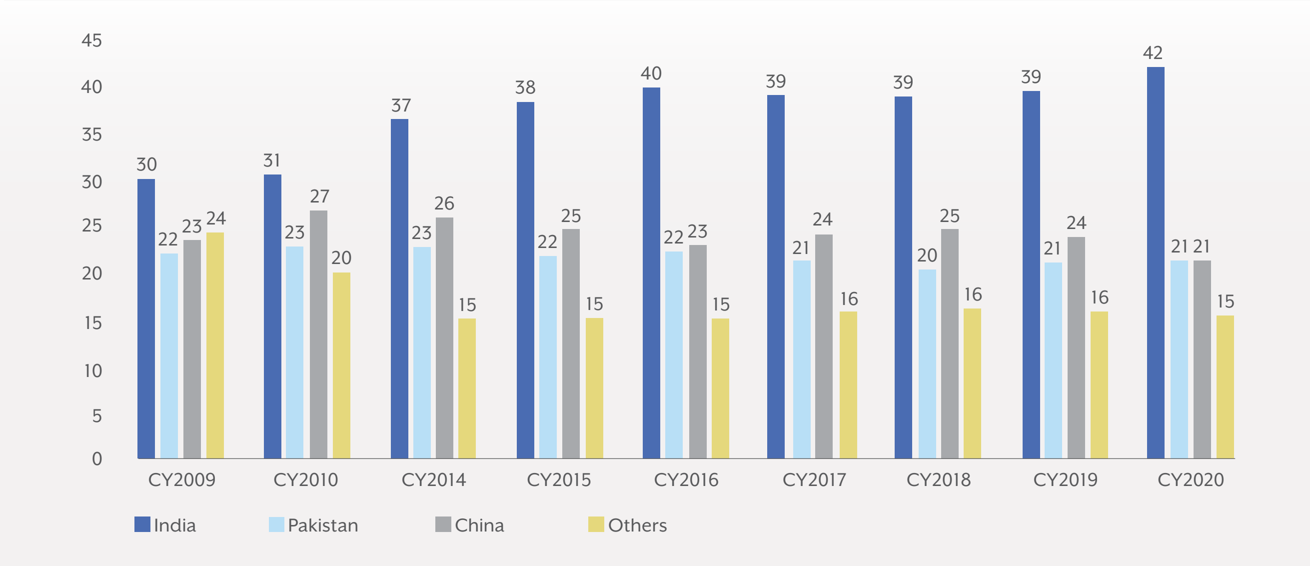
India's Presence in Key Global Home Textile Markets

India's Towel and Bed Linen Market Share in the US and Europe

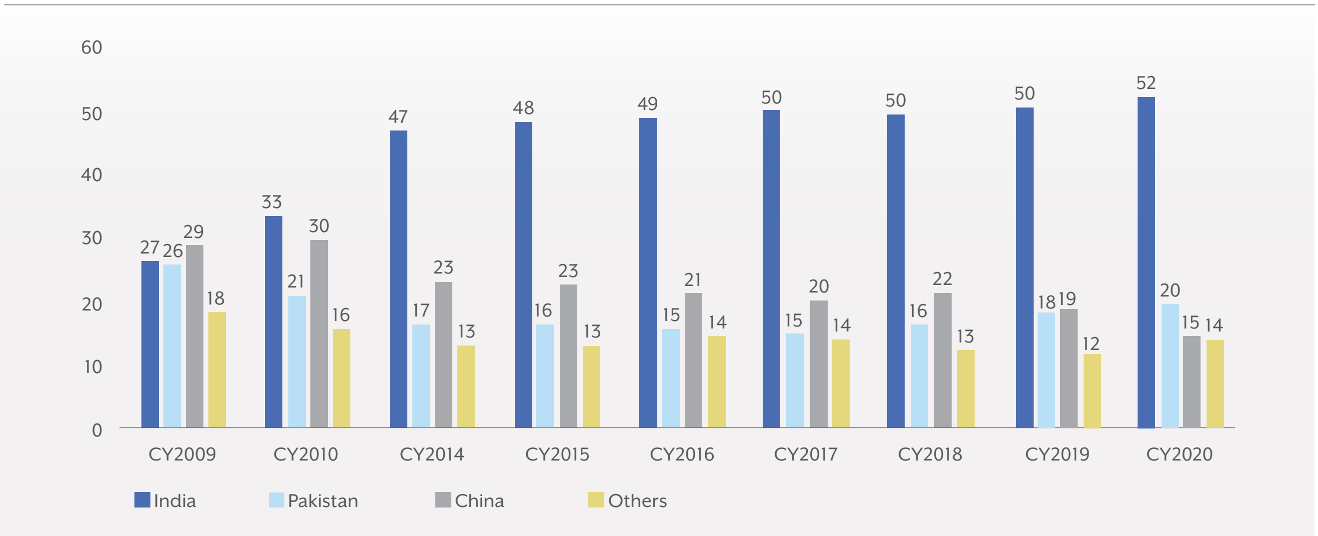
India commands a significant share in the global cotton home textile market, thanks to its competitive edge from abundant cotton availability and competitive costs.

According to the Office of Textiles and Apparels (OTEXA) US, in CY20. India supplied about 42% of the cotton towels imported to the US, a share that has grown significantly from 30% in CY09. In the cotton sheets segment, the country supplied about 52% (CY20) of the total import to the US, increasing from 27% (CY09).

US Towel (%)



US Bed Linen (%)

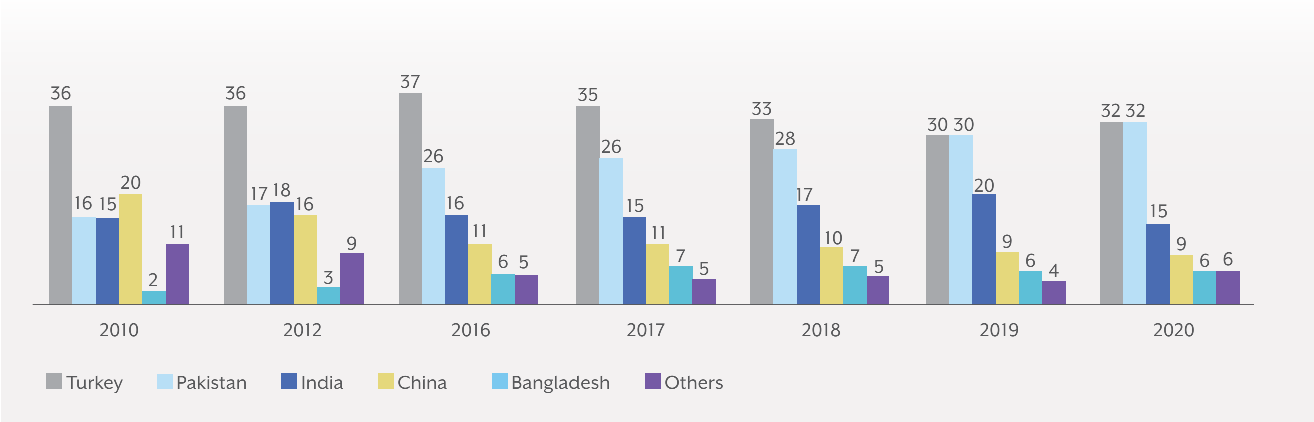


Just as the US, Europe is an equally large market, but Indian players have a low penetration due to duty disadvantage compared to countries such as Pakistan, Turkey, and Bangladesh, which have preferential tariff rates granted by the European Union. Indian exporters pay 9-10% duty on home textile products exported to the EU, whereas some of the key competing countries have zero duty access to the market.

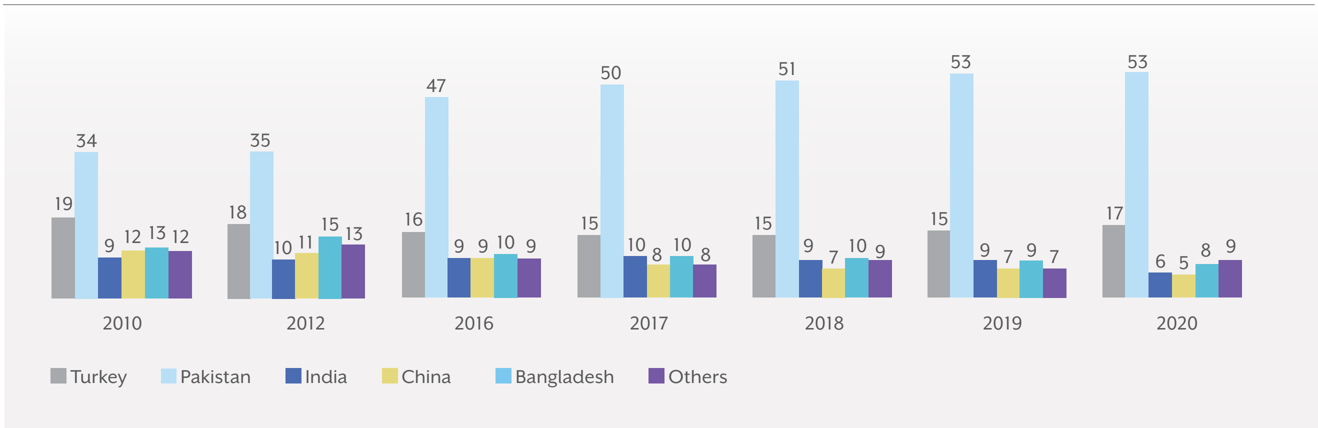
However, this also poses a significant opportunity for Indian players. Any substantial reduction in duties on Indian exports can open a huge market for Indian players. While India is in discussion with the European Union for a Free Trade Agreement (FTA), which would reduce the duties, the timeline for the agreement's conclusion remains uncertain.

Market share of supplier countries in Europe's terry towel and bed linen imports:

EU Towel (%)



EU Bed Linen (%)



Management Discussion and Analysis

Foreign Exchange

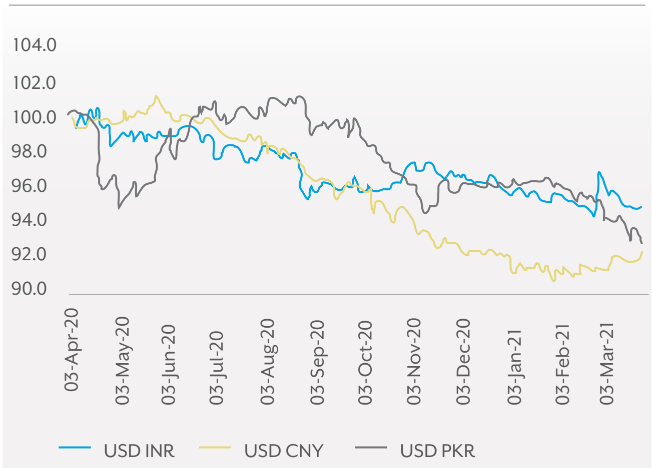
During FY21, India's currency appreciated vis-à-vis the US dollar by more than 4% or more than 300 paise loss, mostly due to sustained foreign fund inflows, easing of lockdown restrictions and infusion of stimulus by governments and central banks. Despite headwinds on the economic front and larger-than-anticipated fiscal deficit, the RBI's policy decisions ensured lower yields for the government securities and substantial accretion to foreign exchange reserves this year.

The rupee opened the financial year at around 76.5 vis-à-vis the US dollar in April 2020. From that level till mid-August 2020 rupee came to 75 level. In the next month's (From August 2020 to February 2021) current appreciated 72.5 levels.

Below chart shows the fluctuation of USD ₹ during FY21.

US Towel

Along with ₹ appreciation, FY2021 also saw appreciation of Chinese Yuan (CNY) and Pakistani Rupee (PKR).



Cotton Production & Price Update

Cotton production in India is estimated to remain stable y-o-y and stand at 6.1 million tonnes in the current cotton season October 2020 – September 2021 backed by higher yields. Also, an increase in cotton Minimum Support Price by 4.9% to ₹5,515 per quintal and 5% to ₹5,825 per quintal for medium staple cotton and long staple cotton, respectively, for cotton season 2020-21 is estimated to aid cotton production.

Ministry of Textiles, Government of India on 14.09.2020 has formulated a Committee on Cotton Production and Consumption.

Cotton Balance Sheet from 2018-19 to 2020-21

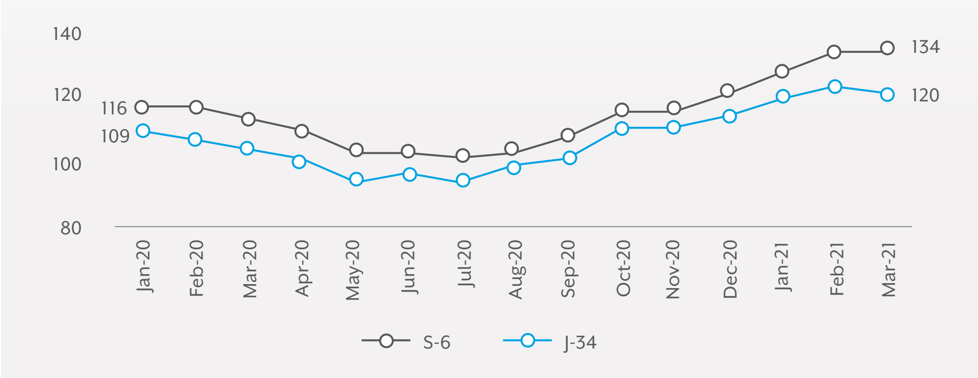
Cotton Year: October to September

Particulars	2019-2020 (P) * (In lakh bales of 170 kg. Each)	2019-2020 (P) * (in Thousand Tons)	2020-2021 (P) * (In lakh bales of 170 kg. Each)	2020-2021 (P) * (in Thousand Tons)
Supply				
Opening Stock	56.52	960.84	120.79	2053.43
Crop	365.00	6205.00	360.00	6120.00
Import	15.50	263.50	11.00	187.00
Total Supply	**437.02**	**7429.34**	**491.79**	**8360.43**
Demand				
Mill Consumption	233.70	3972.90	266.00	4522.00
S.S.I Consumption	20.49	348.33	22.00	374.00
Non Textile Consumption	15.00	255.00	15.00	255.00
Export	47.04	799.68	70.00	1190.00
Total Demand	**316.23**	**5375.91**	**373.00**	**6341.00**
Closing Stock.	120.79	2053.43	118.79	2019.43

P- Provisional

* As estimated by Committee on Cotton Production and Consumption (COCPC) in its meeting held on 30.04.2021

Chart 1: Trend in Domestic Cotton Prices (₹/kg)



Source: Textile Excellence
Note: The prices of both the varieties are available for the date of 12th for the months of November 2020 and January 2021

The rise in prices is backed by an improvement in international demand on account of relaxations in lockdown restrictions. In addition to this, 7.4% y-o-y lower global cotton production (24.6 million tonnes) estimates by the United States Department of Agriculture (USDA) amid 14.5% increase in global consumption (25.7 million tonnes) and 5% decline in global cotton closing stocks (20.3 million tonnes) for the CS 2020-21 (beginning August 2020) also supported the price rise. Moreover, higher cotton imports by China from USA on account of implementation of the USA-China phase one trade agreement and to build its State Reserve aided the international prices to grow. Apart from these factors, the ban imposed by the USA on imports of China's cotton products made in Xinjiang region due to forced labour issues are also believed to have increased the international cotton prices.

Outlook

Record global cotton supply will drive higher consumption as recovery from the COVID-19 pandemic continues, the US department of agriculture (USDA) said in its first forecast for the 2021-22 cotton season. Global cotton consumption in 2021-22 is expected to grow 3.5% to almost 122 million bales, higher than the pre-pandemic 2018-19 level. However, lingering pandemic related disruptions, i.e. reduced consumer demand and logistical issues, are expected to keep global cotton use below the 2017-18 record level, the Foreign Agricultural Service of the USDA said in its May 2021 report 'Cotton: World Markets and Trade'.

Cotton use in FY22 is expected to witness growth in all top ten consuming countries, according to the USDA report. India will see cotton use going up by 2 million bales, accounting for nearly one-half of growth in global use. Consumption growth in Pakistan, Turkey, and Bangladesh is expected at or above the long-term world growth rate of around 2%. Consumption in Vietnam is also forecast to increase.

Global cotton stocks at the end of 2021-22 season are forecast lower on smaller beginning stocks and consumption exceeding production for the second consecutive year. Stocks in China and India are both expected to decline by more than 1.5 million bales. China's share of global stocks will decline to the second lowest level in 11 years. India's consumption growth will exceed the expected increase in production, and lower stocks to their lowest level in 3 years. Stocks in the United States are also expected to decline. Brazil stocks are expected to increase due to the arrival of the second-largest projected crop at the end of the marketing year, the report said.

World trade is expected to contract slightly in FY22 from FY21, the highest in eight years. Shipments from the United States and Brazil are projected down on lower exportable supplies due to significantly lower carrying. India's exports are up as higher world prices allow for the reduction of government-controlled stocks.

Flooring Market

According to Grand View Research, the global flooring market size was valued at $388 billion in CY20 and is expected to grow at a compound annual growth rate of 6.1% till CY28. Increasing government spending on infrastructural development is expected to play an important role in augmenting the demand for flooring. The rising need for comfort and privacy, owing to noisier surroundings, has spurred the demand for insulation across the flooring market as a well-insulated floor creates an improved sound environment. This has resulted in the growing demand for insulation, thereby supporting market growth. Moreover, consumer preferences for aesthetically improved designs, textures, and colors and low-maintenance and easy-to-install floorings are anticipated to ascend the market growth.

Management Discussion and Analysis

Strong industrial and economic development coupled with population expansion is likely to have a positive impact on the product demand over the forecast period. In addition, the development of private-sector construction companies in India, China, and the UAE is anticipated to aid the construction spending, thereby benefiting the overall market growth.

The development of hassle-free installation techniques, availability of innovative construction solutions, and the rising demand for environmentally sustainable products are anticipated to fuel the industry growth. The presence of a stringent regulatory framework on the production, usage, implementation, and recycling is also likely to have a positive impact on the market growth.

Increasing investments and continuous R&D in flooring products have led to the introduction of flooring materials with enhanced durability and strength. Moreover, customisation options, in terms of color, texture, and finishing, offered by the manufacturers have contributed to higher product demand, thereby augmenting the market growth.

US Flooring Market:

Last year the US Flooring market was down 5.4% according to Market Insights, falling from $23.3 billion in 2019 to $22 billion at mill sell price. Every flooring category was down with the exception of resilient which grew by 7.5%. Last year, resilient flooring was the only category to make gains in the US market, thanks to its tremendous momentum coming into the year. However Resilient flooring consumption only grew by 7.5% compared to the strong double-digit growth the category has been posting in recent years, to $5.7 billion.

US Market Size and Share by Surface type:

	2019		2020	
Product Category	**Market Size $ Mn**	**Market Share**	**Market Size $ Mn**	**Market Share**
Carpet	8,008	34.3%	6,993	31.7%
Resilient	5,329	22.9%	5,726	26.0%
Hardwood	2,691	11.5%	2,492	11.3%
Ceramic Floor Tile	2,961	12.7%	2,802	12.7%
Area Rugs	2,704	11.6%	2,650	12.0%
Laminate	939	4.0%	841	3.8%
Rubber	683	2.9%	544	2.5%
Total Market Size	**23,315**		**22,048**	

Carpets and Area Rugs

Last year the US carpet market was down by 12.7% to $6.99 billion at mill sell price from a revised $8.01 billion in 2019, according to market insights and its flooring market share dipped to 31.7%. Commercial and hospitality carpet was down more than 22% last year. Sales were off in almost every commercial sector with retail corporate and hospitality leading the way. On the residential side carpet fared much better, down about 5%. Much like other flooring categories supply chain issues have had major impact on the carpet industry. Inflation of raw material prices have helped drive recent price hike from the mills.

The area rug market is still largely an import market in US. Among the other floor coverings by market share are rugs are the 4th largest category in the US at 12.0% following carpet, resilient and ceramic. This figure like the industry sales figure doesn't include broadloom fabricated into area rugs or carpet tile sold for use as rugs, which are largely untrack-able and counted as carpet. The year 2020 was one of the extremes for domestic area rug manufacturers: extreme lull, extreme demand; extreme shortages in raw material and labour, and, for those that also, import extreme delays at the ports. The domestic market slid 2.0% in revenue in CY20, due to this multitude of supply chain issues and continued erosion in average net selling price. Demand however hit record highs.

Resilient Flooring

Resilient flooring was the only category to make gains in the US market, thanks to the tremendous momentum coming into the year. However resilient flooring consumption only grew by 7.5% compared to the strong double-digit growth the category has been posting in recent years, to $5.73 billion. It's worth noting that in 2019 the category also experienced limited growth, largely due to a building of inventory in the latter half of CY18 in response to the tariffs on Chinese goods, along with heavy shift from rigid LVT from Wood plastic composite to Stone plastic composite. And last year the market continued to shift to SPC, particularly in the builder and residential remodel markets.

The 25% tariff on Chinese products have driven a shift to production in neighbouring countries. Many of the leading US flooring companies are now sourcing from these countries.

Technical Textile/Advanced Textile Market

Technical textiles refer to textile products that primarily focus on technical performance and functionality instead of aesthetic purposes, as in conventional textiles. The end-usage of these products cater to a wide array of industries, including automobile, agriculture, home care, construction, defence, aeronautics, healthcare, among others. The global technical textiles market is estimated at $193 billion in 2020 and is expected to reach $274 billion by 2027, growing at a CAGR of 5.1% during 2020-27, backed by increasing global demand for technical textiles across industry and the expanding base of new products courtesy applied research.

With the rise in dominance of technical textiles, the market has been classified into the following 12 segments based on their application:

InduTech
Industrial brushes, computer printer ribbon, composites, ropes and cordages, coated abrasives, drive belts, conveyor belts, etc.

MobilTech
Seat cover, upholstery, tyre cord fabrics, tufted carpet, insulation felts, seat belts, cabin filters, helmets, etc.

SpotTech
Sports nets, parachutes, artificial grass and turfs, sports composites, hot-air balloons sleeping bags, etc.

BuildTech
Floor and Wall coverings, scaffolding nets, awnings and canopies, etc.

MediTech
Contact lenses, baby diapers, sanitary napkins, surgical sutures, surgical disposables, etc.

AgroTech
Fishing nets, bird protection nets, mulch mats, crop covers, shade nets, etc.

ProTech
Bullet-proof protective clothing, high-visibility clothing, fire retardant products, etc.

HomeTech
Pillows, mattresses, blinds, mosquito nets, carpet backing cloth, filters, vacum cleaner consumables, etc.

ClothTech
Interlinings, labels, elestic narrow fabrics, shoe laces, etc.,

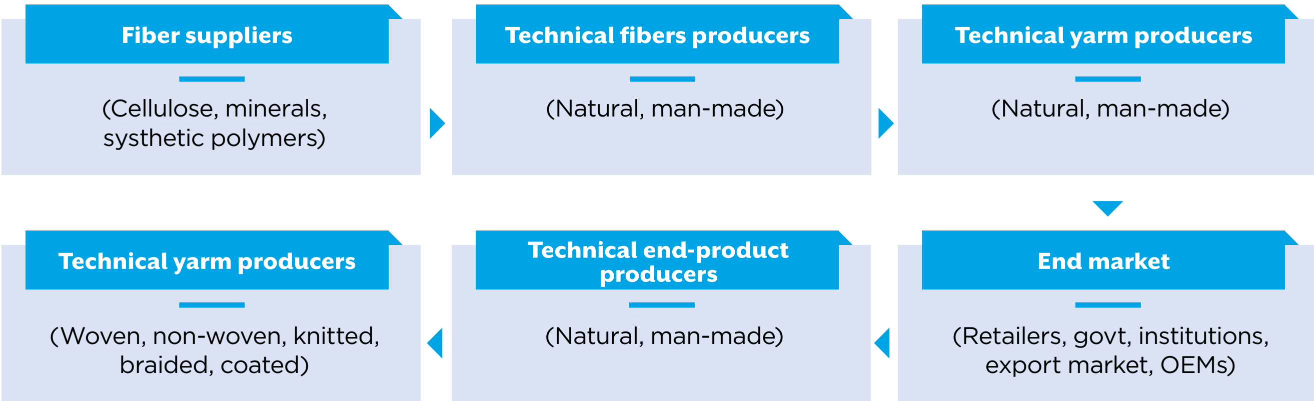
PackTech
Soft luggage, woven jute sacks, wrapping fabric, tea bag filter paper, etc.,

OekoTech
Waste management, environmental prptection, recyelling

GeoTech
Geo-composites, geo-bags, geogrida, geonets

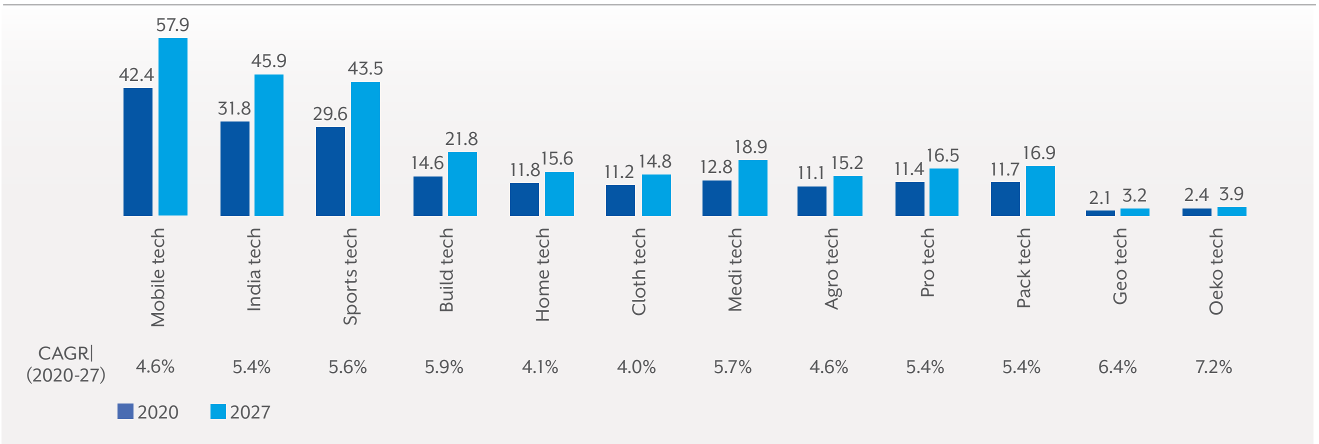
Management Discussion and Analysis

Technical Textiles Market Value Chain:



The technical textile market for Mobiltech application was valued at $42.4 billion in 2020 and is projected to reach $57.9 billion by 2027. This industry is expected to grow due to automobile units catering to huge established automobile consumer base in Europe, North America and Asia.

Figure 7: Global Technical Textile Market, by Application ($ bn)

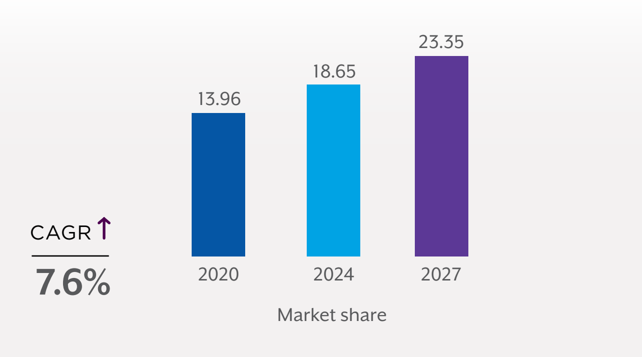


Key Trends and Growth Drivers:

- Geotextiles are increasingly being used to control soil erosion in hillsides and embankments. Additionally, increase in infrastructure projects in the developing economies is playing a critical factor in driving market growth
- The use of the latest technologies such as mulching, vertical farming, aeroponic and hydroponic farming has significantly increased need for agricultural sheets and covers
- Demand for non-woven fabrics in healthcare end-use industry has significantly increased due to rising health concerns. Non-woven textiles also needed for renovation of existing buildings and the construction of new homes
- As non-woven wipers absorb more liquid than towels and napkins, there is a growing demand for non-woven wipers
- Demand for natural or bio-based materials for technical textile products has been increasing owing to awareness among consumers and industries on the ecological impact of synthetic materials
- The growth construction, automotive, healthcare and packaging sectors in emerging nations is driving the development of sub-segments in technical textiles
- Automotive industry's shift towards electric vehicles, environmental regulations, safety, and health monitoring would create demand for innovation in technical textiles

The Indian technical textile market was valued at $14 billion in 2020 and is expected to reach $23.3 billion by 2027, growing at a CAGR of 7.6%, which is among the fastest growth rates in the Asia-Pacific region. The technical textile market is expected to witness considerable growth in coming years in India, owing to numerous factors such as developing end-user sectors, rising awareness, government initiatives, regulations, standardisations, technology upgradation among others.

Figure 9: India Technical Textile Market Size ($ bn)



Source: Global technical textile market (2020-27) - Allied Market Research; KPMG Analysis

FY21 Key Business Highlights and Operational Data:

During the year the Company achieved significant growth in top line and bottom line despite lower incentives which demonstrates the robustness of the business model. In FY21, the Company delivered highest ever annual revenues with growth of 8% YoY. This has resulted in the highest ever bed linen, bath linen, and rugs and carpet sales volume in a year.

The strong emergence of homebody economy structural shift in consumers spending has helped the overall growth for home products. Consumers are reluctant to resume their normal out of home activities and are spending more time at home. The retail home furnishing category has seen tremendous growth owning to conscious presence for quality and performance driven by hygiene and wellness over heavy discount products.

Innovation is an integral part of Welspun's DNA and the foundation on which our customer-centric solutions are built. Welspun has always focused on consumers' needs and catered to them with innovations like Nanocore technology, industry-defining, multi-level traceability process Wel-Trak™ that tracks finished products back to the raw material, as well as HygroCotton technology. Our innovation-driven approach has helped us to challenge the status quo, set new industry benchmarks, and build an industry leading portfolio of 32 innovations over the years. We are proud to be amongst the most influential innovators at the Clarivate South and South East Asia Innovation Award 2020. Welspun won the award in the corporation segment and was the only player from the textile and apparel industry. The award is a testament to our efforts and motivates us to keep developing more relevant and innovative solutions for our customers.

Our Innovation product sales during the year was ₹19,287 million, registering a growth of 6% YoY and contributed 29% to the topline.

The pandemic has accelerated online spend significantly beyond prior years and more consumers have begun shopping online in greater numbers and frequency. Online sales continued its trend with Amazon led early start to holiday buying, followed by major big box retailers who also witnessed multi-fold increase in online sales compared to previous years. Consumers spent $861.12 billion online with U.S. merchants in 2020, up an incredible 44.0% year over year, according to Digital Commerce 360 estimates. That's the highest annual US ecommerce growth in at least two decades. It's also nearly triple the 15.1% jump in 2019. Amazon accounted for nearly a third of all ecommerce in the United States. Our e-commerce business also witnessed similar trend and heighted demand with growth of 84% YoY contributing $34 million to the top line FY21. Under E-commerce channel is well set to cross $100 million by FY23.

China's share in the US market continues to be under pressure. As per OTEXA data, in the last three years we have seen India's market share in Towel & Bed Sheets increase by 4% and reached to 42% and 53% respectively. Walmart has recently announced that it will triple its sourcing of goods from India to $10 billion each year by 2027. Walmart's new import commitment is expected to provide a significant boost to companies like Welspun. Welspun and Walmart go back over two decades and have been sharing a relationship built on mutual respect and trust. We are truly humbled to be recognised by Doug McMillon, President and CEO of Walmart, as one of their key suppliers at the recent HT Leadership Summit 2020.

The Company is taking rapid strides in the B2C business through licensed brands which will enable to deepen the connect with consumers across markets and aspirational categories. Martha Stewart brand saw expansion in both online as well as offline. The Martha brand has already clocked a turnover of about $20 million since inception and we continue to see strong performance. The Company is also very excited about the prospects of Scott Living brand which was signed up during the year. Licensed brand brings to us new opportunity pockets by opening up new channels and shelf space without cannibalising our existing business.

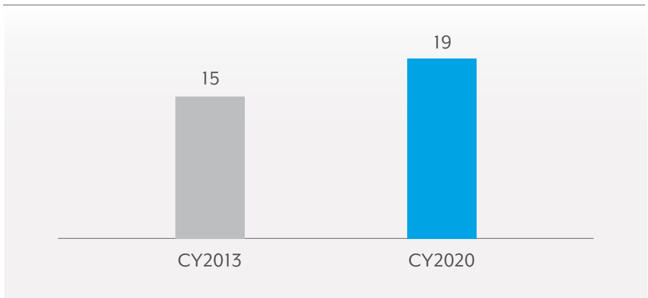
Management Discussion and Analysis

The Company's major revenue share comes from the US, which constitutes around 2/3rd of sales. The sales composition is as follows:

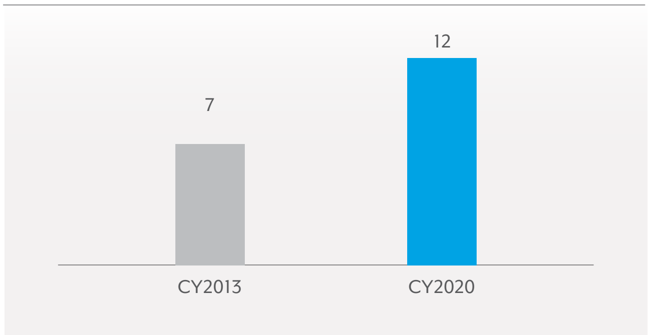
	United States	Europe	RoW	India
FY21	65%-66%	17%-18%	7%-8%	10%-11%
FY20	66% - 67%	17% - 18%	6% - 7%	9% - 10%

India has a dominating presence in USA which is why US has always been Company's major focus area. As a result, the Company has grown its market share in US towels market from 15% in CY13 to 19% in CY20 and in US sheets market from 7% in CY13 to 12% in CY20. This implies that every 5th towel and every 9th bed sheet sold in the US is made by Welspun.

Welspun's Towel Market Share in US (In %)



Welspun's Sheet Market Share in US (In %)



Note: OTEXA & Company Estimate

The Company witnessed strong performance in the domestic retail as consumer confidence recovered quicker than expected, supported by the festival season and fall in COVID cases. Domestic retail business recorded very strong revenues during the year and achieved positive EBITDA in Q4. Despite headwinds, we ended the year with 3400+ outlets in 66 towns for brand "W" and we plan to be at 100+ towns and 6550+ outlets with a distributor in every town we are present in. We have also added 22 towns and 307 outlets for brand "Spaces" during the year. With the recent surge of a new COVID wave in India and government imposing localised lockdowns, we could see normal demand conditions returning with a delay of a quarter.

During the year, we have forayed into health and hygiene vertical in the shortest possible time with focus on health and hygiene related products such as masks, coveralls, medical gowns, disposable bed linen, towel, disinfectant wipes, etc., for frontline workers and consumers. This was possible by leveraging our vertically integrated woven and nonwoven capabilities. We launched reusable cloth mask with anti-microbial range and patented Nanocore mask with water repellent finish. We were amongst very few players to have BI certification for three ply surgical mask. We are the first company in India to be BI certified for the coverall product. COVID induced demand for surface disinfectant wipes saw some early enquiries and willingness to partner with us on the part of some key brand owners in India. Demand for baby segment wet wipes in domestic market remained buoyant while globally the demand remained muted. Greenfield Spunlace Capacity addition project in Telangana is on course and we expect commercial operation to commence from H2 FY22.

As the lockdown eased out in multiple international geographies, we were entirely booked in our Flooring business especially in Hard Flooring segment with repeat orders with higher ticket size from our large clients from US and ME regions. We received trial orders from regions like UK and South East Asia to show our capabilities and services for long-term association. On the Soft Flooring side, business started taking shape with strong enquiries from US and ME regions. In order to optimise capacity utilisation of the soft flooring plant, we plan to produce rugs and carpets for our Home Textile customers from Welspun flooring facility, as our facility at Vapi is running at peak capacity.

Domestic flooring business witnessed highest ever expansion of our retail footprint – adding 128 dealers to our channel. We concluded the year with a total of 572 dealers in our network, across 192 towns and cities. Digital customer acquisition has been going strong, clocking a robust 24% contribution to our month-on-month sales. We have also upgraded our plaza format retail stores to enable a better visualisation of our products. In order to strengthen our digital channel we have overhauled the Welspun flooring website to make navigation more intuitive and easier. During the year, we have continued adding business from a large list of marquee brands across both Commercial and Hospitality channels. Robust growth outlook for Building Materials segment in India for the near to long term also augurs well for growth of our product lines.

(₹ in Million)

Revenue	Core			Emerging Business		
	HT - B2B	HT - Branded	HT - E-Com	Advanced Textile	Flooring - B2B	Flooring - Branded
FY21	51,003	5,138	3,918	2,850	2,418	615
FY 20	49,516	5,483	2,134	2,338	360	408
Growth %	3%	-6%	84%	22%	572%	51%
Sales contribuation FY 21	77%	8%	6%	4%	4%	1%
Sales contribuation FY 20	82%	9%	4%	4%	1%	1%

5%
Textile Business Growth

19%
HT Branded (incl E-Commerace)

89%
Growth in other business

(₹ in Million)

Revenue	B2B			Branded			
	Global			Global		Domestic	
	Innovation	Others	Domestic	Online	Offline	Online	Offline
FY21	19,287	33,372	3,612	3,741	3,500	176	2,253
FY20	18,127	31,256	2,831	2,029	3,376	105	2,515
Growth %	6%	7%	28%	84%	4%	69%	-10%
Sales contribution FY 21	29%	51%	5%	6%	5%	0%	3%
Sales contribution FY 20	30%	52%	5%	3%	6%	0%	4%

84%
E- COM Growth

20%
Branded Business Growth

6%
Innovation

ESG

While COVID got the worst attention in 2020, the climate crisis continues to be the biggest concern for planet Earth. Businesses are increasingly changing their operations to adjust to the climate crisis by innovating more sustainable and environment-friendly solutions. Consumers now demand that brands should be more transparent and environmentally conscious in the production and delivery of their goods. At Welspun India, we are completely conscious about the challenges society faces and the role WIL can play in surmounting them. Over the last few years we have made significant investments in the areas of sustainability including amongst others, initiatives like Rain-Water Harvesting Lagoons and Sewage Treatment Plant to lower the freshwater footprint. We also run a social initiative called "Spun" which is not only based on upcycling, but is also dedicated to women empowerment. True to our ideology from Farm 2 Shelf, we partner with the farming communities to provide access to the best agronomic practices and technology to improve the quality and yield of organic cotton and BCI. We are encouraged by successful collaboration that we have formed with leading technology and global funding partners in this area. More than 12,000 farmers have benefited in FY21 and we aim to reach 20,000 by FY25.

To give furtherance to the Company's initiatives towards sustainability, it has included all aspects of ESG i.e Environment, Social & Governance and aligned it to its business strategies. The Company's newly formed Board ESG-committee will review the ESG activities progress and provide appropriate directions.

Management Discussion and Analysis

To achieve it's mid- and long-term ESG goals, the Company has embarked upon an ambitious ESG strategy. Welspun is already rated "Low Risk" on ESG factors by one of the top ESG rating agency and we are conducting gap-assessment study and identifying measures to move to "Negligible Risk" rating. Welspun's Sustainability journey is now a case study on Ivey publishing website.

Outlook

FY21 was a milestone year for us as we delivered solid all-round performance. Our relentless efforts and investments to create vertically integrated facilities including workers colony, warehouses, ancillary park and investment in product development has helped the company withstood the disruptions across the supply chain.

Revenue

On the back of expanded capacities and with customer demand remaining to be buoyant, the top line of the company is expected to grow upwards of 15% in FY22 (Home textile over 10%, Flooring over 125%, and Advanced textiles over 50%).

EBITDA

In spite of headwinds (increased input costs coupled with uncertainty on rebate of taxes and duties rates) and with our drive towards cost optimisation, use of technology, and improved efficiency aided further by strong business prospects and robust outlook, we believe we should be able to achieve annual EBITDA margin between 20% - 21% in FY22.

Capex & Net Debt

The expansion projects of flooring, advanced textile, and home textile businesses, which were in different stages of progress in FY21 will get completed in FY22. Capex spend in FY22 to complete these projects is expected to be around ₹6,000 million. In spite of the CAPEX in higher outflow due to buyback and dividend, the company will continue to prepay the high-cost debt as evidenced over the last two financial years.

The Company remains committed in its long-term aspiration of delivering sustainable and profitable volume led growth, building on strong brand equity and accelerated focus on emerging businesses.

Manufacturing Capacity and Utilisation:

Home Textile	Particualr	UOM	Annual Capacity	FY21	Utilisation %	FY20	Utilisation %
	Bath Linen	MT	80,000	70,406	88%	67,548	84%
	Bed Linen	Mn mtrs	90	69.2	77%	62	69%
	Rugs & Carpets	Mn sq mtrs	10	8.2	82%	8	80%

Advance Textile	Particualr	UOM	Annual Capacity	FY21	Utilisation %	FY20	Utilisation %
	Spunlance	MT	10,000	9,152	92%	8,433	85%
	Needle Punch	MT	3,000	1,176	34%	1,349	40%
	wet wipes	million packs	75	23.1	28%	9.4	12%

Flooring			Annual Capacity			
	Particualrs	UOM	Expected*	Operational	FY21	Utilisation
	Soft Flooring	Mn sq mtrs	16.3	7.5#	0.7	9%
	Hard Flooring	Mn sq mtrs	10.7	5.4@	1.67	52%

Note:
*Expected Capacity at Full Capex | @ Increased to 5.4 on 15 Jan 2021 | #The same will increase to 16.3 mn sq mtrs operationally based on business needs by making small investment in balancing equipment
During FY20 the flooring plant was in stabilisation stage | ^Nominal Capacity

Financial Performance – FY21 (₹ million)

	Revenue	EBITDA	PBT	PAT	Cash Profit
	74,080	**14,198**	**7,686**	**5,397**	**10,197**
Growth (YoY)	8.40%	8.40%	18.10%	6.40%	5.10%
Margin (%)		19.20%	10.40%	7.30%	
Margin Expansion/Contraction (YoY)			85 Bps		
EPS/CEPS				5.37	10.15

Note:

1. Prior period figures are restated wherever necessary
2. *As the Rate for RoDTEP has not been notified, we have not accrued RoDTEP Income in Q4FY21

FY21 saw total income growth of 8.4%, which stood at ₹74,080 million vs. ₹68,362 million in FY20. The Company's EBITDA margin came at 19.2% during the year.

Key Financial Numbers:

Particulars	FY21	% of Total Income	FY20	% of Total Income
Revenue from Operations (Net)	73,402	99.09%	67,411	98.61%
Other Income	678	0.91%	951	1.39%
Total Income	74,080	100.00%	68,362	100.00%
Cost of Material	35,873	48.43%	32,963	48.22%
Manufacturing Expenses	8,633	11.65%	7,609	11.13%
Employee Cost	8,228	11.11%	7,781	11.38%
Selling Administration and Other Expenses	7,148	9.65%	6,911	10.11%
EBIDTA	14,198	19.17%	13,098	19.16%
Finance Costs	1,975	2.67%	1,777	2.60%
Depreciation and Amortisation Expense	4,536	6.12%	4,811	7.04%
Taxes	2,179	2.94%	1,700	2.49%
Profit Before Extraordinary Items	5,507	7.43%	4,809	7.04%
Exceptional Items	-	0.00%	434	0.64%
Minority's Share of Profit/(Loss) in Certain Subsidiary Companies	111	0.15%	170	0.25%
Net Profit (Loss)	5,397	7.29%	5,074	7.42%
EPS (Basic and Diluted)	5.37		5.05	

Management Discussion and Analysis

1. Revenue

a. Revenue from Operations

For FY21, Revenue from Operations was ₹73,402 million vs. ₹67,411 million in FY20, 8.9% up.

b. Other income

Income from other sources was ₹678 million in FY21, vis-à-vis ₹951 million in FY20.

2. Expenditure

a. Cost of Materials

Consumption of raw materials stood at ₹35,873 million during the year. This accounts for 48% of the total income for FY21. As a per cent of total income, the material cost has seen no change as compared to the FY20 figure of 48% of total income.

b. Manufacturing Expenses

Manufacturing expense was ₹8,633 million in FY21 compared to ₹7,609 million in FY20. The manufacturing expense includes power, fuel, and water charges of ₹2,095 million, dyes and chemicals of ₹2,508 million and contract labour and job work charges of ₹2,217 million.

As a per cent of total income, manufacturing expenses was at 11.65% in FY21 compared to 11.13% in FY20.

c. Employee Cost

Employee cost stood at ₹8,228 million in FY21 compared to ₹7,781 million in FY20. As a per cent of total income it was 11.11% in FY21 compared to 11.38% last year.

d. Selling, Administration and Other Expenses

Selling, administration and other expenses were reported at ₹7,148 million in FY21 vis-à-vis to ₹6,911 million in FY20. The increase was primarily be cause of higher logistics expenses during the year.

e. Finance Costs

Financial expenses in FY21 were ₹1,975 million. The corresponding figure in FY20 was ₹1,777 million. The increase was on account of redemption of preference shares, reversal of TUF benefits and increase in Welspun Flooring finance cost.

f. Depreciation and Amortisation Expense

Depreciation was reported at ₹4,536 million in FY21 end vis-à-vis ₹4,811 million in FY20.

3. Profitability

a. EBIDTA

EBITDA in FY21 was reported at ₹14,198 million, implying EBITDA margin of 19.2%.

c. PROFIT AFTER TAX

Profit after Tax post minority interest stood at ₹5,397 million in FY21 vis-à-vis ₹5,074 million in FY20. Net profit margin stood at 7.29% vs 7.42% in FY20.

4. Earnings Per Share (Basic)

Earnings per share for the year ending March 31, 2021 stood at ₹5.37 per share compared to ₹5.05 per share at the end of March 31, 2020.

5. Table: Balance Sheet

Particulars		As at March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
A.	**ASSETS**		
1	**Non-current Assets**		
	Property, Plant and Equipment	35,118	36,326
	Capital work-in-progress	1,709	564
	Goodwill on Consolidation	1,830	1,803
	Other Intangible assets	283	477
	Right-of-use assets	910	722
	Intangible assets under development	21	16
	Financial Assets		
	- Investments	19	8
	- Loans	4	2
	- Other financial assets	768	1,233
	Non-current tax assets	397	684
	Deferred Tax Assets	1,120	1,162
	Other non-current assets	627	421
	Total Non-current Assets	**42,806**	**43,418**

Particulars		As at March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
2	**Current Assets**		
	Inventories	17,731	15,287
	Financial Assets		
	- Investments	1,093	2,436
	- Trade receivables	11,817	10,862
	- Cash & cash equivalents	2,994	2,051
	- Bank balances other than cash and cash equivalents above	997	253
	- Loans	6	5
	- Other financial assets	4,422	3,224
	Current Tax Assets	21	21
	Other current assets	4,891	5,546
	Total Current Assets	**43,972**	**39,685**
	Total Assets	**86,778**	**83,103**
B.	**EQUITY AND LIABILITIES**		
1	**Equity**		
	Equity Share capital	1,005	1,005
	Other Equity		
	Reserves and surplus	35,164	29,725
	Other reserves	278	-1,009
	Equity attributable to owners of Welspun India Limited	**36,447**	**29,721**
	Non-controlling Interests	985	848
	Total Equity	**37,432**	**30,569**
2	**Liabilities**		
	Non-current liabilities		
	Financials Liabilities		
	- Borrowings	9,705	14,070
	- Lease liabilities	777	528
	- Other financial liabilities	52	50
	Non-current tax liabilities	2,244	1,526
	Provisions	27	26
	Deferred tax liabilities	2,494	1,927
	Other non-current liabilities	982	939
	Total Non-current liabilities	**16,281**	**19,066**
3	**Current liabilities**		
	Financials Liabilities		
	- Borrowings	17,452	17,717
	- Lease liabilities	212	260
	- Trade payables		
	(a) Total outstanding dues of micro enterprises and small enterprises	525	179
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	10,391	8,799
	- Other financial liabilities	1,847	4,933
	Provisions	-	1
	Employee benefit obligations	1,346	881
	Current Tax Liabilities	51	43
	Other Current Liabilities	1,241	655
	Total current liabilities	**33,065**	**33,468**
	Total liabilities	**49,346**	**52,534**
	Total Equity and Liabilities	**86,778**	**83,103**

Management Discussion and Analysis

6. Networth

Net worth of the Company stands at ₹36,447 million on March 31, 2021 against ₹29,721 million at March 31, 2020.

Net sales to Net worth ratio is 2.03 times for the period ending March 31, 2021 compared to 2.30 times for the period ending March 31, 2020

Book value of equity shares stands at ₹36.28 per equity share as at March 31, 2021 which was 29.58 per equity share on March 31, 2020

The details of movement under various heads for Net Worth:

a. Share Capital

The issued, subscribed, and paid-up share capital as of March 31, 2021 stands at ₹1,004.7 million.

b. Reserves and Surplus

- Securities Premium Account: The Securities Premium account stands at ₹3,238 million in FY21, which is ₹3,238 million at the end of FY20.
- Capital Redemption Reserve: The balance as of March 31, 2021 amounted to ₹1,608 million, which was ₹488 million at the end of FY20
- Capital Reserve: The balance as of March 31, 2021 amounted to ₹1,475 million, which was ₹1,475 million at the end of FY20
- Foreign exchange translation reserve as of March 31, 2021 stands at ₹(60) million vis-à-vis ₹(51) million in the previous year
- Profit and Loss Account: The balance in the Profit and Loss Account as on March 31, 2021 was ₹27,911 vis-à-vis ₹23,592 million as on March 31, 2020.

7. Loan Funds

Gross debt as on March 31, 2021 stands at ₹28,414 million compared to ₹34,421 million at the end of FY20. The long-term debt stands at ₹10,962 million vis-à-vis ₹16,704 million at the end-of FY20.

Cash and cash equivalents of the Company in FY21 stands at ₹5,087 million vis-à-vis ₹4,803 million in the previous year.

Net debt as on March 31, 2021 stands at ₹23,327 million after reducing the cash and bank balance and liquid investment. At the end of FY20, the net debt was ₹29,618 million.

Net debt at the end of FY21, excluding flooring debt, was ₹16,215 million.

Net debt to Equity stands at 0.64x in FY21 (vis-à-vis 1.00x in FY20) while Net debt/EBITDA stands at 1.64x in FY21 (2.26x in FY20).

8. Fixed Assets

Net block (including Capital Work in Progress) stood at ₹36,827 million vis-à-vis ₹36,890 million in FY20.

9. Inventory

Inventory as on March 31, 2021 stood at ₹17,731 million vis-à-vis ₹15,287 million in FY20. The inventory days were 88 days in FY21 compared to 83 days in FY20. The Inventory turnover ratio stands at 4.2x in FY21 against 4.5x at the end of FY20.

10. Debtors

Sundry debtors on March 31, 2021 were at ₹11,817 million vis-à-vis ₹10,862 million in FY20-end. Receivable days/debtor days is 59 days in FY21 compared to 59 days in FY20. Debtors turnover ratio stands at 4.8x in FY21 vis-à-vis 6.3 times at FY20 end.

11. Cash and Bank Balances and Liquid Investment

Cash and bank balances and liquid investment was reported at ₹5,087 million as on March 31, 2021. At the end of FY20, the corresponding figure was ₹4,803 million.

12. Current Liabilities

Trade payables stood at ₹10,916 million as of end-FY21 vis-à-vis ₹8,979 million in FY20 end. Trade payables are at 54 days of net sales in FY21, compared to 49 days in FY20. The payable turnover ratio stands at 6.8x in FY21 compared to 7.6x at FY20-end.

13. Cash Conversion Cycle

Cash conversion cycle for FY21 was 93 days as against 93 days in the previous year.

14. Buy Back & Dividend

The Company has a stated dividend distribution policy, where the pay-out will be 25% of the consolidated PAT.

15. Return on Net worth (Return on Equity)

Return on net worth stood at 16.3% vis-à-vis 16.1% in FY20.

Statutory Reports

Key Financial Indicators: (₹ in million except ratios)

Particulars		As at March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Total Income	₹ Mn	74,080	68,362
EBITDA	₹ Mn	14,198	13,098
EBIT	₹ Mn	9,662	8,287
Net Profit after Tax	₹ Mn	5,397	5,074
Net Worth	₹ Mn	36,447	29,721
Net Debt	₹ Mn	23,327	29,618
Net Debt/Equity	Times	0.64	1.00
Net Debt/ EBITDA	Times	1.64	2.26
Net Sales/ Net Worth	Times	2.03	2.30
Interest Coverage Ratio	Times	4.89	4.66
Current Ratio	Times	1.33	1.19
Return on Capital Employed (ROCE) - Pre-Tax	%	13.8%	12.3%
Return on Equity (ROE)	%	16.3%	16.1%
Inventory Days	Days	88	83
Receivable Days	Days	59	59
Payable Days	Days	54	49
Net Operating Cycle	Days	93	93
(Inventory Days + Receivable Days - Payable Days)			
Book value per share		36.28	29.58

Note: The days outstanding are calculated on the basis of the closing numbers

Changes in Key Financial Ratios:

Ratios	As at March 31, 2021	As At March 31, 2020	Remarks / Response
Debtors Turnover	6.3	6.3	No change
Inventory Turnover	4.2	4.4	No Significant change
Interest Coverage Ratio	4.9	4.7	No Significant change
Current Ratio	1.3	1.2	Higher Current Assets (Inventories, Debtors) has led to this slight change in ratio
Debt Equity Ratio	0.64	1.00	Lower Debt and Higher Networth has led to lower ratio.
Operating Profit Margin (%)	19.2%	19.2%	No change
Net Profit Margin (%)	7.3%	7.4%	No change
Return on Average Equity (ROE) %	16.3%	16.1%	No Significant change

Management Discussion and Analysis

Risk Management

The Company truly believes that business has and will always involve risks; hence it constantly scans the external environment to identify the emerging threats and assesses them for their impact on its objectives. WIL has evolved a robust governance architecture to identify and evaluate potential risks and formulate an appropriate mitigation strategy. The Company is ably guided by the Risk Management Committee of the Board, which reviews the management's enterprise-wide risk management efforts.

The Company has established a risk management policy that defines the overall risk management framework. The risk management committee of the Board oversees and reviews the risk management framework as well as the assessment of risks, its management and mitigation procedures. The committee reports its findings and recommendations to the Board.

The Company has established a risk-aware culture across the organisation and established risk management committee at each location (plants and head office) to assess risks and monitor mitigation measures.

Risk registers are developed for each location and drilled down to each function. Risk prioritisation and monitoring is performed at Company level as well as plant level and function level. Plant head and functional heads are responsible to manage the risks.

In addition to the structured risk management meetings, risk management is embedded within the business performance review and inherent risks are deliberated during the business review meetings. During the year, there has been greater focus on

(a) cyber security risks
(b) environmental & social risks

Some of the key strategic and business risks the Company is actively managing are:

Risk	Mitigation
Impact on growth due to changing consumer behavior towards Sustainable products. Increasing demand for products being manufactured in a sustainable manner	Company spends 0.5% to 0.75% of its revenue on Product innovation. There a continuous innovation being done on developing sustainable products. We are also looking to set up Solar Power plant with Opex Model; for this we are in discussion with Gujarat Government
Concentration Risk (Heavy dependence on few Geographies / Customers).	• Company is developing a detailed supply chain mechanism to increase share of E commerce (same is growing at 100% in India and 300% in USA in Textile segment) and is working around logistics and warehouse management for the same.
Inability to expand operations / fear of losing opportunity towards additional demand to the competition on account of space constraint at existing plant locations. Concentration risk since all the plants are located Gujarat only.	• Company has plans to cater to the incremental revenues through long term outsourcing relationships. In future, all the incremental business would be handled through long term outsourcing arrangements. Own capacities would only cater to our US and UK customers. • Management is looking to explore design changes at existing plant to see if additional production lines can be set up / also options for starting manufacturing of Rugs and Carpet at Hyderabad is being explored
Impact on Profitability and cash flows due to withdrawal of rebate of taxes	This will have a impact on the wider Textile Industry as a whole in case the risk fructifies. We will have to take it through a wider Industry forum like ASSOCHAM for making presentations to the Government
Cyber vulnerability leading to breaches of systems and leakage of company sensitive data	• A maturity map /scorecard for different activities has been created across different risk (operational. IT infrastructure, application, end point) and around 235+ control points have been identified.
Inability to attract and retain talent	• The Company is planning to enhance training to achieve higher productivity and working in a way to retain high skilled workers
• Volatility in Cotton prices can impact the profitability adversely. • Non availability of Key Raw Material resulting in supply chain issues • Non fulfillment of customer orders due to limited availability of specialised / organic cotton • Use of obsolete technology impacting economic efficiencies. • Geographic Concentrations of Plant in a single state. • Impact on business continuity due to Covid Pandemic	• Substitute of 60 PVA is identified (Mint yarn), material can be sourced easily from Japan; this will marginally increase production cost. The Company has initiated the procurement of the same • The Company is developing other countries especially Africa, Tanzania and Turkey for organic cotton. • Within India, Organic farming practices in Maharashtra, Gujarat and Myanmar • A detailed business plan is being presented to the Management for replacement of Old Looms • Global sourcing Team is working to identify vendors across multiple geographies to do localised production • Management is looking to explore design changes at existing plant to see if additional production lines can be set up / also options for starting manufacturing of Rugs and Carpet at Hyderabad is being explored.
Inability to achieve sustained growth due to Domestic Competition as well as competition from other Countries	Company is constantly innovating to handle competition. It has diversified into new products like Welspun Health, Welspun Flooring to diversify the existing portfolio

Human Resource

The WIL workforce is the Company's most important asset. WIL has over 24,000 employees on its payroll. The Company believes in creating a nurturing and supportive work environment for the workforce to allow them to grow, thrive and work to the best of their capabilities. Each year the Company organises events, programmes and training sessions to upskill the workforce and induce team spirit. Ensuring a positive work environment and congenial workplace with a culture that motivates the human capital to perform with precision and productivity.

Some of the initiatives taken during the past fiscal year are as follows:

- Celebration of Red day

Retail Employee Day was celebrated on December 12, 2020 for the first time. The theme for the year was 'Welspun Warriors', in order to celebrate the staff of WIL who worked relentlessly to ensure that the operations were continuous and profitable through difficult times. The employees met virtually and were addressed by Jt. MD Dipali Goenka & CEO Nemisha Ghia on MS Teams application. Followed by this, a number of virtual events were arranged for celebration. These events included Retail Family Got Talent 2.0 - a platform for the employees to showcase their talents, a virtual treasure hunt and Dress Up Like a Warrior. The event was successfully concluded with a message from Ms. Dipali Goenka & Ms. Nemisha Ghia on 'You are the real warriors'.

- Staff training on TTRAIN circle application

This initiative was taken by WIL in the retail section to improve the product knowledge of the employees. As a part of this initiative, 95% of the Brand Staff was successfully on-boarded and is active on the TTRAIN circle application. As a part of this, the participants created content on product and sales training each week to facilitate learning through TTRAIN circle. At the end of the training, an assessment was conducted to test the understanding of the staff using the application. Various webinars were conducted using MS Teams application with all the Brand Staff, Area Officers and RSM. They were also given Sales training with COVID-19 guidelines. The participants were shown bite size videos on Basics of Fabric & HELPU sales model to enhance basic knowledge of all current and new joining Brand Staff. Sessions on product knowledge were conducted daily through Minute Mastery followed by an assessment to check sustenance of trained Product knowledge score.

- Retail Walkers

In order to amalgamate the importance of physical fitness and charity, the retail department of WIL came up with the concept of Retail Walker, a charity event to raise money for a novel cause. The initiative was conducted through an online platform where the employees who participated were made to compete against each other to see who walked the most. As a part of this event, 128 employees participated to raise money for the charity. These employees included management as well as Brand Staff. The challenge was to walk the highest number of steps and donate these steps to raise money. The initiative was conducted for a duration of 30 days where 128 participants were able to raise a sum of ₹23,000.

Internal Control Systems and Their Adequacy

The internal control system encompasses the policies, processes, tasks, behaviours and other aspects of WIL that taken together, facilitate effective and efficient operation, quality of internal and external reporting, compliance with applicable laws and regulations. WIL's objectives, its internal organisation and the environment in which it operates are continuously evolving and as a result, the risks it faces are continuously changing. To make its internal control effective and sound, WIL thoroughly and regularly evaluates the nature and extent of risks to which the Company is exposed. The operation and monitoring of the system of internal control has been taken by individuals who collectively possess the necessary skills, technical knowledge, objectivity, understanding of the Company, industries and markets in which it operates. The qualified, experienced and independent Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal controls systems and suggests improvements for strengthening whenever required. WIL has a strong Management Information System, which is an integral part of the control mechanism.

Directors' Report

To

The Members,
Welspun India Limited

Your Directors have pleasure in presenting the 36th Annual Report of your Company along with the Audited Financial Statements for the financial year ended March 31, 2021.

1. Financial highlights:

₹ Million

	Consolidated		Standalone	
Particulars	**2020-21**	**2019-20**	**2020-21**	**2019-20**
Revenue from Operations (Net)	**73,402**	**67,411**	**59,563**	**53,236**
Other Income	678	951	832	431
Total Revenue	74,080	68,362	60,395	53,667
EBITDA	**14,198**	**13,098**	**11,656**	**10,523**
EBITDA Margins (%)	19	19	19	20
Finance Cost	1,975	1,777	1,014	948
Depreciation and amortization	4,536	4,811	3,301	3,881
Profit before exceptional items and tax and share of net profit of Associates	7,686	6,510	-	-
Share of net profit of Associates	1	0	-	-
Profit before exceptional items and tax	7,687	6,510	7,341	5,694
Exceptional items	0	(434)	-	(432)
Profit before tax	**7,687**	**6,944**	**7,341**	**6,126**
Tax Expense	2,179	1,700	2,074	1,377
Profit after taxation	**5,508**	**5,244**	**5,267**	**4,749**
Earnings per share (Basic & Diluted) (Nominal value per share ₹ 1)	**5.37**	**5.05**	**5.24**	**4.73**

2. Performance and Outlook:

During the year under review, your Company's total revenue on standalone basis increased to ₹ 59,563 million, increase of 11.88% and on consolidated basis it increased to ₹ 73,402 million, a growth of 8.89% over the previous year. The EBITDA on standalone basis was ₹ 11,656 million i.e. 10.77% higher than last year and on consolidated basis was ₹ 14,198 million i.e. 8.40% higher than last year. Profit before exceptional items and tax was ₹ 7,341 million i.e. 28.93% higher than last year on standalone basis and it was ₹ 7,687 million i.e. 18.08% higher than last year on consolidated basis. Profit after tax ("PAT") is ₹ 5,267 million i.e. 10.91% higher than last year on standalone basis and ₹ 5,508 million i.e. 5.03% higher than last year on consolidated basis. You may refer to 'Management Discussion & Analysis' ("MDA") Section of this Report for further details of your Company's performance.

3. Dividend:

i. Dividend Distribution Policy:

The Board of Directors approved Dividend Distribution Policy of the Company, as required under Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations 2015"). During the year, the Board amended Dividend Distribution Policy by changing basis of dividend amount from 25% of PAT for a financial year, on standalone basis to 25% of PAT for a financial year, on consolidated basis. Accordingly, the Board will endeavor to achieve distribution of 25% of PAT for a financial year, on consolidated basis, with equity shareholders. The Policy is attached as Annexure – 1 to this Report and it is also available on your Company's website and the web link thereto is as given below.

www.welspunindia.com under the tab Investors -> Policies

ii. Dividend for Financial Year 2020-21:

The Board has recommended dividend of ₹ 0.15 per equity share for the Financial Year ("FY") 2020-21, consequently cash outflow of ₹ 150.71 million i.e. 2.74% of consolidated PAT. Considering cash outflow of ₹ 2 billion on account of Buyback approved completed on July 14, 2021 along with dividend cash outflow of ₹ 150.71 million, payout to shareholders amounts to 39% of consolidated PAT.

A snapshot of the dividend track record of your Company for previous financial years is given below.

₹ million

Financial Year	Total Dividend (%)	Cash Outflow (including DDT for 2019-20 and 2018-19)
2020-21	15%	151
2019-20	100%	1,211
2018-19	30%	363

4. Subsidiaries:

During the year FY2020-21, the Company's subsidiary viz. Welspun USA, Inc. (WUSA) acquired 100% share capital of a company called TMG Americas LLP ("TMG") in USA having real-estate residential unit in New York, USA. TMG's residential unit will help smoothen travel planning of its business visitors and reduce lodging cost of WUSA.

A report on the performance and financial position of each of the subsidiary companies of your Company is included in the consolidated financial statement presented in Form AOC-1 attached as Annexure – 2 to this Report. Your Company's policy on Material Subsidiary as approved by the Board is hosted on your Company's website and the web link thereto is as given below.

www.welspunindia.com under the tab Investors -> Policies

5. Auditors and Auditors' Report:

i. Statutory Auditors:

Your Company's Auditors, S R B C & CO LLP, who were appointed up to the conclusion of the 37th Annual General Meeting, have given their consent to continue to act as the Statutory Auditors of your Company for the remaining tenure. Members have at the 33rd Annual General Meeting ratified the appointment of the Auditors for the remaining tenure i.e. upto the 37th Annual General Meeting. The Auditors are holding a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

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

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part during the financial year under Report is ₹ 36.31 million.

ii. Cost Auditors:

As per Section 148 and other applicable provisions, if any, of the Act read with Companies (Audit and Auditors) Rules, 2014, the Board of Directors of your Company has reappointed M/s. Kiran J. Mehta & Co., Cost Accountants as the Cost Auditors of your Company for FY 2021-22 on the recommendations made by the Audit Committee.

Members are requested to ratify their remuneration by passing an ordinary resolution in the forthcoming Annual General Meeting.

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

iii. Secretarial Auditor:

The Secretarial Audit Report for FY 2020-21 is attached herewith as Annexure - 3 to this Report. As per Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Secretarial Audit Report for FY 2020-21 of Welspun Global Brands Limited, material unlisted subsidiary company is also attached under Annexure-3.

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed MNB & Co. LLP, Practicing Company Secretaries, as the Secretarial Auditor of your Company for the FY 2021-22.

6. Disclosure of Shares held in suspense account:

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year		Number of shareholders who approached issuer for transfer of shares from suspense account during the year		Number of shareholders to whom shares were transferred from suspense account during the year		Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year		Remarks
No of Holders	No of Shares	No of Holders	No of Shares	No of Holders	No of Shares	No of Holders	No of Shares	
*833	334,570	8	940	8	940	825	333,630	*Multiple folios of single shareholder have been consolidated into one folio for each of such shareholder

7. Listing with the Stock Exchanges:

Your Company's equity shares are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). Annual listing fees for the FY 2021-22 have been paid to NSE and BSE. The unsecured Commercial Papers outstanding as at March 31, 2021 are listed on the National Stock Exchange of India and the details are as given below:

Subscriber's Name	ISIN	Maturity value (₹)	Maturity Units	Issue date	Maturity date	CP Outstanding on 31.03.2021 (₹)
HDFC Bank Ltd	INE192B14505	50,00,00,000/-	1000	27-Nov-20	27-May-21	50,00,00,000/-
HDFC Bank Ltd	INE192B14513	50,00,00,000/-	1000	30-Dec-20	28-Jun-21	50,00,00,000/-
KOTAK MF	INE192B14521	50,00,00,000/-	1000	05-Mar-21	03-Jun-21	50,00,00,000/-

8. Finance:

i. Credit Rating:

During the year, CARE Ratings Limited ('CARE') has reaffirmed your Company's long term credit rating of 'AA' and short term credit rating of 'A1+'. India Ratings & Research, a Fitch Group company, has upgraded your Company's long-term issuer rating from 'IND AA-/Stable' to 'IND AA/Stable' and reaffirmed short-term credit rating of 'IND A1+'.

ii. Deposits:

Your Company has not accepted any deposit within the meaning of Chapter V of the Act. Further, no amount on account of principal or interest on deposit was outstanding as at the end of the financial year under Report.

9. Board of Directors:

Your Company's Board comprises of mix of executive and non-executive directors with considerable experience and expertise across a range of fields such as finance, accounts, marketing, brand building, general management and strategy. Except the independent directors, all other directors are liable to retire by rotation as per the provisions of the Act. It is confirmed that, except for Balkrishan Goenka and Ms. Dipali Goenka who are husband and wife, there is no relationship between the directors inter-se. The details of the directors, their meetings held during the year and the extracts of the Nomination and Remuneration Policy has been given in the Corporate Governance Report, which forms part of this Report.

i. Changes in Directors and Key Managerial Personnel:

During the year, there was no change in Board of Directors.

In accordance with the provisions of Section 152 of the Act and the Articles of Association of your Company, Ms. Dipali Goenka (holding Director Identification Number 00007199) is retiring by rotation at the forthcoming Annual General Meeting and being eligible, has been recommended for her re-appointment.

Details about director being appointed or re-appointed are given in the Notice of the forthcoming Annual General Meeting.

ii. Declaration by an Independent Director(s):

Your Company has received declarations from all the independent directors as per the provisions of Section 149(7) of the Act confirming that they meet the criteria of independence as prescribed under the provisions of Section 149(6) of the Act and that there is no change in the circumstances as on the date of this Report which may affect their respective status as an independent director.

Your Board confirms that in its opinion the independent directors fulfill the conditions prescribed under the SEBI (LODR), 2015 and they are independent of the management. All the independent directors on the Board of the Company are registered with the Indian Institute of Corporate Affairs ("IICA"), Manesar, Gurgaon as notified by the Central Government under Section 150(1) of the Companies Act, 2013.

iii. Directors' Evaluation:

Background:

Nomination and remuneration committee has laid down the criteria for evaluation of performance of the Board, its committees and the directors.

In compliance with Sections 134, 178 of, and Paras II, V and VIII of Schedule IV to, the Act and Regulation 17 of Para A of Part D of Schedule II to SEBI Regulations 2015, the Board of Directors, as per the process recommended by the Nomination and Remuneration Committee, has evaluated the effectiveness of the Board, its Committees and Directors. The evaluation process invited graded responses to a structured questionnaire, which was largely in line with the SEBI Guidance Note on Board Evaluation, for each aspect of the evaluation. All the results were satisfactory.

Mode of evaluation:

Board assessment is conducted through a structured questionnaire. Each question contains a scale of 0 to 3. The Company has developed an in-house digital platform to facilitate confidential responses to a structured questionnaire. All the directors participated in the evaluation process.

Further, meeting of independent directors was conducted to review the performance of the Board as a whole and that of non-independent directors.

Results:

The evaluation results were discussed at the meeting of Board of Directors, Committees and the Independent Directors meeting. The Directors were satisfied with the overall corporate governance standards, Board performance and effectiveness.

	Key parameters
Board of Directors	• Board structure and composition • Board meeting practices (agenda, frequency, duration) • Functions of the Board (Strategic direction etc.) • Quantity, quality & timeliness of information • Board culture and effectiveness • Functioning of Board Committees • Director induction and development programs
Board Committee	• Composition, roles & responsibilities and effectiveness of the committee • Meeting structure and information flow • Contributions to Board decisions
Independent directors	• Independence from company (no conflict of interest) • Independent views and judgement • Objective contribution to the Board deliberations
Chairperson	• Promote effective decision-making • Encourage high quality of constructive debate • Open-minded and listening to the members • Effectively dealing with dissent and work constructively towards consensus • Shareholders' interest supreme while taking decisions
Executive Directors	• Relevant expertise and commitment • Performance vis-à-vis business budget, peers • Dealing with challenges • Developing leaders

Board of Directors	
Parameters with high evaluation scores: • Well informed decision-making process and considers interest of all stakeholders • In-depth understanding about key performance drivers, risks and opportunities • Strong oversight on quality of financial reporting process & internal financial controls • Constructive Board culture • Regular monitoring of actions taken on key decisions	Key focus areas: • Induction & Continuous training for Independent Directors [Action plan: comprehensive induction toolkit shall be developed for new directors and periodic re-assessment of training needs] • Enhance governance over succession plan within the organization [Action plan: Successor readiness dashboard and progress update to be shared with NRC at regular intervals.] • Strive to balance time spent between strategic matters and day-to-day responsibilities • Formally define/ document roles & responsibilities of the Board and Committees [Action plan: Board Charter, AC Charter, NRC Charter, ESG & CSR Committee charters have been developed]

Board Committees	
Parameters with high evaluation scores: • Strong oversight on financial reporting process, internal financial controls, compliance with related party transaction regulations and reporting to Board on key control gaps • Performance monitoring of subsidiaries • Effective in advising senior executives	Key focus areas: • Higher time to discuss CSR issues and interaction with operating management on CSR matters

Key actions taken as a result of previous years evaluation:

- Separate presentation by each business vertical CEOs to the Board
- Formal and dedicated agenda for briefing by Committee Chairperson to the Board on key updates from Committee meetings

iv. Familiarization program for Independent Director(s):

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

Separate sessions on ESG were also conducted with the Board Effectiveness Committee, comprising of all independent directors, to familiarize with the ESG framework and key global trends. The policy on Company's familiarization programme for Independent Directors is hosted on your Company's website and a web link thereto is as given below:

www.welspunindia.com under the tab Investors -> Policies

v. Committees of the Board of Directors:

During the year, your Company's Board promoted the Corporate Social Responsibility Committee as ESG & CSR Committee and strengthened its composition by appointing Arun Todarwal as Chairman and Ms. Anisha Motwani and Ms. Dipali Goenka as members of the Committee. Information on the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders' Relationship, Share Transfer and Investor Grievance Committee, ESG & CSR Committee, Risk Management Committee and meetings of those committees held during the year is given in the Corporate Governance Report forming part of this Report.

vi. During the year, the Board did not appoint any independent director.

10. Loans, Guarantees and Investments:

Information of amounts of investments made, loans given, guarantees given and security provided by your Company as on March 31, 2021 is as given under:

₹ million

Particulars	Amount
Investments	14,113.09
Loans / Receivables	-
Guarantees	23,087.88
Security	-
Total	**37,200.97**

Corporate guarantees of GBP 2 million and GBP 8.51 million were issued, to Bank of Baroda, UK and Barclay's Bank respectively, by the Company to secure repayment of working capital facilities availed by CHT Holdings Limited, a subsidiary of your Company.

Similarly, the Company has issued guarantee of ₹ 5 billion in favour of consortium of Bankers led by State Bank of India ("the Consortium") to secure repayment of working capital facilities extended by the Consortium to Welspun Global Brands Limited ("WGBL"), a subsidiary of your Company. Additionally, the Company has issued guarantee of ₹ 615 million in favour of Citibank N.A., ₹ 900 million in favour of Axis Bank Limited and ₹ 335 million in favour of Citi Bank to secure repayment of working capital facilities.

The Company has issued guarantees of ₹ 8.15 billion in favour of the lenders of Welspun Flooring Limited ("WFL"), a wholly owned subsidiary of your Company to secure repayment of facilities extended by those lenders to WFL and ₹ 1.56 billion in favour of Exim Bank Limited to secure term loan facility. The Company issued a guarantee of ₹ 1.20 billion to security trustee of consortium of lenders to WFL consisting of Bank of Baroda and HDFC Bank. Additionally, the Company has issued guarantee of ₹ 500 million in favour of HDFC Bank, ₹ 200 million in favour of Axis Bank Limited and ₹ 750 million in favour of HDFC Bank Limited to secure working capital facilities availed by WFL. Further, the Company has issued guarantee of ₹ 750 million in favour of IDFC First Bank Limited to secure capex facility of WFL.

Your Company's Board has authorized issue of guarantees of amounts upto ₹ 1.40 billion to Customs Authorities to secure fulfilment of export obligations of Welspun Advanced Materials (India) Limited ("WAMIL"), a wholly owned subsidiary of your Company. Additionally, the Company has issued guarantee in favour of Catalyst Trusteeship Limited to secure term loan facility for an amount of ₹ 2.48 billion.

Disclosures pursuant to the Regulation 34(3) read with Para A of Schedule V of SEBI Regulations, 2015 is given at Note No. 37 of the audited financial statements.

11. Particulars of contracts or arrangements with related parties:

All related party transactions that were entered into during the year under report were on an arm's length basis and were in the ordinary course of business, to serve mutual needs and mutual interest. Except for contracts with WGBL and WCPGL, subsidiaries of your Company, there were no materially significant related party transactions made by your Company. The Audit Committee has given its omnibus approval which is valid for one financial year. Your Company's policy on Related Party Transactions as approved by the Board is hosted on your Company's website and a web link thereto is as given below:

www.welspunindia.com under the tab Investors -> Policies

Disclosures as required under the Act are given in Form AOC-2 as Annexure – 4 to this Report.

The details of the related party transactions as required under IND-AS 24 are set out in Note 30(ii) to the Standalone financial statements forming part of this Report.

12. Details of Remuneration to Directors and Key Managerial Personnel:

i. Details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

(a) the ratio of the remuneration of each Executive Director and Key Managerial Personnel to the median remuneration of the employees of your Company for FY 2020-21 is as given below:

Name and Designation	Remuneration (₹ million)	The percentage increase in remuneration	The ratio of the remuneration to the median remuneration of the employees (No. of times)
Rajesh Mandawewala Managing Director	91.15	16.22	559
Ms. Dipali Goenka CEO and Joint Managing Director	101.18	14.76	621
Sanjeev Sancheti Chief Financial Officer	* 14.62	-	90
Altaf Jiwani Chief Financial Officer	@ 5.19	- @	- @
Shashikant Thorat Company Secretary	3.95	(20.68)	24

* Joined with effect from July 2, 2020

@ Acted as CFO upto July 1, 2020.

Directors' Report

(b) The percentage increase in the median remuneration of employees in FY 2020-21 was 1.70%.

(c) Your Company had 20,430 permanent employees on its payroll as on March 31, 2021.

(d) Average percentage increase in the salaries of employees other than the managerial personnel in FY 2020-21 was NIL. The managerial remuneration increased by 1.53% as a result of increase in Commission payable to Managing Directors and CEO & Joint Managing Director.

The key parameters for any variable component of remuneration availed by the directors are as per the Nomination and Remuneration Policy. We affirm that the remuneration is as per the Nomination and Remuneration Policy of your Company.

ii. Details of the employees of your Company as required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

Name, Designation, Age, DOJ, Current Gross Salary (₹ million), Qualification, Previous Company, Nature of Employment, % of Equity Shares held in the Company, Relative of any Director/ Manager of the Company

Altaf Jiwani, Head – Group Executive Office, 54, 02.02.2015, 29.04, B.Tech., MMS, RPG Group, Permanent, 0, No; Amarsinh Dhanwade, Vice President, 42, 20.08.2018, 16.77, MBA, PGDM, L'Oreal, Permanent, 0, No; Amit Mittal, Senior Vice President – Global Sourcing, 45, 18.02.2019, 5.27, MBA, Indo Count Industries Limited, Permanent, 0, No (Former employee); Ashok Kumar Joshi, Executive Director* & Business Head – Operations, 61, 02.07.2013, 24.71 B.TECH, Donear Industries Limited, Permanent, 0, No; Atul Goel, Senior Vice President, 46, 18.11.2019, 1.36, B.Tech. (Textiles), Trident Limited, Permanent, 0, No (Former employee); Cherian Thomas, President – Advanced Textiles, 50, 02.12.2019, 13.44, B.E. (Mechanical), MBA, Frigoglass, Permanent, 0, No; Chintan Thaker, Senior Vice President – Corporate Affairs and Strategic Planning Cell, 43, 01.04.2003, 10.11, B.Sc., MBA (Marketing), Gujarat Infra Limited, Permanent, 0, No; Dinesh Jain, President – Finance & Accounts, 63, 12.06.2004, 5.81, FCA, Bhilwara Spinners Limited, Permanent, 0.05, No (Former employee); Dipali Goenka, CEO & Joint Managing Director, 51, 01.04.2013, 101.18, B.A. (Psychology), N.A., Contractual, 0.07, Yes; Harsh Vardhan Jajoo, President – MD Office, 51, 14.01.2021, 1.37, CA, Canpack India Private Limited, Permanent, 0, No (Former employee); Kaustubh Sonalkar, Director* – HCGA, 49, 07.12.2020, 14.93, MBA, Essar Group, Permanent, 0, No; Puesh Ajmani, Senior Vice President – IT, 42, 25.08.2020, 7.35, MBA, PGDM, Square Panda Inc., Permanent, 0, No; Rahul Shandilya, President – Group IT, 50, 08.04.2019, 16.52, B.E., PGDM, Mahindra Group, Permanent, 0, No; Rajendra Mehta, President - HCGA, 51, 19.05.2020, 10.51, MBA, Synergy Capital, Permanent, 0, No; Rajesh Mandawewala, Managing Director, 59, 01.12.1985, 91.15, CA, N.A., Contractual, 0, No; Rajesh Padmanbhan, Director*-HCGA, 59, 01.02.2016, 77.61, MBA (Finance, HR), Vedanta Group, Permanent, 0, No (Former employee); Sanjay Kanungo, President – Vapi Operations, 53, 23.01.2017, 11.32, B.E. (Mechanical), Trident Limited, Permanent, 0, No; Sanjeev Sancheti, Chief Financial Officer, 53, 02.07.2020, 14.62, CA, SREI Infrastructure Finance Limited, Permanent, 0, No.

* Not a member of the Board.

iii. Ms. Dipali Goenka, CEO & Joint Managing Director, who is receiving remuneration and commission from your Company, receives ₹ 30 million as remuneration (including variable pay) and commission of 2% of profits also from WGBL, a subsidiary of your Company.

iv. Details of managerial remuneration and payments to other directors is given in the Annual Return.

13. Annual Return:

Pursuant to section 134(3)(a) and section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, a copy of the annual return is placed on the website of the Company and can be accessed at www.welspunindia.com under the tab Shareholders Information -> Annual Return FY 20-21.

14. Business Responsibility Report (BRR):

SEBI vide Notification No. SEBI/LAD-NRO/GN/2015-16/27 dated December 22, 2015 had mandated top 500 listed entities, based on market capitalization, to include BRR in the annual report. Since the Company is one of the top 500 listed entities, it is pleased to present its 5th BRR for the FY 2020-21 as per SEBI Circular No. CIR/CFD/CMD/10/2015 dated November 04, 2015 which is a part of this Annual Report.

15. Conservation of energy, technology absorption and foreign exchange earnings and outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo required to be disclosed pursuant to Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014 is attached as Annexure – 5 to this Report.

16. Corporate Social Responsibility (CSR):

The key philosophy of all CSR initiatives of the Company is enshrined in the three E's which have become guiding principles of the CSR initiatives – Education, Empowerment (of Women) and Environment & Health.

The CSR Policy of your Company as approved by the Board of Directors, is hosted on your Company's website and a web link thereto is as given below: www.welspunindia.com under the tab Investors -> Policies

The initiatives undertaken by your Company during FY 2020-21 in CSR have been detailed in this Report. Disclosures as required under Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 are given in Annexure – 6 to this Report.

17. Internal controls:

Your Company has adequate internal control system, which is commensurate with the size, scale and complexity of its operations. Your Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation of Section 134(5) of the Act, SEBI Regulations, 2015 and other relevant statutes applicable to your Company.

Your Company has well-documented Standard Operating Procedures (SOPs) for various processes which are periodically reviewed for changes warranted by business needs. The Internal Auditors continuously monitor the efficiency of the internal controls / compliance with the SOPs with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance of the adequacy and effectiveness of the organisation's risk management, control and governance processes.

For the year ended March 31, 2021, the Board is of the opinion that your Company has sound IFC commensurate with the nature of its business operations; wherein adequate controls are in place and operating effectively and no material weakness exists. Your Company has a process in place to continuously monitor existing controls and identify gaps and implement new and / or improved controls wherever the effect of such gaps would have a material effect on your Company's operation.

18. Risk management:

Your Company is exposed to risks across all levels and functions of the organisation. The Board has approved Enterprise Risk Management Policy (ERMP) to effectively address financial, operational, business, compliance and strategic risk. A structured enterprise risk management program has been formulated and implemented. Refer to the MDA Section in this Report for risks and threats applicable to your Company.

19. Corporate Governance:

The Company is committed to maintain the highest standards of corporate governance requirements as set out by SEBI. The Report on Corporate Governance as stipulated under SEBI Regulations, 2015 forms an integral part of this Report. The requisite Compliance Certificate is obtained from Uday Sohoni, Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under Part E of Schedule V of SEBI Regulations 2015, is annexed to the Corporate Governance Report.

20. Management Discussion and Analysis Report:

The MDA Report on the operation of the Company as required under the SEBI Regulations, 2015, is provided in a separate section and forms part of this Report.

21. Vigil mechanism:

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated Whistle Blower Policy and Vigil Mechanism for its directors and employees and any director or employee may make protected disclosures to the Chairman of the Audit Committee. No personnel have been denied access to the Audit Committee.

22. Directors' Responsibility Statement:

Pursuant to Sections 134(3)(c) & 134(5) of the Act, your Directors hereby confirm that:

a. in the preparation of the annual accounts for the financial year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the FY 2020-21;

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

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

e. the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

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

23. Miscellaneous:

During the year, there was no change in the general nature of business of your Company. No material change or commitment has occurred which would have affected the financial position of your Company between the end of the financial year to which the financial statements relate and the date of the report. No significant and material order was passed by the regulators or courts or tribunals which would have impacted the going concern status and your Company's operations in future. No amount was required to be transferred to General Reserve. No share with differential rights was issued by your Company nor did your Company issue any equity share as sweat equity share. There were no stock options outstanding during the FY 2020-21. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, based on the Policy on Prevention, Prohibition and Redressal of Sexual Harassment of women at workplace, the Internal Complaints Committee for each location of your Company informed that no cases of sexual harassments were reported during the year under review. Your Company has not made any provision of money for the purchase of, or subscription for, shares of your Company or its holding company, to be held by or for the benefit of the employees of your Company and hence the disclosure as required under Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is not required. No fraud took place in the Company during the year and hence, no such reporting was made to the Audit Committee and the Board under Section 143(12) of the Companies Act, 2013 read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014. The Board of Directors affirms that the Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Companies Secretaries of India and that such systems are adequate and operating effectively. The Company has complied with the applicable Secretarial Standards.

24. Acknowledgements:

Your Directors thank the government authorities, financial institutions, banks, customers, suppliers, members, employees and other business associates of your Company, who through their continued support and co-operation, have helped as partners in your Company's progress and achievement of its objectives.

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN 00270175

July 28, 2021
Mumbai

Annexure – 1

Dividend Distribution Policy

(In terms of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1. REGULATORY FRAMEWORK

The Securities Exchange Board of India ("SEBI") on July 8, 2016 inserted Regulation 43A in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top five hundred listed companies (based on market capitalization of every financial year) to formulate a Dividend Distribution Policy.

Welspun India Limited ("Company") being one of the top five hundred listed companies as per the market capitalization as on the last day of the immediately preceding financial year, frames this policy to comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. OBJECTIVE & PHILOSOPHY

The objective of this Policy is to provide predictability of dividend to the investors and at the same time to enable them to plan for utilization of their income and to ensure the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. Through this Policy, the Company would endeavor to maintain a consistent approach to dividend pay-out plans, subject to the applicable laws and conditions.

The philosophy of the Company is to maximise the shareholders' wealth in the Company through various means. The focus will continue to be on sustainable returns, through an appropriate capital strategy for both medium term and longer term value creation. Accordingly, the Board would continue to adopt a progressive and dynamic dividend policy, ensuring the immediate as well as long term needs of the business.

3. DIVIDEND DECLARATION - CIRCUMSTANCES AND FINANCIAL PARAMETERS

The Board will consider present situation of the Company, internal and external factors influencing performance of the Company, its strategy and business plan for the future. After considering such factors, the Board will endeavor to achieve distribution of 25% of Profit After Tax for a financial year, on consolidated basis, with equity shareholders (including by way dividend and Dividend Distribution Tax thereon).

Provided that dividend calculated at 25 per cent (25%) of Profit after Tax on consolidated basis in respect of any financial year would be subject to limit of amount equal to 40 per cent (40%) of Profit after Tax on standalone basis for that financial year.

The shareholders may expect dividend in following circumstances:

1) The Board will assess the Company's financial requirement, including present and future organic and inorganic growth opportunities and other relevant factors.

2) In the circumstances where no material event has occurred affecting the long term business stability of the Company.

3) No event has happened which may have long term material effect on the business of the Company. In such circumstances, dividend may be recommended or declared at the discretion of the Board.

4) Dividend received from subsidiaries will be considered while assessing whether dividend would put a strain on funds flow of the Company at a standalone level.

4. FACTORS FOR DETERMINING DIVIDEND

In determining the Company's dividend payout, the Board of Directors would consider a variety of factors, including:

A. Internal Factors

i) Stability / trends of earnings;

ii) Liquidity of funds;

iii) Need for additional capital;

iv) Acquisitions and/or any other potential strategic action;

v) Expansion of business;

vi) Past dividend trends;

vii) Dividend type and time of its payment;

B. External Factors

i) Prevailing legal requirements, tax rules Government policies, Statutory conditions or restrictions as may be provided under applicable laws;

ii) State of the industry or economy of the country;

iii) Capital market scenario;

iv) Financial covenants stipulated by the lenders;

v) Covenants in agreement with shareholding group(s);

Annexure – 1

5. PARAMETERS WITH REGARDS TO VARIOUS CLASSES OF SHARES

The Company shall first declare dividend on outstanding preference shares, if any, at the rate of dividend fixed at the time of issue of preference shares and thereafter, the dividend would be declared on equity shares.

6. UTILIZATION OF RETAINED EARNINGS

The earnings retained by the Company after distribution of dividend to the members may be used, inter alia, to:-

1. Maintain existing operations;
2. Acquisitions, expansion or diversification;
3. Funding organic and inorganic growth
4. Short-term investment in risk-free instruments with moderate returns;
5. Repayment of borrowings;
6. Meet contingent and other liabilities;
7. Issue of Bonus Shares;
8. Investment in Subsidiaries
9. Research and Development
10. Innovation
11. Acquisition of Intellectual Property Rights

7. AMENDMENTS / MODIFICATIONS

1. This Policy would be subject to revision/ amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs, Securities Exchange Board of India or such other regulatory authority as may be authorized, from time to time, on the subject matter.
2. The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy.
3. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.
4. Any difficulty or ambiguity in this Policy will be resolved by the Board of Directors in line with the broad intent of this Policy. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy and further the objective of good corporate governance.
5. When the company proposes to declare dividend on the basis of parameters other than what is mentioned in the policy or proposes to change its dividend distribution policy, the same along with the rationale shall be disclosed.

For Welspun India Limited

Sd/-
Rajesh Mandawewala
Managing Director
00007179

Date: January 27, 2021
Place: Mumbai

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN 00270175

July 28, 2021
Mumbai

Form AOC – 1

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

Performance and financial position of the subsidiaries

₹ Million

Sr. No.	1	2	3	4	5	6	7	8	9	10	11	12
Name of the Subsidiary company	WGBL	#WUSA	WCPGL	#CHL	WUL	WFL	CLL	CWG	WASEZ	WHTUKL	WZTL	WIPL
Reporting period year ended	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
Reporting currency and Exchange rate	INR NA	USD ₹ 73.11	INR NA	GBP ₹ 100.75	GBP ₹ 100.75	INR NA	USD ₹ 73.11	Euro ₹ 85.75	INR NA	GBP ₹100.75	INR NA	INR NA
Share Capital	235.29	10.21	295.38	474.55	513.22	5,996.41	-	9.18	0.51	1,048.62	55.00	2.60
Reserves & Surplus	3,898.61	1,485.29	3,623.05	(164.17)	202.10	(1,652.74)	(218.12)	(18.09)	2,395.88	(612.34)	57.94	(2.38)
Total Assets	21,036.14	12,355.04	3,639.59	2,186.20	1,206.99	14,185.78	(105.69)	(4.97)	2,759.59	747.81	114.12	0.27
Total Liabilities	16,903.23	10,859.54	242.96	1,875.82	491.67	9,842.12	112.43	3.94	685.65	311.53	1.18	0.04
Investments (excluding investments in subsidiaries)	0.99	-	521.79	-	-	-	-	-	322.45	-	-	-
Turnover	63,987.14	19,739.18	4,104.08	2,642.77	2,277.88	3,629.63	344.93	15.85	29.48	-	-	-
Profit / (Loss) before Taxation	699.59	261.40	289.64	26.58	93.50	(735)	(30.52)	(5.02)	26.56	(0.09)	3.53	(0.03)
Provision for Taxation	223.72	61.42	(110.54)	-	-	-	(0.10)	-	(3.40)	-	0.55	-
Profit / (Loss) after Taxation	475.87	199.98	400.18	26.58	93.50	(735)	(30.42)	(5.02)	29.96	(0.09)	2.98	(0.03)
Proposed Dividend (Equity)	-	-	-	-	-	-	-	w-	-	-	-	-
% of Share holding	98.03	98.68	77.00	98.11	98.11	100.00	98.11	98.11	100.00	98.11	100.00	100.00

Consolidated figures of the Company and all its subsidiaries are given.

Reporting currency and Exchange rate is as on the last date of the relevant financial year in the case of foreign subsidiaries.

WGBL = Welspun Global Brands Limited, WUSA = Welspun USA, Inc., WCPGL = Welspun Captive Power Generation Limited, CHL = CHT Holdings Limited, WUL = Welspun UK Limited, WFL = Welspun Flooring Limited, CLL = Christy Lifestyle LLC, CWG = Christy Welspun GmbH, WASEZ = Welspun Anjar SEZ, WHTUKL = Welspun Home Textiles UK Limited, WZTL = Welspun Zucchi Textiles Limited, WIPL = Welspun Innovation Products Limited (previously known as Welspun Advanced Materials Limited).

Annexure – 2

₹ Million

Sr. No.	13	14	15	16	17	18	19	20	21	22	23	24	25	26
Name of the Subsidiary company	CHT	NHT	WMEL	WHPL	ERK	BDI	AITP	PSOML	CL	CUL	WNEX	TILT	WAMIL	TMG
Reporting period year ended	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
Reporting currency and Exchange rate	GBP ₹ 100.75	MXN ₹ 3.58	USD ₹ 73.11	GBP ₹ 100.75	GBP ₹ 100.75	INR NA	INR NA	MKK ₹ 0.05	GBP ₹ 100.75	GBP ₹ 100.75	USD ₹ 73.11	USD ₹ 73.11	INR NA	USD ₹ 73.11
Share Capital	519.37	53.22	16.54	2.99	0.20	0.10	0.10	16.95	-	-	269.30	-	730.10	661.36
Reserves & Surplus	(34.56)	(53.22)	37.13	579.09	59.09	(14.44)	(0.34)	(21.54)	865.76	2.60	(256.32)	3.62	(9.79)	(8.79)
Total Assets	489.34	-	54.32	583.00	59.31	1.25	0.31	1.91	865.76	2.60	13.16	3.63	1,037.83	652.57
Total Liabilities	4.53	-	0.65	0.92	0.02	15.59	0.56	6.50	-	-	0.18	-	317.52	-
Investments(excluding investments in subsidiaries)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Turnover	-	-	-	-	-	-	(12.95)	-	-	-	-	-	-	20.42
Profit / (Loss) before Taxation	(2.42)	-	(0.85)	(2.14)	-	0.05	(0.04)	(0.01)	-	-	(0.31)	-	(11.21)	(8.93)
Provision for Taxation	-	-	-	-	-	0.01	-	-	-	-	-	--	(2.03)	-
Profit / (Loss) after Taxation	(2.42)	-	(0.85)	(2.14)	-	0.04	(0.04)	(12.94)	-	-	(0.31)	-	(9.18)	(8.93)
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	
% of Share holding	98.11	98.03	98.03	98.11	98.11	100.00	100.00	51.00	98.11	98.11	100.00	98.68	100.00	98.68

Reporting currency and Exchange rate is as on the last date of the relevant Financial year in case of foreign subsidiaries.

CHT = Christy Home Textiles Limited, NHT = Novelty Home Textiles S A DE C V, WMEL = Welspun Mauritius Enterprises Limited, WHPL = Welspun Holdings Private Limited, ERK = E. R. Kingsley (Textiles) Limited, BDI = Besa Developers and Infrastructure Private Limited, AITP = Anjar Integrated Textile Park Developers Private Limited, PSOML = Pure Sense Organics Myanmar Limited, CL = Christy 2004 Limited, CUL = Christy UK Limited, WNEX – Welspun Nexgen Inc., USA., TILT = TILT Innovation Inc., WAMIL = Welspun Advanced Materials (India) Limited, TMG = TMG (Americas) LLP.

Notes:

Anjar Integrated Textile Park Developers Private Limited is yet to commence business.

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN 00270175

Rajesh Mandawewala
Managing Director
DIN 00007179

Dipali Goenka
CEO & Joint Managing Director
DIN 00007199

Sanjay Gupta
Chief Financial Officer

Shashikant Thorat
Company Secretary
FCS - 6505

July 28, 2021
Mumbai

Annexure – 3

Form No. MR -3

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

To,
The Members,

WELSPUN INDIA LIMITED
Welspun City, Village Versamedi,
Anjar – 370110, Gujarat, India.
CIN: L17110GJ1985PLC033271
BSE Scrip Code – 514162
NSE Code – WELSPUNIND Series EQ

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by WELSPUN INDIA LIMITED (hereinafter referred to as 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 ('Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board - processes and compliance – mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

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

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

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on October 28, 2014; (No event occurred requiring compliance during the audit period)

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (No event occurred requiring compliance during the audit period)

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (No event occurred requiring compliance during the audit period) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (No event occurred requiring compliance during the audit period)

Annexure – 3

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above.

Other statutes, Acts, laws, Rules, Regulations, Guidelines and Standards etc., as applicable to the Company are given below:

(i) Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;

(ii) Acts as prescribed under Direct Tax and Indirect Tax;

(iii) Acts prescribed under prevention and control of pollution;

(iv) Acts prescribed under environmental protection;

(v) Land Revenues Act of respective States;

(vi) Labour Welfare Act of respective States; and

(vii) Such other Local laws etc. as may be applicable in respect of various offices of the Company.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non – Executive Directors and Independent Directors. During the year under report following changes were noted in the composition of directors and Key Managerial Personnel:

i) Mr. Shalil Awale resigned as Nominee Director of the Company w.e.f. May 29, 2020;

ii) Mr. Altaf Jiwani resigned as Chief Financial Officer of the Company w.e.f. July 01, 2020 and

iii) Mr. Sanjeev Sancheti was appointed as Chief Financial Officer of the Company w.e.f. July 02, 2020.

s given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda thereon were sent in compliance to the Act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions were carried out by majority, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

I, further report that during the year under review:

(i) the Company declared and paid interim dividend of ₹ 1 per equity share having nominal value of ₹ 1/- each for the financial year ended on March 31, 2020.

(ii) Special resolution by way of Postal Ballot was passed by the shareholders of the Company on April 26, 2021 for raising up to a maximum of USD 100 MN (approximately ₹ 750 Cr) in one or more form or instruments, including but not limited to loans, ESG Bonds, secured or unsecured, redeemable, Non-Convertible Debentures (NCDs), External Commercial Borrowings ("ECBs"), Commercial Papers etc., to be issued, whether on private placement basis or otherwise.

Sd/-
Uday Sohoni
Practicing Company Secretary
FCS 9471, CP 10916
UDIN:F009471C000316756

May 14, 2021
Mumbai

Secretarial Audit Report of Welspun Global Brands Limited, unlisted material subsidiary company

Form No. MR -3

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

To,
The Members,
WELSPUN GLOBAL BRANDS LIMITED
Survey No. 675, Welspun City, Village Versamedi,
Anjar – 370110,Gujarat, India.
CIN: U71210GJ2004PLC045144

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by WELSPUN GLOBAL BRANDS LIMITED (hereinafter referred to as 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 ('Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance – mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (No event occurred requiring compliance during the audit period)

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (No event occurred requiring compliance during the audit period)

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (No event occurred requiring compliance during the audit period)

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on October 28, 2014; (No event occurred requiring compliance during the audit period)

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (No event occurred requiring compliance during the audit period)

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (No event occurred requiring compliance during the audit period) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (No event occurred requiring compliance during the audit period)

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above.

Annexure – 3

Other statutes, Acts, laws, Rules, Regulations, Guidelines and Standards etc., as applicable to the Company are given below:

(i) Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;

(ii) Acts as prescribed under Direct Tax and Indirect Tax;

(iii) Acts prescribed under prevention and control of pollution;

(iv) Acts prescribed under environmental protection;

(v) Land Revenues Act of respective States;

(vi) Labour Welfare Act of respective States; and

(vii) Such other Local laws etc. as may be applicable in respect of various offices of the Company.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non – Executive Directors and Independent Directors. During the year under report following changes were noted in the composition of directors:

(i) Mr. Balkrishan Goenka (DIN 00270175) resigned as Chairman and Director of the Company w.e.f. October 30, 2020 due to pre-occupation with other commitments;

(ii) Mr. K H Viswanathan (DIN 00391263) resigned as Independent Director of the Company w.e.f. October 30, 2020 due to increase in professional commitments;

(iii) Ms. Revathy Ashok (DIN 00057539) resigned as Independent Director of the Company w.e.f. October 30, 2020 due to other commitments and

(iv) Mr. Rajesh Mandawewala (DIN 00007179) was appointed as the Chairman of the Company w.e.f. October 30, 2020.

(v) Ms. Dipali Goenka (DIN 00007199) was re-appointed as the Managing Director of the Company for a period of five years w.e.f. December 08, 2020, subject to shareholders approval.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda thereon were sent in compliance to the Act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions were carried out by majority, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I, further report that during the year under review:

(i) Extra-Ordinary General Meeting of the Company was held on May 07, 2020. Shareholders of the Company, by way of a special resolution passed at the Meeting, have approved increase in borrowing limits of the Company from ₹ 500 Crore to ₹ 750 Crore pursuant to Section 180(1)(c) of the Companies Act, 2013 and further approved creating charge / mortgage / lien on the assets of the Company upto ₹ 750 Crore pursuant to Section 180(1)(a) of the Companies Act, 2013.

(ii) Extra-Ordinary General Meeting of the Company was held on June 04, 2020. Shareholders of the Company, by way of a special resolution passed at the Meeting, have approved alteration of Object Clause of Memorandum of Association.

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

Sd/-
Uday Sohoni
Practicing Company Secretary
FCS 9471, CP 10916
UDIN: F009471C000316756

May 13, 2021
Mumbai

Annexure – 4

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Act including certain arm's length transactions under third proviso thereto for financial year 2020-21.

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a)	Name(s) of the related party and nature of relationship	Welspun Global Brands Limited	Welspun Captive Power Generation Limited
(b)	Nature of contracts/arrangements/transactions	Sale of products of the Company	Purchase of power and steam
(c)	Duration of the contracts / arrangements/ transactions	Perpetual	Perpetual
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	The price for sale of the products of the Company shall be negotiated and agreed to by both parties based on estimated total costs and risk & return considering prevalent market conditions.	As may be mutually agreed periodically considering prevalent market conditions.
(e)	Date(s) of approval by the Board	July 30, 2014	July 30, 2014
(f)	Amount paid as advances, if any	N.A.	N.A.

Note: The above transactions are material as per SEBI Regulations, 2015. Other transactions which are not material transactions but entered into in the ordinary course of business and on arm's length basis are mentioned in the Note No. 31(ii) of the audited financial statements.

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN 00270175

July 28, 2021
Mumbai

Annexure – 5

Conservation of energy, technology absorption and foreign exchange earnings and outgo

(i) The steps taken or impact on conservation of energy:

Your Company is continuously engaged in the process of energy conservation through continuous improvements in operational and maintenance practice. Through our continuous effort to improve energy efficiency in FY 2020-21, cumulatively, your Company has saved more than 9,286 MT of coal, 2,170,216 KHW of power, 6,833 MT of Steam, 92,463 KL of water and energy cost of ₹ 35.50 million. For more details on energy efficiency and saving, you may refer to the 'Caring for the Environment' Section in the BRR Report which is forming part of the Annual Report.

(ii) the steps taken by the Company for utilizing alternate sources of energy: Refer to BRR.

(iii) the capital investment on energy conservation equipments: Refer to BRR.

Technology Absorption

(i) The efforts made towards technology absorption:

Welspun continues to develop solutions across categories viz. Towels, Sheets, Rugs, Carpets, TOB and Utility Bedding; with holistic approach towards wellness & sustainability

We retain our thought leadership through various global collaboration with technology partners and universities. Welspun is regional partner for 'Fashion for Good' program in Sustainable Innovations. Welspun added another feather to its illustrious cap by being named amongst the most 'Influential Innovators' at the Clarivate South and South East Asia Innovation Award 2020. Welspun won the award in the Corporation segment and was the only player from the textile industry.

Some examples of successful development & execution are as below:

a) Entered into the health and hygiene segment with the launch of 'Welspun Health', based on the company's existing integrated woven and non-woven capabilities. Welspun Health provides hygiene products for medical professionals, institutional use as well as personal care with products ranging from masks, wipes, medical gowns, disposable linen, coveralls, hand sanitizing wipes, surface disinfectant wipes

b) Welspun Flooring announced the launch of an industry first anti-viral range of flooring solutions for Indian and global markets. The anti-viral flooring solution is offered through integration across the soft flooring ranges - carpet tiles and wall-to-wall tiles, and is certified by the ResInnova Labs, USA. This first-of-its-kind range comes with a special coating of silver ion and titanium oxide that inhibits the growth of and eradicates the virus by 99.68%, including the human coronavirus

c) Welspun announced the launch of an exclusive range of anti-viral home textile products for the Indian market. To introduce this revolutionary range, the company has partnered with Australia headquartered HealthGuard Corporation – leaders in tailored non-invasive healthcare products.

In FY 2020-21, Welspun India Limited and its subsidiaries have 32 unique inventions. These inventions have been applied for patent protection in major markets like USA and Europe.

Your Company is acknowledged as Thought leader in Home Textile Industry in terms of innovation, 43% of revenue is through innovative products.

ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

We continue to develop innovative range of products to attract new business and customers and maintain leadership in market. This has been possible because of Innovation, Product Development and R&D done in your Company on a continuous basis. We remain closely connected with today's families through research which is central to our Innovation pipeline. Understanding what is important to them allows us to provide them with solutions for everyday living.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

We have developed an innovative range of products to attract new business and customers and maintain leadership in market. Upgradation of products to new requirements has been possible because of R&D done in your Company on a continuous basis. We remain closely connected with today's families through research which is central to our Product development and Innovation process. Understanding what is important to them allows us to provide them with solutions for everyday living.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable

(iv) the expenditure incurred on Research and Development.

	₹ million
Capital	10.45
Recurring	222.93
Total	**233.38**
Total R&D expenditure as a percentage of total turnover	**0.39**

Foreign Exchange and Earnings Outgo:

Refer to Note No. 41 and 44 of the audited financial statements for details.

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN 00270175

July 28, 2021
Mumbai

Annexure – 6

Corporate Social Responsibility (CSR)

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

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

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

   These 3E's are implemented through:

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

2. The Composition of the ESG & CSR Committee (Erstwhile Corporate Social Responsibility Committee).

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Arun Todarwal	Chairman / Independent Director	2	2
2	Ms. Dipali Goenka	CEO & Joint Managing Director	2	2
3	Ms. Anisha Motwani*	Member/ Independent Director	1	1
4	Mr. Rajesh Mandawewala@	Managing Director	1	Nil

* appointed as a member w.e.f. March 3, 2021.

@ Ceased to be a member of the Committee w.e.f. March 3 2021.

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

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

The Committee Charter is hosted on the website of the Company at www.welspunindia.com under Resources -> Policies, Disclosures, Notices -> ESG & CSR Committee Charter.

The revised composition of the ESG & CSR Committee is as under:

Sr. No.	Name of Director	Designation / Nature of Directorship
1	Mr. Arun Todarwal	Chairman / Independent Director
2	Ms. Dipali Goenka	Member / CEO & Joint Managing Director
3	Ms. Anisha Motwani	Member/ Independent Director

Mr. Shashikant Thorat, Company Secretary acts as the Secretary to the Committee.

3. Provide the web-link where Composition of ESG & CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company- "http://www.welspunindia.com" under the tab "Investors > Polices > Year 2019".

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

   "http://www.welspunindia.com" under the tab "Investors > Polices > Year 2019".

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) – Not applicable.

5. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required to be set-off for the financial year, if any.

Sr. No.	Financial Year	Amount available for set-off from preceding financial year (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1		Not Applicable	
	Total		

6. Average net profit / (loss) of the Company as per Section 135(5): ₹ 4,082.86 million.

7. (a) Two per cent of average net profit of the Company as per Section 135(5): ₹ 81.66 million.

   (b) Surplus arising out of the CSR Projects or programs or activities of the previous financial years - Nil

   (c) Amount required to be set-off for the financial year, if any – N/A.

   (d) Total CSR Obligation for the financial year (7a+7b-7c) = ₹ 81.66 million.

8. (a) CSR amount spent or unspent for the financial year:

Amount Unspent (In ₹)

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

Annexure – 6

(b) Details of CSR amount spent against Ongoing Projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
				Location of the Project		Project Duration			Amount transferred to Unspent CSR Account for the Project as per Section 135(6)	Mode of implementation- Direct	Mode of implementation- through implementing agency	
Sr. no.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local Area (Yes/ No)	State	District	(years)	Amount Allocated for the Project (In ₹ lakh)	Amount spent in the current financial year (in ₹ Lakh)	(in ₹)	(Yes/No)	Name	CSR Registration Number
1	Smart class Project, Advance Learning, Para Teacher, Siksha Saathi, Ved Shala & Other education related projects including infrastructures	Promoting Education	Yes	Gujarat / Maharashtra	Gujarat / Maharashtra	6	1850	119.1				
2	Environment Sustainability - Infrastructures and Tree Plantation	Infrastructure for Environmental sustainability	Yes	Maharashtra/ Gujarat/ Delhi	Maharashtra/ Gujarat/ Delhi	2	1360	82.55				
3	Promoting Rural livelihood by imparting new techniques of farming in villages and Other Livelihood activities	Promoting Education	Yes	Maharashtra/ Gujarat/ Delhi	Maharashtra/ Gujarat/ Delhi	7	2600	325.66				
4	COVID-19 expenses	Health	Yes	Maharashtra/ Gujarat/ Delhi	Maharashtra/ Gujarat/ Delhi	2	480	74.43	NIL	No	Welspun Foundation for Health & Knowledge	CSR00001502
5	Staff Salaries, Welfare and other administrative expenses		Yes	Gujarat / Maharashtra	Gujarat / Maharashtra		580	29.5				
6	Promoting Health, Providing Mobile health VAN	Health	Yes	Maharashtra/ Gujarat/ Delhi	Maharashtra/ Gujarat/ Delhi	10	235	0				
7	Providing essential infrastructure at Model Village	Environment	Yes	Gujarat / Dahej / Telangana	Gujarat / Dahej / Telangana	10	900	0				
8	Donation to Societies		Yes	Gujarat	Gujarat	9	330	0				
9	Sponsorship Sports Person	Empowerment	Yes	Maharashtra/ Gujarat/ Punjab/ TN/ WB/ Delhi	Maharashtra/ Gujarat/ Punjab/ TN/ WB/ Delhi	2	49	0				
10	Volunteering	Empowerment	Yes	Maharashtra/ Gujarat/ Delhi	Maharashtra/ Gujarat/ Delhi	4	110	0				
						Total	**8,494**	**631.24**				

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes / No)	Location of the Project		Amount spent for the project (in ₹)	Mode of implementation on - Direct (Yes/ No)	Mode of implementation - Through impl ementing agency	
				State	District			Name	CSR registration No.
Not Applicable									

(d) Amount spent in Administrative Overheads: ₹ 29.50 lakh

(e) Amount spent on Impact Assessment, if applicable: Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 631.24 lakh

(g) Excess amount for set-off, if any – Not applicable

Sr. No.	Particulars	Amount (in ₹)
(i)	Two Percent of average net profits of the Company as per Section 135(5)	816.60 Lakh
(ii)	Total amount spent for the Financial Year	631.24 Lakh
(iii)	Excess amount spent for the Financial Year [(ii-i)]	Nil
(iv)	Surplus arising out of the CSR Projects or programs or activities of the previous financial year, if any.	Nil
(v)	Amount available for set-off in succeeding financial years [iii-iv]	Nil

Note: ₹ 185.36 Lakh (difference between Sr. No. (i) and Sr. No. (ii)) has been disbursed to Welspun Foundation For Health and Knowledge and accordingly the Company has spent the entire target amount for the FY 2020-21.

9. (a) Details of Unspent CSR Amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount Transferred to Unspent CSR Account under Section 135(6) (in ₹)	Amount Unspent un the reporting Financial Year (in ₹)	Amount Transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of Transfer	
None							
	Total						

(b) Details of CSR Amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration (years)	Total Amount Allocated for the project (in ₹ Lakh)	Amount spent on the Project in the reporting financial year (in ₹ Lakh)	Cumulative amount spent at the end of reporting Financial Year (in ₹ Lakh)	Status of the Project – Completed/ Ongoing
1	WIL_ ED_1	Smart class Project, Advance Learning, Para Teacher, Siksha Saathi, Ved Shala & Other education related projects including infrastructures	2017-18	6	1,850.00	119.10	1,336.29	Ongoing

Annexure – 6

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration (years)	Total Amount Allocated for the project (in ₹ Lakh)	Amount spent on the Project in the reporting financial year (in ₹ Lakh)	Cumulative amount spent at the end of reporting Financial Year (in ₹ Lakh)	Status of the Project – Completed/ Ongoing
2	WIL_ ENV_2	Enviorment Sustainability - Infrastructures and Tree Plantation	2020-21	2	1,360.00	82.55	976.78	Ongoing
3	WIL_ EM_2	Promoting Rural livelihood by imparting new techniques of farming in villages and Other Livelihood activities	2017-18	7	2,600.00	325.66	1,236.58	Ongoing
4	WIL_ H_2	Covid 19 expenses	2020-21	2	480.00	74.43	74.43	Ongoing
5	WIL_ MISC_2	Staff Salaries, Welfare and other administration expenses	-	-	580.00	29.50	219.58	-
6	WIL_ H_1	Promoting Health, Providing Mobile health VAN	2014-15	10	235.00		149.70	Ongoing
7	WIL_ ENV_1	Providing essential infrastructure at Model Village	2015-16	10	900.00		790.70	Ongoing
8	WIL_ D_1	Donation to Societies	2015-16	9	330.00		301.08	Ongoing
9	WIL_ EM_1	Sponcership Sports Person	2016-17	2	49.00		49.03	Ongoing
10	WIL_ MISC_1	Volunteering	2021-22	4	110.00		-	Ongoing
				Total	**8,494.00**	**631.24**	**5,134.17**	

10. In case of creation or acquisition of capital assets, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year.

Asset-wise Detail

Asset	Date of Creation or acquisition of the capital asset(s)	Amount of CSR spent for creation or acquisition of capital asset	Detail of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset.
		NIL		

12. Specify the reason(s), if the Company has failed to spend two per cent of the average net profits as per Section 135(5) : Not Applicable

For and on Behalf of the Board

Dipali Goenka
CEO & Joint Managing Director
DIN : 00007199

Arun Todarwal
Chairman of the ESG & CSR Committee
DIN : 00020916

Date : July 28, 2021
Place : Mumbai

Corporate Governance Report

I. PHILOSOPHY ON CORPORATE GOVERNANCE:

The Board believes that Corporate Governance is about sustainably maximizing shareholder value. The Board of Directors of the Company acts as a trustee and assumes fiduciary responsibility of protecting the interests of the Company, its members and other stakeholders. The Board supports the broad principles of Corporate Governance and believes that sound corporate governance is critical to enhancing and retaining investor trust. In order to attain the highest-level of Corporate Governance practice, Board lays strong emphasis on transparency, accountability and integrity.

II. BOARD OF DIRECTORS:

The Company's Board comprises of mix of executive and non-executive directors with considerable experience and expertise across a range of fields such as finance, accounts, legal, brand building, general management and strategy.

a) Composition:

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

Name of the Director		Category	Board Meetings Attended during the Year 2020-21	Attendance at the Last AGM	No. of other Directorship / Partnership			Chairman / Member in No. of Board/ Committees including other Companies@	Number of Shares held
					Pub.	Pvt.	Other Body Corporate		
(01)	Balkrishan Goenka	C, P, NE	7/8	Yes	7	1	5	2C	490,660
(02)	Arun Todarwal	NE, I	8/8	Yes	5	3	3	3C, 6M	-
(03)	Pradeep Poddar	NE, I	8/8	Yes	3	-	-	2C, 6M	-
(04)	Arvind Kumar Singhal	NE, I	8/8	No	3	6	1	2M	50,000
(05)	Ms. Anisha Motwani	NE, I	8/8	Yes	8	1	1	1C, 9M	-
(06)	Shalil Awale*	NE, NI, L	1/1	-	-	-	-	-	-
(07)	Rajesh Mandawewala	P, E	7/8	Yes	9	7	3	4M	1,030
(08)	Ms. Dipali Goenka	P, E	7/8	No	8	4	13	1M	750,400

* Resigned w.e.f. May 29, 2020

@ Chairmanship/Membership of Audit Committee and Share Transfer, Investors' Grievance and Stakeholders' Relationship Committee considered of both listed and public limited companies.

Abbreviations:

C = Chairman, E = Executive Director, I = Independent Director, L = Lenders, M=Member, NE = Non-Executive Director, NI = Non Independent Director, P = Promoter & Promoter Group.

b) Names of the listed entities where the person is a director and the category of directorship:

Sr. No.	Name of Director	Name of Listed Companies	Category of Directorship
1.	Balkrishan Goenka	Welspun India Limited	Chairman, Non-Executive
		Welspun Corp Limited	Chairman, Non-Executive
		Welspun Enterprises Limited	Chairman, Executive
		Welspun Specialty Solutions Limited (Formerly known as RMG Alloy Steel Limited)	Chairman, Non-Executive
2.	Arun Todarwal	Welspun India Limited	Non-Executive, Independent Director
		Anuh Pharma Limited	Non-Executive, Independent Director
3.	Pradeep Poddar	Welspun India Limited	Non-Executive, Independent Director
		Uflex Limited	Non-Executive, Independent Director
		Polycab India Limited	Non-Executive, Independent Director
4.	Arvind Kumar Singhal	Welspun India Limited	Non-Executive, Independent Director
		Greaves Cotton Limited	Non-Executive, Independent Director
		Blue Star Limited	Non-Executive, Independent Director

Corporate Governance Report

Sr. No.	Name of Director	Name of Listed Companies	Category of Directorship
5.	Ms. Anisha Motwani	Welspun India Limited	Non-Executive, Independent Director
		Prataap Snacks Limited	Non-Executive, Independent Director
		Abbott India Limited	Non-Executive, Independent Director
		Angel Broking Limited	Non-Executive, Independent Director
		Somany Home Innovation Limited	Non-Executive, Independent Director
6.	Shalil Awale*	Welspun India Limited	Non-Executive, Nominee Director
7.	Rajesh Mandawewala	Welspun India Limited	Managing Director, Executive Director
		Welspun Corp Limited	Non-Executive Director
		Welspun Enterprises Limited	Non-Executive Director
		AYM Syntex Limited	Chairman, Non-Executive Director
8.	Ms. Dipali Goenka	Welspun India Limited	CEO & Joint Managing Director, Executive Director
		Welspun Corp Limited	Non-Executive Director
		Welspun Enterprises Limited#	Non-Executive Director

* Resigned w.e.f. May 29, 2020

#Appointed w.e.f. June 16, 2021

c) Key Board qualifications, expertise and attributes:

The Board of the Company is comprised of qualified members who bring in the required skills, competencies and expertise that allow them to make effective contribution to the Board and its Committees. The Board members are committed to ensuring that the Company's Board is in compliance with the highest standards of corporate governance. The Board has identified core skills, expertise, competencies, as given below, required for the Company's business to enable the Company to function effectively and all of these core skills, expertise, competencies are available with the Board.

- Global Business, Government Policies
- Commodity (cotton) and Currency market
- Textiles, Advanced Textiles, Flooring solutions businesses
- Sales, Marketing, Retail, Brand Building
- Corporate Governance
- Financial
- Innovation / Sustainability

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Key Board qualifications

	Area of expertise						
Name of Director	Finance & Accounts	Diversity	Global Business	General Management & Strategy	Board service and governance	Brand Building	ESG skill set
Balkrishan Goenka – Chairman	✓	✓	✓	✓	✓	✓	✓
Arun Todarwal – Independent Director	✓	✓	-	✓	✓	-	-
Pradeep Poddar – Independent Director	✓	✓	✓	✓	✓	✓	-
Arvind Singhal – Independent Director	-	✓	✓	✓	✓	✓	-
Ms. Anisha Motwani – Independent Director	✓	✓	✓	✓	✓	✓	-
Rajesh Mandawewala – Managing Director	✓	✓	✓	✓	✓	✓	-
Ms. Dipali Goenka – CEO & Joint Managing Director	✓	✓	✓	✓	✓	✓	✓

d) During FY 2020-21, eight meetings of the Board of Directors were held on the following dates: April 11, 2020, June 29, 2020, July 24, 2020, September 29, 2020, October 29, 2020, November 26, 2020, January 27, 2021 and March 3, 2021.

e) In addition to the above, a meeting of the Independent Directors was held on March 24, 2021 pursuant to Section 149(8) read with Schedule V to the Companies Act, 2013 ("the Act") and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations, 2015"). The said meeting was attended by Arun Todarwal, Pradeep Poddar, Arvind Singhal and Ms. Anisha Motwani.

f) The Board of the Company hereby confirms that the independent directors fulfill the conditions as specified in these SEBI Regulations, 2015 and are independent of the management.

g) **Relationships inter-se directors:**
Ms. Dipali Goenka is spouse of Balkrishan Goenka. None of the other directors are related to any other director on the Board.

III. AUDIT COMMITTEE:

Terms of Reference: The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained under Regulation 18 of the SEBI Regulations, 2015 and Section 177 of the Act.

The Committee comprises of 3 (Three) Independent Directors. The Committee met 21 times during the year. The composition of the Committee and attendance of the members is given hereunder:

Name of the Member	Chairman / Member	Number of Meetings Attended
Arun Todarwal	Chairman	21/21
Rajesh Mandawewala*	Member	0/21
Pradeep Poddar	Member	21/21
Ms. Anisha Motwani#	Member	0/0

* Resigned w.e.f. May 14, 2021
#Appointed w.e.f. May 14, 2021

The Company Secretary of the Company, Shashikant Thorat, acts as the Secretary of the Committee.

All recommendations made by the Audit Committee were accepted/approved by the Board.

IV. NOMINATION AND REMUNERATION COMMITTEE:

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

The Committee comprises of 3 (Three) Independent Directors. The Committee met 8 times during the year. The Composition of the Committee and attendance of the members is given hereunder:

Name of Member	Chairman / Member	Number of Meetings Attended
Arun Todarwal	Chairman	8/8
Balkrishan Goenka*	Member	1/8
Pradeep Poddar	Member	8/8
Ms. Anisha Motwani#	Member	0/0

* Resigned w.e.f. May 14, 2021
# Appointed w.e.f. May 14, 2021

The Company Secretary of the Company, Shashikant Thorat, acts as the Secretary of the Committee.

Board evaluation: Refer to Para 9 (iii) of Directors' Report.

Nomination and Remuneration Policy:
The Company follows a policy on remuneration of directors and senior management employees and the salient features thereof are as under:

Appointment of Directors:

- While identifying persons who may be appointed as a director(s), the Committee shall consider business of the Company, strength, weakness, opportunity and threat to Company's business, existing composition of the board of directors, diversity, skills, expertise of existing directors and background, skills, expertise, reputation and qualification possessed by the person being considered, specific requirements under the Act, SEBI Regulations, 2015 and any other laws as applicable.

- While identifying persons who may be appointed as independent directors, the Committee shall review their qualifications and suitability to ensure that such candidates will be able to function as directors 'Independently' and void of any conflict of interest, obligations, pressure from other Board members, KMPs, senior management and other persons associated with the Company.

Remuneration of Directors, Key Managerial Personnel, Senior Management Personnel:

- The Non-Executive Directors including independent directors may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ 100,000 per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

- The Non-Executive Directors shall not be eligible for any remuneration / commission, unless specifically approved by the Board of Directors on recommendation of the Nomination and Remuneration Committee and by the shareholders. There are no pecuniary transactions entered by the Non-Executive Directors with the Company.

The remuneration to Executive Directors, Key Managerial Personnel and Senior Management Personnel at the time of appointment shall be mutually agreed. The Committee shall consider industry indicators, requirements of role, qualification and experience of candidate, expected contribution of executive to the profitability challenges specific to the Company and such other matters as the Committee may deem fit. The remuneration must motivate individuals to achieve benchmarks which must be aligned to the vision of the Company. The management shall periodically find out the remuneration scale prevalent in the industry / peer group to the extent possible to assess if there is a need for revision in remuneration for retaining the talent. The non-executive Directors may be paid commission after complying with required provisions of the Act. Besides, the Committee shall take into consideration performance, of the concerned executive as well as the Company, the growth of business, profitability, Company's business plan and critical role played / initiatives taken while considering pay hike / increment to the concerned executives.

Directors Remuneration:

Sr No.	Particulars	Balkrishan Goenka Non-Executive Chairman	Rajesh Mandawewala Managing Director	Ms. Dipali Goenka CEO & Joint Managing Director
1.	Salary	-	₹ 17.00 Million	₹ 22.50 Million@
2.	Performance Linked Incentives	-	-	₹ 7.50 Million@*
3.	Commission	1% of the profit	1% of the profit	1% of the profit
4.	Service Contract/Term of Approval	April 1, 2016 to March 31, 2021	April 1, 2017 to March 31, 2022	April 1, 2021 to March 31, 2026
5.	Notice Period	N.A.	3 months	3 months
6.	Severance Fees	N.A.	NIL	NIL
7.	Stock Options	N.A.	NIL	NIL

@ With effect from July 1, 2019

* **Performance Linked Criteria:** As per the Company's Variable Pay Policy all AVP and above employees are eligible for variable pay which is calculated as 20% of their fixed CTC (except for few functions which are mentioned in the policy). Target Variable Pay also depends on two components - Individual performance, Organisation/SBU performance and min and max pay out scale. Organisation's performance will be assessed based on three parameters - Total sales turnover, EBIDTA and Inventory in days. Ms. Goenka will be eligible for earning variable pay only if overall score for organisational performance is equal or more than 85% (weighted average of the above three parameters).

Apart from above and except for related party transactions appearing in the financial statements, there is no other pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company.

V. THE STAKEHOLDERS' RELATIONSHIP, SHARE TRANSFER AND INVESTORS' GRIEVANCE COMMITTEE:

The Stakeholders' Relationship, Share Transfer and Investors' Grievance Committee is formed in accordance with Section 178 of the Act and Regulation 20 of the SEBI Regulations, 2015 required to examine complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends and to review the functioning of the investors' grievance redressal system.

The Committee comprises of 3 (Three) members and the Chairman of the Committee is Non-Executive Director. The Committee met 4 times during the year. The composition of the Committee is given hereunder:

Statutory Reports

Name of the Member	Chairman / Member	Number of Meetings Attended
Balkrishan Goenka	Chairman	4/4
Rajesh Mandawewala	Member	4/4
Pradeep Poddar	Member	4/4

The Company Secretary of the Company, Shashikant Thorat, acts as the Secretary of the Committee.

Number of Shareholders complaints / requests received during the year:

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

Sr. No.	Nature of Grievances	Nos
1	Non-receipt of Share Certificate	-
2	Non-receipt of Dividend Warrants	4
3	Non-receipt of Rejected Demat Request Form	-
4	Non-receipt of Exchange Certificate	-
5	Non-receipt of Rep/Split/ Consolidate/Duplicate	-
6	Others	-
Total		**4**

All complaints/requests received during the year under report were resolved within the stipulated time to the satisfaction of the investors/ shareholders. Securities received for transfer/ transmission were transferred / transmitted and no transfer was pending as at March 31, 2021.

VI. ESG & CSR COMMITTEE (EARLIER KNOWN AS CORPORATE SOCIAL RESPONSIBILITY COMMITTEE):

The Corporate Social Responsibility Committee is formed in accordance with Section 135 of the Act.

Terms of reference: To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Act and rules made thereunder.

Composition of the Committee: The Committee comprises of 3 (Three) members. The Committee met three times during the year. The Chairman of the Committee is an Independent Director.

Name of Member	Chairman / Member	Whether meeting attended
Arun Todarwal	Chairman	Yes
Ms. Anisha Motwani	Member	Yes
Ms. Dipali Goenka	Member	Yes

The Company Secretary of the Company, Shashikant Thorat, acts as the Secretary of the Committee.

VII. RISK MANAGEMENT COMMITTEE:

The Risk Management Committee is formed in accordance with Regulation 21 sub-regulation 5 of the SEBI Regulations, 2015.

Terms of reference: Monitoring and reviewing of the risk, management plan, review of cyber security etc.

Composition of the Committee: The Committee comprises of 5 (Five) members. The Committee is formed to be effective from April 01, 2019. The Committee met once during the year. The composition of the Committee is given hereunder:

Name of Member	Chairman / Member	Meeting Attended
Arun Todarwal	Chairman	1/1
Pradeep Poddar	Member	1/1
Rajesh Mandawewala	Member	0/1
Sanjeev Sancheti – Chief Financial Officer*	Member	1/1
Shreeram Phanse – Head, Internal Audit	Member	1/1
Sanjay Gupta – Chief Financial Officer#	Member	0/0

* Resigned w.e.f. May 15, 2021
# Appointed w.e.f. July 28, 2021

The Company Secretary of the Company, Shashikant Thorat, will act as the Secretary of the Committee.

Corporate Governance Report

VIII. GENERAL BODY MEETINGS:

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

Meeting	Day & Date of the Meeting	Time	Place	Special Resolutions passed
33rd Annual General Meeting	Tuesday, August 14, 2018	11.00 a.m.	Same as above	• Ratification of remuneration payable to Cost Auditors. • Alteration of Object Clause by insertion of sub-clauses 1A and 1B after the existing sub-clause 1 of Part A of Clause III of Memorandum of Association.
34th Annual General Meeting	Monday, August 12, 2019	10.30 a.m.	Same as above	• Ratification of remuneration payable to Cost Auditors. • Appointment of Mr. Pradeep Poddar (DIN 00025199) as an Independent Director for 2nd Consecutive term. • Enabling resolution for conversion of loan into equity. • Payment of remuneration by way of commission to Mr. Balkrishan Goenka, non-executive Chairman of the Company. • Approval of remuneration payable to Mr. Rajesh Mandawewala, Managing Director. • Approval of remuneration payable to Ms. Dipali Goenka, CEO & Joint Managing Director.
35th Annual General Meeting	Tuesday, September 29, 2020	4:00 pm	VIRTUAL	• Ratification of remuneration payable to Cost Auditors. • Payment of remuneration by way of commission to Mr. Balkrishan Goenka, non-executive Chairman of the Company.

- During the year under Report, resolution which was passed through postal ballot is as given below:

(i) Details of voting pattern on the resolutions, proposed through Postal Ballot Notice dated March 03, 2021 were as under:

Sr. No.	Resolution	Type of Resolution	No. of votes polled	No. of votes in favour	No. of votes against	% of votes in favour	% of votes against	Who conducted the postal ballot exercise
1.	Raising of funds by way of issue of securities	Special	803,878,424	797,441,529	6,436,895	99.20	0.80	SPZ & Associates, Company Secretaries

Procedure for postal ballot:

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

IX. DISCLOSURE:

a. **Related Party Transactions:**

For material related party transactions, refer Note 30(ii) of Notes to Accounts annexed to the Financial Statements and Annexure 4 to the Directors' Report. The Company's policy on dealing with Related Party Transactions as required under Regulation 23 of the SEBI Regulations, 2015 is hosted on the Company's website and a web link thereto is given below.

www.welspunindia.com under the tab Investors -> Policies

b. No penalties, strictures were imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

c. **Code of Conduct:**
The Company has framed the Code of Conduct for Board members and senior management personnel. A copy of the Code has been hosted on the Company's website and a web link thereto is given below.

www.welspunindia.com under the tab Investors -> Policies

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

A declaration signed by the Chief Executive Officer & Joint Managing Director of the Company with respect to Compliance of Code of Conduct is given below:

I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Conduct for the financial year 2020-21.

Dipali Goenka
CEO & Joint Managing Director

d. **Whistleblower Policy and Vigil Mechanism:**
Refer point no. 21 of the Directors' Report.

e. **Policy for determining 'material' subsidiaries:**
The Company's policy on determining material subsidiaries as required under SEBI Regulations, 2015 is hosted on the Company's website and a web link thereto is given below.

www.welspunindia.com under the tab Investors -> Policies

f. **Corporate Governance Compliance:**
The Company is in compliance with the mandatory requirements mentioned under Regulation 27 of SEBI Regulations, 2015 to the extent applicable and in addition the Company at its discretion adopted requirements mentioned at (C) – "Modified Opinion(s) in Audit Report", (D) – "Separate posts of chairperson and chief executive officer" and (E) – "Reporting of Internal Auditor" of Part E of Schedule II to the SEBI Regulations, 2015.

The Company is in compliance with Corporate Governance requirements as specified in Regulation 17 to 29 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Regulations, 2015.

g. **Disclosure related to familiarization programme imparted to independent directors:**
Refer point no. 9(iv) of the Directors' Report.

h. **Criteria for making payments to non-executive directors is hosted on the Company's website on -**
www.welspunindia.com under the tab Investors -> Policies

Further, for details regarding payments made to non-executive directors can be referred in the Annual Return which is hosted on the Company's website on -

www.welspunindia.com under the tab Investors -> Policies

i. **Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

a. No. of complaints filed during the financial year: NIL

b No. of complaints disposed of during the financial year: NIL

c No. of complaints pending as on end of the financial year: NIL

j. **Commodity price risk or foreign exchange risk and hedging activities:**
Detail of commodity price risks and commodity hedging activities as required under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 is given below. Also refer to the Management Discussion and Analysis Report.

1. Risk management policy of the Company with respect to commodities: Cotton forms significant portion of the cost of products for the Company. The Company's Cotton procurement policy is in alignment with Business Plan of the Company for respective year. The Company procures around 70% to 75% of the annual requirement during cotton season.

2. Exposure of the Company to commodity and commodity risks faced by the entity throughout the year:

   a. Total exposure of the Company to commodities in ₹ 7,420.72 million.

   b. Exposure of the listed entity to various commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		
	₹ (Mn)	MT	OTC	Exchange	OTC	Exchange	Total
Cotton	7,420.72	58,719	-	-	-	-	-

   c. Commodity risks faced by the listed entity during the year and how they have been managed: Cotton our main raw material being an agricultural commodity poses all related risks. The weather patterns, government intervention in cotton producing countries, trade tariff wars between countries effect the price movement of cotton. In our Company we have been following the policy of covering the raw material as per customer orders and have graded the buying pattern based on the importance of the type of cotton. We have put our efforts in strengthening ties with our supply partners so that we are not affected by potential shortages or surges in demand for a type of cotton especially in Egyptian, Supima and Organic cottons. We have also gearing up to meet the increasing demand for sustainable cottons such as Better Cotton Initiative (BCI) by developing ginners to procure from farmers under the BCI project supported by Welspun Foundation as well as integrating other projects in India and other countries into our supply.

k. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part during the financial year under Report is ₹ 36.31 million.

X. MEANS OF COMMUNICATION:

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

These results are simultaneously hosted on the website of the Company at www.welspunindia.com under the tab Investors-> Financial Results The official press release and the presentations made to institutional investors/ analyst are also available on the website of the Company.

XI. GENERAL SHAREHOLDER INFORMATION:

1. **Annual General Meeting** shall be held on Tuesday, August 31, 2021 at 11.00 a.m. via other audio visual means.
2. **Financial Year** of the Company is April 1 of a year to March 31 of the following year.
3. **Date of Book Closure:** Wednesday, May 26, 2021 to Friday, May 28, 2021 (both days inclusive).
4. **Dividend payment date:** Starting from Friday, August 31, 2021 and thereafter
5. **Listing on Stock Exchanges:** The Equity Shares of the Company are listed on:

   (i) National Stock Exchange of India Limited (NSE)
   Exchange Plaza, C-1, Block G,
   Bandra Kurla Complex, Bandra (E),
   Mumbai – 400051

   (ii) Bombay Stock Exchange Limited (BSE)
   Phiroze Jeejeebhoy Towers,
   Dalal Street, Mumbai – 400001

   The Annual listing fees for the FY 2021-22 have been paid to NSE and BSE.

6. **Stock Code/Symbol for equity shares:**

National Stock Exchange of India Limited	: WELSPUNIND; Series: EQ
Bombay Stock Exchange Limited	: 514162
ISIN No. (For dematerialized shares)	: INE192B01031

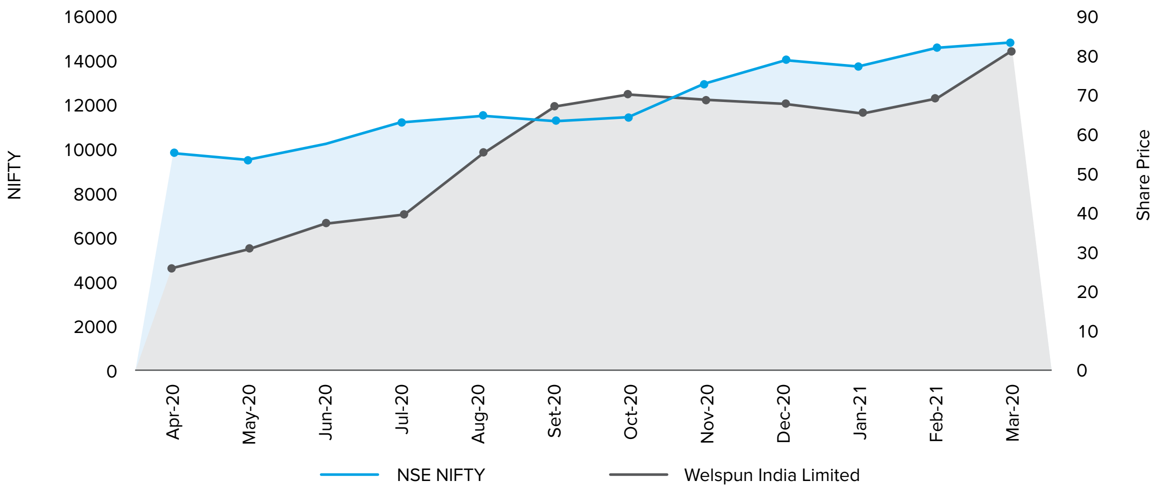
7. **Stock Market data of high and low price of equity shares on National Stock Exchange of India Limited and Bombay Stock Exchange Limited is under:**

	NSE		BSE	
Month	**High (₹)**	**Low (₹)**	**High (₹)**	**Low (₹)**
Apr – 2020	31.00	20.20	31.10	20.20
May-2020	31.15	23.50	31.15	23.50
Jun-2020	39.15	31.05	39.30	31.00
Jul-2020	39.70	31.00	39.80	31.00
Aug-2020	58.65	40.25	57.90	39.20
Sep-2020	68.70	51.10	68.70	51.15
Oct-2020	78.00	66.00	78.00	66.00
Nov-2020	70.95	62.00	70.20	62.00
Dec-2020	77.75	65.40	77.75	65.20
Jan-2021	75.00	64.85	74.90	65.00
Feb-2021	75.00	65.40	74.90	65.70
Mar-2021	87.60	67.40	87.60	67.35

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

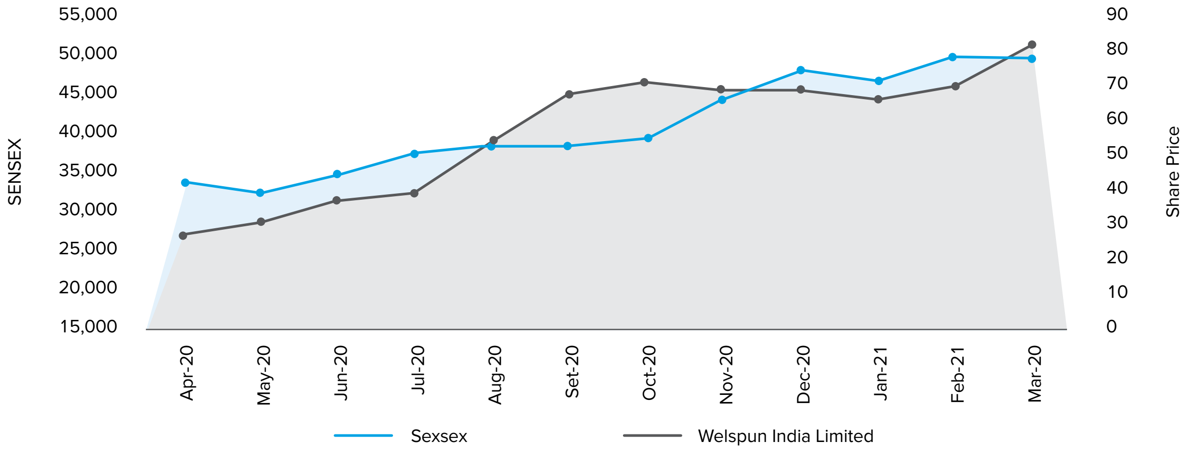
Month	**NSE (S&P Nifty)**	**Closing price of Share (₹)**	**BSE Index (Sensex)**	**Closing price of Share (₹)**
Apr – 2020	9,859.90	26.30	33,717.62	26.30
May-2020	9,580.30	31.15	32,424.10	31.15
Jun-2020	10,302.10	37.10	34,915.80	37.05
Jul-2020	11,073.45	39.20	37,606.89	39.20
Aug-2020	11,387.50	54.45	38,628.29	54.45
Sep-2020	11,247.55	67.00	38,067.93	67.00
Oct-2020	11,642.40	68.95	39,614.07	70.25
Nov-2020	12,968.95	68.65	44,149.72	68.40
Dec-2020	13,981.75	67.90	47,751.33	67.95
Jan-2021	13,634.60	66.10	46,285.77	66.10
Feb-2021	14,529.15	69.20	49,099.99	68.80
Mar-2021	14,690.70	80.85	49,509.15	81.10

NSE & Welspun India Limited



Corporate Governance Report

BSE & Welspun India Limited



9. **Registrar and Transfer Agent:** Registrar and Transfer Agent of the Company handles the share transfer work and the complaints of shareholders. Name, address and telephone number of Registrar and Transfer Agent is given hereunder:

   Link Intime India Private Limited
   Unit : Welspun India Limited
   C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083
   Email - rnt.helpdesk@linkintime.co.in
   Tel: +91-22-49186000
   Fax: +91-22–49186060

10. **Share Transfer System:** The Company's Registrar and Transfer Agent registers shares received from the shareholders for transfer in physical form within 15 days from the receipt of the documents, if the same are found in order. Securities under objection are returned within two weeks.

11. **Distribution of Shareholding:**

Number of Shares	No. of shareholders	Percentage of Shareholders	Total Shares for the range	Percentage of Issued Capital
Upto – 500	58,401	74.26	7,731,377	0.77
501-1,000	9,493	12.07	7,889,791	0.79
1,001-2,000	4,989	6.34	7,665,727	0.76
2,001-3,000	1,949	2.48	4,924,554	0.49
3,001-4,000	832	1.06	2,969,127	0.30
4,001-5,000	726	0.92	3,449,831	0.34
5,001-10,000	1,056	1.34	7,875,777	0.78
10,001 and above	1,201	1.53	962,218,966	95.77
Total	**78,647**	**100.00**	**1,004,725,150**	**100.00**

12. **De-materialization of shares and liquidity:** As on March 31, 2021, 99.63% equity shares have been dematerialized and have reasonable liquidity on NSE and BSE.

13. **Outstanding Employee Stock Options, conversion date and likely impact on equity share capital:** NIL

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

    Refer to point no. 6 of the Directors' Report.

15. The Company is in compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46.

16. **Plant locations of the Company:**

    (i) Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370 110

    (ii) Survey No. 76, Village Morai, Vapi, District Valsad, Gujarat – 396191

17. **Address for correspondence:**
    The Company Secretary,
    Welspun India Limited
    7th Floor, Welspun House,
    Kamala City,
    Senapati Bapat Marg, Lower Parel,
    Mumbai - 400 013.
    Tel: +91-22-66136000; +91-22-24908000, Fax: +91-22-24908020 /21
    E-mail: CompanySecretary_WIL@welspun.com

18. **Credit Ratings:** Refer to point no. 8(i) of the Directors' Report.

Certificate of Practicing Company Secretary on Corporate Governance Report

To
The Members
WELSPUN INDIA LIMITED

I have examined the compliance of conditions of Corporate Governance by Welspun India Limited for the financial year ended March 31, 2020, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") in particular the Regulations 17 to 27 and Clause (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of Regulations.

I have been requested by the management of the Company to provide a certificate on compliance of corporate governance under the relevant provisions of the Regulations.

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

In my opinion and to the best of my information and according to the explanation provided to me by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations during the financial year ended March 31, 2021.

I state that such compliance is neither an assurance as to future viability of the Company nor to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Uday Sohoni
Practicing Company Secretary
FCS 9471
CP 10916
UDIN: F009471C000735372

Date: July 28, 2021
Place: Mumbai

Certificate of Non-Disqualification of Directors

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

To
The Members

WELSPUN INDIA LIMITED

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Welspun India Limited bearing CIN L17110GJ1985PLC033271 and having registered office at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal of the Ministry of Corporate Affairs at "www.mca.gov.in") as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Balkrishan Gopiram Goenka	00270175	17/01/1985
2	Rajesh Rameshkumar Mandawewala	00007179	26/10/1989
3	Dipali Balkrishan Goenka	00007199	01/04/2013
4	Arun Lalchand Todarwal	00020916	01/04/2019
5	Pradeep Narendra Poddar	00025199	15/09/2019
6	Arvind Kumar Singhal	00709084	01/04/2019
7	**Anisha Motwani**	**06943493**	**22/10/2018**

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Uday Sohoni
Practicing Company Secretary
FCS 9471
CP 10916
UDIN: F009471C000735416

Date: July 28, 2021
Place: Mumbai

Business Responsibility Report

Welspun's approach to Business Responsibility

Welspun India believes in the prerequisite of conducting business operations sustainably. We believe aligning our business sustainably raises the bar for everyone, thus creating a better future.

Our vision is to leverage our scale to create better products, strengthen communities and protect the environment. With determination and focus will create shared value for all.

During this financial year we strengthened our ESG management and formulated plans to enhance our sustainability performance. Special focus was also given to redefine our Governance mechanisms to include Sustainability goals defined at every level, build trust with internal as well as external stakeholders and also to improve overall accountability.

We believe collaboration is key to enabling a successful sustainability strategy and thus constantly engaging with stakeholders across the value chain to create sustainable solutions that will have a positive long-term impact.

What business responsibility means to us?

Empowering our people

We empower our employees by providing opportunities to channel their creativity, abilities and skills towards achieving their professional and personal goals.

Customer centric innovation

We continuously strive to create cutting edge digital solutions through hyper-specialized approach and deep customer relationships, improve our service delivery, increase value for our customers and future-proof our solutions to meet evolving needs and expectations.

Promoting environmental sustainability

We are committed to conducting our business activities in an environmentally responsible manner and we focus on reducing our environmental footprint across the value chain.

Caring for communities

We are focused on supporting innovative programs in education, livelihoods and inclusion through our CSR initiatives.

Being transparent and accountable

We have deployed systems, policies and governance mechanisms to ensure responsible business practices across our operations and value chain.

Connecting with stakeholders

We have established management systems to drive our processes and build trust in order to engage efficiently with our stakeholders

Milestones Achieved

41,19,233
KL of water recycled

1,75,704 GJ
Energy savings

45%
Responsible cotton used

27,591*
Total workforce

189
Employees with disabilities

75,000+
Students impacted

₹81.66 million
CSR expenditure

* This number includes contractual workforce and excludes data from subsidiary companies

Ensuring transparency, enabling governance

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

We believe in conducting all our business affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior in the organization. We are committed to operate and grow our business in a socially responsible way, ensuring the creation of long-term value for our stakeholders.

At WIL, strongly the spirit of corporate governance stretches beyond statutory acquiescence and we believe that the foundation of business growth can be strengthened only if all stakeholders are part of it. We are committed to ensuring that our operations are carried out in an environment built upon trust, fairness, and responsibility.

Our Corporate Governance framework, involving the board of directors, committees of board and policy structure, is designed to ensure transparency and accountability at every level of the organization as per the Indian Companies Act, 2013.

With our corporate governance framework promoting the highest standards of ethical and responsible conduct of business, the management strives to enable growth, profitability, stability and sustainability across our businesses in an equitable manner and create value for all stakeholders

The Board of Directors

Overall accountability for business performance across economic, environmental, and social dimensions lies with the Board members. The Board also acts as a trustee and is responsible for protecting the rights of the Company, its members, and other stakeholders. Together, they formulate strategies, policies & goals, keeping in mind the vision, mission & values, integral to WIL's success. The Board of Directors meets every quarter to discuss applicable business responsibility issues and assess the business responsibility performance of the company. Welspun publishes annual Business Responsibility Report which are available on the company website. This is WILs fifth annual Business Responsibility Report

The Directors, through their participation in board meetings, provide direction to management from their relevant fields of knowledge and expertise. They are responsible for designing a long-term strategy and ensuring innovation and strong operational performance.The Board performs the following key functions:

- Reviews the business strategy and operational plans developed by management
- Provides oversight on corporate governance practices
- Monitors and reviews management performance
- Reviews the risk management approach
- Discharges statutory or contractual responsibilities
- Oversees the reliability of external communications

Business Responsibility Report

- Oversees the process for compliance with laws and regulations
- Monitors and reviews the Board Evaluation framework

Committees of the Board

To ensure accountability and monitoring, the Board has constituted various committees. The Board's various committees comprise of members of the Board of Directors and are responsible for carrying out specific functions assigned by the Board. The committees meet periodically during the year to supervise, review performance and advice on the necessary direction to be taken within the authority delegated. The Committees also make specific recommendations to the Board on various matters whenever required. The Board takes a final call on the recommendations of the Committees after considering all the relevant aspects. At WIL, there are 5 committees:

- Audit Committee
- Nomination and Remuneration Committee
- The Stakeholders' Relationship, Share Transfer and Investor Grievance Committee
- ESG & CSR Committee
- Risk Management Committee

Detailed of the committee and its members are available on the website.

Ethical business conduct

Ethical conduct of business is at the core of our business and operations and it is ingrained in the policies and Code of Conduct adopted by the Company, implementation of which is ensured through well-established systems and processes across all its businesses. The code of conduct and relevant policies ensure that human rights of all stakeholders are preserved in our business operations.

We follow a zero-tolerance policy for disruptive behavior and are committed to the highest standard of ethical, moral and legal business conduct to ensure the protection of interests of all stakeholders of the Company in tandem with the healthy growth of the Company.

Code of Conduct (CoC)

The Code of conduct describes the operational standards the Company follows. It also supports and lays down guidelines for the ethical approach towards governance and corporate responsibility.

All the Board members and senior management personnel affirm to the compliance requirements of the CoC each year.

WIL's Code of Conduct is applicable to Welspun group companies and their subsidiaries. We ensure that our business partners, vendors and contractors, are aware of, understand and adhere to its standards. Furthermore, we have a clause incorporated in supplier agreements which informs them of our policy of zero tolerance towards any unethical practices

The code of conduct is available at the company website at link https://www.welspunindia.com/pdf/Code-of-Conduct_Welspun%20Group.pdf

Whistle Blower Policy

We have implemented a Whistle Blower Policy to encourage open communication and create a platform for stakeholders to make protected disclosures through a systematic process to the Chairman of the Audit Committee concerns about any malpractice like unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy.

The stakeholder can report any legitimate concern through email. This mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism.

Risk Management

We acknowledge the risks that we are exposed to across all our business functions. To mitigate these risks, the Board has formulated a well-structured Enterprise Risk Management (ERM) framework. ERM effectively governs and addresses financial, operational, business, regulatory, compliance and strategic risks. We also identify our environmental risks and opportunities, which are integrated into the ERM framework. We have a robust environment management system in place at all our facilities. Our factories are are ISO 14001 and ISO 45001:2018 certified for environment and occupational health and safety respectively

Grievance redressal

In FY2020-21, 4 complaints were received from shareholders and all of these were replied/ resolved to with no complaints pending as on March 31, 2020. Also, there was no complaint reported by any Director or employee of the company under our vigil/ whistleblower mechanism. Complaints from external stakeholders like suppliers and contractors are raised directly to business teams and are addressed by them on a case by case basis.

Embedding sustainability in our products

BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAIN ABILITY THROUGHOUT THEIR LIFE CYCLE

Welspun has constantly made efforts to integrate sustainability with its operations and we go beyond the financial goals and legal obligations to work towards a healthy environment. We have taken several initiatives such as water management, energy efficiency and emissions management which have benefitted our business and stakeholders and created a positive impact on the environment.

Statutory Reports

Responsible supply chain practices

We have been at the forefront of adopting smart and sustainable sourcing conducts in our supply chain. For the same, we have collaborated with suppliers with an aim to achieve synergetic benefits through lower transportation costs, lower inventory, faster working capital cycle, and recycling of packaging.

Responsible sourcing

To ensure effective implementation of the sustainable sourcing practices in our supply chain we make sure that all our supplier locations are SA 8000 certified, our vendors are assessed on a regular basis on their social and environmental performances and we organize annual supplier meets to discuss and strategize on our environmental and social goals.

With an emphasis on technology through Data Analytics and Vendor Managed Inventory Support, our focus remains on enhancing product differentiation. Our integrated systems help us manage our supply chain and provide real-time information to customers, enhancing our pro-retail approach.

Further, we source organic as well as BCI cotton for our manufacturing processes, which not only have a lesser environmental footprint but also align with social norms.

We support local procurement which not only encourages local economy, but also reduces our carbon footprint. The procurement from local suppliers is 91% of our total procurement.

Sustainable raw materials

Welspun strives to minimize the environmental burden on raw materials and create positive social impact by obtaining sustainable cotton through better cotton initiative, organic cotton. We have also converted waste fabric into cotton fiber, recycled plastic bottle into fabric and recycled polyester into rug used as sustainable raw material. This has reduced our waste to landfill.

Sourcing sustainable cotton– Our 2030 goal is to 100 percent obtain sustainable cotton including organic, BCI etc. which creates low environmental and social impact.

Recycled materials – Using recycled cotton by converting the waste fabric into cotton fiber and using it as raw material for the manufacturing process.

Recycled plastic bottles being turned into fabric and thereby reduce landfill waste, recycled.

Sustainable Production

At WIL, it is our continuous endeavor to integrate the principles of sustainability into the various stages of product lifecycle, including procurement of sustainable raw material, manufacturing of product, transportation of raw materials and finished goods, and disposal by consumers. With this approach we aim to reduce environmental impacts and lower our carbon footprint not only during production but also during the consumer use phase.

WIL's initiative on Life-cycle Sustainability, standardization of manufacturing processes, and resource efficiency outlines company's approach towards sustainable production.

- We have carried out the Life Cycle Assessment (LCA) of our products range, including towels, bedsheets, rugs and TOOB, to help us identify additional opportunities to reduce environmental impact across the value chain. Based on the insights from assessment, we align product design and innovation towards reducing environmental impacts from cradle to grave.
- Organic Textile Standard (GOTS) and OEKO-TEX® Standard 100 ensure our textile products are manufactured in a responsible way, right from the harvesting of raw materials to manufacturing processes.
- To align our chemical management with the requirements of safer chemistry we follow the ZDHC requirements which not only guide factories on chemical inventory and safe use of chemicals both for human as well as the environment but also enables continuous improvement in our processes and effluent treatment methods.
- Water is an essential resource in all our processes and operations; we also understand that it's more essential to our neighboring communities. It is with this realization; we have included reduction of freshwater intake as a priority in our sustainability strategy.
- Under this strategy, both our factories undertake recycling and reusing of wastewater. We have set up a 30MLD Sewage Treatment plant at our Anjar factory which recycles sewage wastewater from the neighboring areas. This has led to zero intake of freshwater for manufacturing processes. Further we also have rainwater harvesting carried out for our factories, to enable more availability of freshwater to neighbor communities.
- Our energy management practices are targeted to improve energy efficiency through process and equipment modification, energy conservation and introducing new technology.
- Our waste management practices include recycling and upcycling of textile waste, responsible disposal of hazardous waste and reducing waste.

Sustainable Packaging

With an aim to reduce waste to landfills, preserving resources and helping protect wildlife, Welspun is rapidly moving towards sustainable packaging by reducing PVC and using recycled and recyclable packaging material.

For more information on our products with unique sustainability features please refer to the section on Our Commitment to ESG.

Empowering our employees

BUSINESSES SHOULD PROMOTE THE WELL BEING OF ALL EMPLOYEES

Employees are the most valuable assets of the organization, healthier employees are more motivated and productive.

Employee Category	Total number of employees	Percentage of total workforce
Total Permanent Employees	24594	88%
Permanent Women Employees	5954	21%
Contractual Employees	3432	12%
Employees with disabilities	158	1%

Welspun India by empowering employees, creates a measurable positive impacts on the organization and also creates a better working environment.

Welspun provides its employees the tools and resources to improve their work experience, increase their work engagement and help build an inclusive culture. Working as a team and access to continuous training provides the individuals the knowledge, skill, desire, and opportunity to build their careers and maximize the potential.

Diversity and Equal Opportunity

Diversity and equal opportunity is about taking account of the differences between people and placing a positive value on those differences.

Welspun creates a conducive environment to engagement, alignment, innovation and high performance by employing people from different backgrounds and capacities. The same is reflected in the Equal Opportunity Policy which ensures that no employee receives less favorable facilities or treatment on grounds of gender, marital status, disability, race, color, nationality, ethnic origin, religion and age.

The Policy provides equal opportunities to all employees across the Company, based on merit and ability

Good Labour Practices.

WIL's board approved sustainability policies continue to guide the company's commitment to good labor practices across its business operations.

No person below the age of 18 years is employed by Welspun India. Forced or compulsory labor is prohibited in all units. Welspun India does not engage vendors and suppliers who resort to child and/or forced labor.

The Company had no cases of child or forced labour in 2020-21. Welspun redressal procedure instituted at all units and locations ensures that all grievances related to labor practices, human rights are addressed and resolved in a fair manner. In FY 2020-21, there were no cases of discriminatory employment.

Affirmative action on prevention of sexual Harassment

Providing a safe and conducive workplace to all our employees is our utmost priority. We encourage a healthy work environment, and are committed to following the laws and regulations pertaining to the protection of employees. In this regard, we have adopted a Prevention of Sexual Harassment (PoSH) Policy in accordance with the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All our employees are trained and informed on the functioning of the Internal Complaint Committee where they can report any unwelcoming sexual advances, requests for sexual favours or other verbal or physical conduct of sexual nature.

Engaging with Employees

Welspun acknowledges that employee engagement is a key variable that enables organization to deliver superior performance and gain a competitive advantage. The employee engagement strategies reduce staff turnover, improve productivity and result in higher customer retention rates. This in turn keeps our employees motivated and committed to the achievement of our business objectives.

During the year, due to COVID-19 we restricted the engagement and used mostly online platforms, where apart from learning, awareness was created on health, activities were organized including families and talk shows were done on how to maintain a health and wellbeing.

Learning and Development

In order to integrate the culture of one Welspun, the Group has a Centre of excellence which has a Learning and Culture team. Our constant effort is to build synergy from organizational perspective and also to build flexibility to ensure the relevance of learning is aligned to business needs

We have developed several learning and development modules for our employees to help them acquire necessary skill sets for different roles. Some of the themes that were given attention this year were 1. One Welspun Culture – culture of collaboration; Building a Culture of Curiosity; Building awareness on ESG; Build Digital Mindset; Create Leadership Pipeline

GLP (Group Leadership Program)
The Group Leadership Program initially conceived as a program to groom the next level leaders has transformed to be a full-fledged talent management initiative over the course of time. Components of individual coaching as well as Action Learning Project are newly added into the program which has transformed the same from a only classroom program to a holistic learning intervention that stretches and grooms senior leaders to take next level responsibilities in the organization. This year marked the completion of the third batch.

The Futures Leaders program and Emerging Leaders Program
For the middle management, two different leadership programs that were specific to the organizational requirements are design, the first one being the Future Leaders Program (FLP) in collaboration with SDA Bocconi Business School Milan Italy. A second program called the Emerging Leaders Program (ELP) was created, that deep dives to equip leaders from the startup businesses in our Group A has been completely designed and delivered in house with blended e learning modules from Skillsoft

The Budding Leaders Program or (BLP)
The Budding Leaders Program or (BLP) caters to the requirements of the entry level employees who largely run the plants these employees are young GET's taken from engineering colleges across India who work with the associates at plant level.

The Welspun Learning and development team has rolled out an extensive Digital Learning plan. The plan engages technology and business requirements in terms of upskilling their respective employees. There are a medley of programs that have been scheduled in the form of Webinars as well as curated assignments on the organization's e-learning platform We-learn.

WeLearn
The platform provides features such as Watch, Read and Listen in the form of video courses, books, book summaries, audio books and summaries keeping in mind the learning style of all learners. The content extends from leadership, self-development, productivity tools, digital transformation, new-age technologies like Blockchain, AI, Digital Twins etc

Several customized learning programs in Digital Marketing & Ecom were launched for Sales & Merchandizing team. Functional competencies for unique roles were created, which help in training gap assessment at employee level and create learning programs.

Occupational health and safety

We are conscious about the health and safety risks our workers are exposed to and are committed to maintain a zero harm workplace.

We adhere to the ISO 45001-2018 certification at all our facilities to ensure our operations are conducted in line with international standards on health and safety. In addition to it, we are OEKO-TEX® Standard 100 certified and follow the REACH regulations that restrict the use of harmful substances in our manufacturing processes. We provide mandatory safety trainings to our employees, contractors, sub-contractors and other agencies at regular intervals on Health and Safety aspects such as fire safety, emergency preparedness, and office safety. In FY 2020-21, WIL's workforce including contractual workers received a total 44339 hours of safety training.

Welspun introduced the 'Penta Protocol', a five-layered security framework to ensure the well-being and safety of people. The protocol laid down industry-defining practices, standards and procedures to be followed by all employees, associates, partners, customers, and other stakeholders, in order to protect themselves in offices and manufacturing units. The purpose behind putting these procedures in place was to initiate a behavioral change movement, which will re-define the way people live, interact and run a business in the future. Welspun has also instituted several measures, including apps and AI-led robots, amongst others, to ensure the holistic wellbeing of our members.

Penta Protocol consists of social distancing guidelines, workplace practices, thermal scanning, wearing of PPEs, sanitization, and several other strict regulations to curb the spread of Coronavirus.

We endeavor to continually improve upon our OH&S management system by way of ensuring compliances to all legal requirements and adopt preventive strategies as well as appropriate actions to eliminate hazards and reduce OH&S risks.

	FY 2020-21	
Aspects	Welspun Employees	Contractual Labour
Near misses	59	0
Reportable injuries/LTI	14	0
Lost days	588	0
Fatalities	0	0
MTI	33	0
First aid cases	292	0
Man-hours worked	42220108	9928333

Business Responsibility Report

Stakeholder Engagement

BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED

Welspun believes that effective stakeholder engagement helps translate stakeholder needs into organizational goals and creates the basis of effective strategy development catering to their concerns.

Our commitment to stakeholder engagement is a prime responsibility for us and hence the annual performance targets for leadership teams, includes parameters that focuses on Stakeholder Value Creation, such as ROCE, PE Multiple, Customer Satisfaction Index and more.

With the idea of building trust, managing risk, and improving productivity. Welspun adopts various processes for engaging with internal and external stakeholders. Post the engagement we endeavor to collect timely feedback and believe various processes for engaging with internal and external stakeholders.

Key Stakeholder	Mode of Engagement & Activities	Aspects	Responses
Investors	Quarterly meetings Presentations, Investor relation calls	Economic value, Sustainable wealth creation Risk management Compliance and disclosures	Collaborating with investors through various business forums
Government and regulators	Need basis Participation in industry level consultation groups Participation in forums	Compliance Sustainable practices Inclusive growth	Active collaboration and participation with regulatory agencies
Employees	Surveys, Workshops, Capacity building, appraisals newsletters, Town halls, Rewards	Professional growth, Diversity at the workplace, Leadership connect sessions, Workplace safety, Equal opportunities, Work-life balance	Committed to increase diversity as well as build an inclusive workforce
Business partners / suppliers and contractors	Direct interactions, Supplier meets, Associations	Payment processing cycles, Business ethics Transparency Compliance	Payment processing and cloud based services
Communities & NGO's	Direct engagement Dedicated CSR team, Visits and camps, 2 Community needs assessments	Infrastructure development Education & healthcare Environmental protection Employment opportunities	Actively engaged by WFHK across areas such as education, healthcare, sanitation etc.

Preserving Human Rights

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

WIL is committed in upholding human rights and believes that all its employees, suppliers and stakeholders are entitled to social and economic dignity at workplace. It is our constant endeavour to establish a workplace as well as surroundings wherein people are treated with dignity and respect.

We implement our human rights commitment through our Code of Conduct. We ensure that the policy is communicated to all our employees through an orientation program as a part of their induction training. Additionally, bi annual audits are carried out internally aligned to the SA8000 certification as well as the SMETA (Sedex Members Ethical Trade Audit) requirements that have human rights as a focus area.

We do not deal with any supplier/contractor if it is in violation of local laws pertaining to human rights and we do not employ any person below the age of 18. Use of forced or compulsory labor is prohibited at any of our units and we discourage the same with our suppliers and contractors.

All the policies apply to WIL and are extended to subsidiaries and business partners. Relevant policies are shared with our suppliers and vendors.

We also have an anti-harassment and anti-bullying policy to make sure that all employees have the right to work in an environment in which the dignity of individual is respected and which is free from harassment and bullying.We encourage our employees to raise any concern they may have and we have laid down procedures for addressing such concerns. We support employees' rights to form associations legally and peacefully in order to communicate their needs. Our factory in Vapi has a recognized union.

In a nutshell, WIL seeks to uphold and promote human rights in three ways;

- In its operations, by upholding values and standards;
- In relationships with business partners;
- By adhering to policies and global frameworks that promote and protect human rights

Restoring the Environment

BUSINESSES SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

With the rapidly evolving business, Welspun India acknowledges the risk of climate change, its implications and the adverse environmental impacts from its business operations.

WIL strives to adopt a proactive approach to safeguard the environment and integrate it into the business philosophy.

All our facilities have robust environment management systems in place, which are ISO 14001 certified to ensure environment friendly operations. In addition, our facilities in Anjar and Vapi are OEKO-TEX® Standard 100 certified and are designed with an environmentally sensitive approach. WIL has taken several initiatives in the areas of energy efficiency, carbon reduction, water and waste management

Managing our Energy Footprint

Energy costs make up a significant proportion of our operational costs. We recognize the uncertainty in regulations and at the same time we see immense potential in investing in energy efficiency/conservation projects at our manufacturing facilities.

WIL believes that responsible and sustainable energy practices will not only benefit our business growth but will also help us improve our environmental performance and meet evolving stakeholder expectations

WIL is constantly taking measures such as exploring renewable opportunities, bringing new technology, encouraging employees to save energy in offices, to minimize the energy consumption at Anjar and Vapi facilities. We also work on various energy saving initiatives in our processes that range from waste heat recovery, installation of energy efficient machines, process modifications etc. In FY20-21, WIL saved 175697GJ of energy.

WIL has implemented several energy efficiency initiatives, highlighting a few below:

- Replacement of existing pumps with energy efficient pumps
- Optimized blower operation at ETP
- Heat and hot water recovery to save steam and thereby save coal
- Modifications in the tumbling cylinder in dryer machines

Source	Unit	Energy Consumption
Direct Energy Consumption		
Direct energy	GJ	25,82,168
Indirect Energy Consumption		
Electricity and steam	GJ	26,29,238
Total Conventional energy	**GJ**	**52,11,406**

Managing Emissions

We are aware that our processes significantly contribute to greenhouse gases and reducing the output of greenhouse emissions is one of the most critical responses to climate change.

WIL is exploring ways to mitigate GHG emissions through process improvements and investment in low-carbon technologies

Few initiatives adopted to minimize greenhouse gases include energy efficiency, recycling waste, and consuming organic cotton, using pet bottles to make fibres and avoiding waste to landfill.

Solid waste management

Welspun strives to create all the facilities zero waste by recycling and up-cycling hazardous and non-hazardous waste generated in the factory.

Across all our facilities, we regularly monitor the waste generated from our operations and identify areas for waste reduction, recycling and reuse.

Waste disposal is carried out through appropriate methods and directed to authorised channels of disposal as per the by-laws of respective State Pollution Boards.

The Company has undertaken numerous measures across business units to ensure waste minimization, segregation at source and recycling.

In our endeavour to reduce our waste to landfill we have initiatives like recycling, reusing and upcycling.

In our factory at Anjar, food as well as horticulture waste is converted to compost. Waste plastic of around one tonne was converted to recycled packaging during the year. 2822metric tonnes of cotton waste from our factories in Anjar and Vapi was converted to cotton fibre and used in the factory, thereby saving textile waste going into landfills. At our Vapi factory, food waste from canteens is converted to manure for plants.

Type of waste	Unit	Quantity
Hazardous waste	MT	252
Non Hazardous	MT	15,247

Water Management Stewardship

Our processing operations are water intensive and hence judicious use of depleting water resources is critical to the company in the long term.

We are working to ensure the sustainability of local water sources everywhere we operate and reduce our freshwater intake. We have taken several initiatives to promote the efficient use of water. Water is obtained from sources such as municipal supply and rainwater. In a city like Anjar situated in Kutch (desert) region of Gujarat that hardly receives rainfall, Welspun set up a sewage treatment plant (STP) of 30 Million Liters per Day capacity in the year 2016.

Source of water consumed	Unit	Quantity
Municipal Supply	KL	17,03,541
Ground Water	KL	0
Rainwater	KL	3,10,201
Wastewater Generated	KL	49,96,010
Water Recycled (STP)	KL	29,63,415
Water Recycled (ETP)	KL	1,55,818
Wastewater Discharged (Including RO Reject)	KL	38,03,230

The STP treats sewage generated from 3 municipalities (Gandhidham, Adipur and Anjar), recycles and reuses the water which has enabled zero use of freshwater for our factory processes. Hence this initiative has ensured more availability of fresh water to the neighboring communities

Responsible Advocacy

BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

We believe that driving change and taking efforts towards effective policy development fosters industrial growth. WIL prefers to be a part of the policy development process and hence, actively participates in all forms, but has not been lobbying on any specific issue.

We engage with all major industry associations or bodies on areas of importance to business as well as society. Some of the broad areas which we advocate include Governance and administration; economic reforms; inclusive development policies, energy security; water; food security; and sustainable business practices.

- Welspun is an Alliance Member of the Well Living Lab, in collaboration with Delos and Mayo Clinic. It's one of the first labs exclusively committed to researching the real-world impact of the built environment on human health.
- Cotton Egypt Association (CEA), an agreement signed with Cotton Egyptian Covers, which is a joint marketing initiative to promote the logo that will help enhance the complete supply chain of the Egyptian Cotton starting from cultivation to the final product, which will also benefit the Egyptian farmer.

The Cotton Egypt Association has granted the Company the 'Gold Seal' certification and the right to use Egyptian Cotton logo for five years until 2022.

Name of Association/Industry Body
Federation of Indian Chambers of Commerce and Industry (FICCI)
Indian Merchants Chamber
TEXPROCIL (The Cotton Textiles Export Promotion Council)
SRTEPC (The Synthetic & Rayon Textile Export Promotion Council)

Impacting lives, creating sustainable communities

BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

At Welspun, we work closely with communities to accelerate change and improve their quality of life. While many corporates function in a way that results in a sparring 'society versus business' model, our social interventions embrace a more synergistic paradigm of 'society and business'. Because for Welspun, local communities are our most important stakeholders, and we aim to create stable and sustainable futures for them.

We have a corporate social responsibility (CSR) policy which is overseen by the CSR committee of the Board. In line with our CSR policy, we undertake activities that are aligned to schedule VII of the Companies Act, 2013.

₹81.66 million

CSR Expenditure

Welspun is not only committed to perform our Corporate Social Responsibility duties but aims at creating Corporate Social Value. We have adopted a multi-pronged approach that surpasses the core pillars of sustainable development and works towards holistic development of the community by strengthening the educational foundation, improving access to healthcare services, empowering people and conserving the environment.

In order to carry out our community impact interventions we have established the Welspun Foundation for Health and Knowledge (WFHK) and our CSR vision can be broadly categorised under the 3 'E's

Education | Empowerment | Environment & Health

These 3 'E' s are implemented through:

- Welspun Foundation for Health & Knowledge programs
- Tie-ups with Non-Governmental Organisations/ Developmental Agencies/Institutions
- Government led initiatives

Education

Our Education interventions are based on the insistence on a holistic approach towards it and stems from our Foundation's philosophy, where we'd like to see each child from our beneficiary schools find an identity, meaning and purpose in life through education.

Wel-Accelerate

In our ongoing efforts and commitment in the education sphere, we initiated our flagship program Wel-Accelerate. Designed to create an educational revolution from the grassroots level, it seeks to enhance the teaching and learning outcomes of teachers and students through the use of technology. We aim to digitalize government schools and impact the lives of over 1 lakh children through our interventions.

Impact:

251 classrooms digitalized in 127 schools | 75,000 students have benefitted | 1,000+ teachers trained.

CASE STUDY/SUCCESS STORY

Digital Classroom - Anjar Municipality School No. 11

"Through the digital education initiative in these classrooms, both, learning and teaching has become very interesting"

Mr Inayat Ali Shekh, School Principal

Motivating us to do better and achieve more is the visible advancement we witness in the progress of our beneficiaries. But the icing on the cake is when the beneficiaries themselves give testimony to the success of our efforts – such as from the principal of one of our beneficiary schools, Primary Municipal School No. 11 in Anjar, Kutch district of Gujarat.

Welspun Foundation has installed two digital classrooms in this primary school, that includes a projector and an interactive board, software for different academic subjects like Math, Science and Technology and Social Science. These tools aid in enriching the subjects.

Heartened by the success of the digital classrooms, and by how they have facilitated and accelerated the students' education, school authorities have expressed a keen interest to transform all classrooms in the primary school through digitalization.

Impact of Wel-Accelerate

- 127 schools reached
- Digitalization of 251 classrooms
- 1,000+ teachers trained
- 75,000+ student beneficiaries

Ved Vidyalaya

In a bid to preserve our rich, ancient educational traditions, we initiated Ved Vidyalaya to carry forward the gurukul system-based learning program of the Yajurveda. The initiative aims to ensure that the ancient learnings of Veda are not lost and are continued to be taught. The program has 40 students enrolled in it.

Welspun Vidya Mandir

The Welspun Vidhya Mandir CBSE School was established with the sole intention to give children, not just one, but multiple opportunities, to excel in any sphere they wish to pursue. It is dedicated to growing the intellect of students by making them socially responsible, aware, and creative.

Reach: 1800 students. Playgroup to Std. 12.

Gayatri Devi Public School

The Gayatri Devi Public School is a state board English medium school, with classes from 1st to 10th, in Varsamedi, Anjar set up and run by the Welspun Foundation for Health and Knowledge. It was established in 2017, with highly qualified teachers on board, to provide kids from that area with high-end yet very affordable education in all realms.

Reach: 350 students. Std. 1 to Std. 10.

Women Empowerment

- 457 women entrepreneurs are developed in 205 villages

At Welspun, our empowerment endeavours have been focused on enabling women to create alternative livelihoods and improve their earning capacities. By encouraging economic independence amongst women, we not only inch closer towards gender equality, but also advance their social status and increase civic participation, making for a more well-rounded society.

Wel-Netrutva

While 'empowerment' comprises several aspects, our Foundation focuses primarily on improving the health and livelihood spheres of a woman's life. We believe better health and income prospects will in turn influence other aspects of the woman's life in the long run. With this as the goal, the Wel-Netrutva project aims to create Women Entrepreneurs that inform and empower their communities on improved health practices like menstrual management, malnutrition, anemia, RTI/STI and cervical/breast cancer.

Currently the program is being carried out in the states of Uttar Pradesh, Madhya Pradesh, Tamil Nadu, Maharashtra, Gujarat and Bihar, with plans to expand to other states.

Health & Hygiene	Livelihood
Improved awareness on health, sanitation and hygiene practices among women and young girls	Create sustainable livelihood opportunities for women in the village
Increased access to and availability of Health, Sanitation and Hygiene facilities	Ensure women entrepreneurs are able to earn an income of INR 2000-4000 per month
Improved approach towards Menstrual Health & Hygiene Management, reproductive health, and preventive and curative health care	

Encouraging Women Entrepreneurship

By identifying and creating women entrepreneurs in several business spheres, we are creating a new workforce in rural communities whose growth helps advance the growth of their communities as well.

Menstrual Health & Hygiene Management	Livelihood Program	Akankshita Center - All Women Entrepreneur
Encouraging menstrual hygiene management among rural and urban communities by promoting awareness and providing livelihood opportunities for women.	Our diversified livelihood program includes bangle making, dung cake making, charka units, tailoring units, vermicomposting and kitchen gardens.	Welspun inaugurated the 'All Women Entrepreneur' led manufacturing eco-system in Telangana. The unit seeks to empower women by creating a sustainable ecosystem where they can earn steady incomes through equitable work and gain access to consistent demand for their products.
450+ women entrepreneurs in 205 villages. 1,00,000+ women beneficiaries.	14 Women	128 women beneficiaries in 14 villages

INITIATIVE

Spinning New Lives

To create systemic change, social interventions need to be used strategically by combining the efforts and results from each category to continuously inform and enhance real value creation.

SPUN is one such model where we create beautiful handcrafted products using age old weaving techniques from the textile waste generated in our bedding manufacturing plant, making each product unique with its own stories woven in. We primarily engage with women and artisans to uplift their communities. The initiative has a multi-pronged impact on women empowerment, environmental conservation and handicraft preservation.

Impact:

- More than 400 tons of waste converted into new products annually, thus preventing the waste from going into landfills and providing women livelihood opportunities for women.

Welspun Super Sport Women

In a country as large and diverse as ours, there exists vast potential to churn out some of the best athletes in the world. But most often, talents from lesser-known towns and from underserved communities are overlooked because they don't have the means to get trained professionally.

Our Welspun Super Sport Women initiative identifies budding sportswomen across the country and supports them in seeking path breaking career opportunities in sports. These sportswomen have made not just us, but the whole nation proud by bagging 146 medals across International, National and State Level competitions.

Impact: Financial support for 26 sportswomen from 11 different sports backgrounds

Supporting athletes like Manasi Joshi, Shivani Charak, Palak Kohli, Suvarna Raj and more.

ENVIRONMENT

Bettering the lives of rural communities does not begin and end at ensuring just livelihood development. In order to flourish and maintain a healthy lifestyle, the state of their environment too needs to be addressed for the better.

Tree Plantation

With growing concerns over climate change, at Welspun, we strive to reduce our environmental footprint and mitigate our emissions through afforestation and tree plantation efforts. We have facilitated the plantation of more than 2 lakh saplings with over 24,000 saplings planted in Anjar alone. We encourage community members to nurture the saplings planted near their homes.

Village Sanitation

We have constructed close to 5,500 sanitation blocks in the villages in and around Anjar and Vapi. These helps ensure hygiene, prevent infections, and stems the spread of diseases.

Water Conservation

We have undertaken efforts under the government initiative "Sujalam Sufalam Jal Abhiyaan", under which we deepen ponds in the villages around our operations before the monsoon. This increases the capacity of the ponds and helps increase ground water supply, helping communities be resilient against water shortages.

Animal Husbandry Support

Livestock rearing is a significant activity ensuring socio-economic development of rural households. But in Kutch, the lack of agricultural land compounded by water scarcity, it is challenging to grow fodder for maintaining livestock. To help the communities in this regard, the Welspun Foundation procures and distributes fodder to cattle owners in 27 villages. The program has resulted in improved income for the cattle owners and better health of the livestock.

HEALTHCARE

Health is wealth is not just an idiom but a reality, especially for rural communities that lack the infrastructure and access to medical help. Proper medical assistance and expert health advice can positively impact rural households and better their lives multi-fold.

Health Camps and Mobile Health Van

To improve people's access to healthcare, we organize regular eye check-up and medical camps in rural regions. In order to access far flung regions and to increase mobility, we have incorporated a mobile ambulance in our health care initiative, which currently plies across 17 villages.

Impact: Health Camp – 2000+ beneficiaries | Mobile Health Van – 16,000+ beneficiaries across 17 villages

Model Villages

Our modern vision for villages in India is one where they are sustainable rural communities that can generate and maintain the resources necessary to improve their level of wellbeing and happiness, without depleting economic, social and environmental values. Our 'Model Village Program' seeks to provide communities with employment, while creating ancillary livelihood opportunities that leverage technology and green growth opportunities.

Impact: Constructed essential infrastructure across 4 villages, benefitting 10,000+ people.

BRR Index

Section A- General Information Section

Corporate Identity Number (CIN) of the Company	L17110GJ1985PLC033271
Name of the Company	Welspun India Limited (WIL)
Address of the Registered Office	Welspun City, Village Versamedi, Taluka Anjar, District, Kutch, Gujarat 370 110, India
Website	http://www.welspunindia.com/
E-mail ID	companysecretary_WIL@ welspun.com.
Financial Year reported	2020-2021
Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacture of other textiles NIC code: 139 – 1393, 1392, 1399
Key products / services	1. Towels 2. Bed sheets 3. Rugs 4. Top of bed
Total number of locations where business activity is undertaken by the Company	
Number of International Locations	1. United States 2. United Kingdom 3. Germany 4. Mauritius 5. Cyprus
Number of National Locations	1. Mumbai, Maharashtra 2. Anjar, Gujarat 3. Vapi, Gujarat
Markets served by the Company - Local/State/ National/ International	We serve both the national and international market
Subsidiary companies and their BR initiatives	

B-Other Financial

Paid up Capital (INR) In million : ₹ 1004.73 million
Total Turnover (INR) In million : ₹ 59,563.46 million (standalone)
Total profit after taxes (INR) In million : ₹5,266.70 million (Standalone)
Total CSR Spent - ₹ 81.66 million

Section C – Other Details

1. **Does the Company have any Subsidiary Company/Companies?**

   Yes, we have 26 subsidiaries.

   These include:

   1. Welspun Global Brands Limited
   2. Welspun Captive Power Generation Limited
   3. Welspun Zuchhi Textiles Limited
   4. Anjar Integrated Textiles Park Developers Private Limited
   5. Besa Developers and Infrastructure Private Limited
   6. Welspun Anjar SEZ Limited

Business Responsibility Report

7. Welspun Flooring Limited
8. Welspun USA INC, USA
9. Welspun Holdings Private Limited, Cyprus
10. Welspun Mauritius Enterprise Limited, Mauritius
11. Novelty Home Texiles SA de CV, Mexico
12. Welspun Home Textiles UK Ltd, UK
13. CHT Holdings Limited, UK
14. Christy Home Textiles Ltd, UK
15. Welspun UK Limited, UK
16. Christy 2004 Limited, UK
17. Christy Lifestyle LLC, USA
18. Christy Welspun GmBH Germany
19. ER Kingsley (Textiles) Ltd, UK
20. Christy UK Ltd, UK
21. Welspun Nexgen Inc, USA
22. Welspun Advanced Materials (India) Limited
23. Welspun Innovation Products Limited
24. TILT Innovations Inc., USA
25. Pure Sense Organics Myanmar Limited
26. TMG (Americas) LLC, USA

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

The subsidiaries actively manage and carry out their own BR initiatives, which are in line with the policies of the Welspun Group and Welspun India Limited

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]

Currently, the suppliers/ vendors and distributors undergo assessments on their social performance (SA 8000) and quality checks. We have shared our relevant policies with all our suppliers and business partners and they are expected to ensure compliance.

The National Voluntary Guidelines on Social, Environment and Economic Responsibilities of Business (NVGs), released by the Ministry of Corporate Affairs, is composed of nine principles of Business Responsibility.

1) Businesses should conduct and govern themselveswith Ethics, Transparency and Accountability

2) Businesses should provide goods and services that aresafe and contribute to sustainability throughout their life cycle

3) Businesses should promote the wellbeing of all employees

4) Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

5) Businesses should respect and promote human rights

6) Business should respect, protect, and make efforts to restore the environment

7) Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

8) Businesses should support inclusive growth and equitable development

9) Businesses should engage with and provide value to their customers and consumers in a responsible manner

Section D- BR Information

1.	**Details of Director/Directors responsible for BR**	
	Details of the Director/Directors responsible for implementation of the BR policy/policies	
(i)	DIN Number	00007179
	Name	Mr. Rajesh Mandawewala
	Designation	Managing Director
	Details of the BR Head	
1.	DIN Number	00007179
2.	Name	Mr. Rajesh Mandawewala
3.	Designation	Managing Director
4.	Telephone Number	022 - 66136000
5.	Email-ID	companysecretary_WIL@welspun.com.

2.	**Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)**									
	Questions	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
1.	Do you have a policy/ policies for.	Y	Y	Y	Y	Y	Y	NA	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	NA	Y	Y
	Questions	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	N	N	N	N	N	NA	Y	N
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	N	N	Y	NA	Y	N
6.	Indicate the link for the policy to be viewed online?	All policies are shared directly with respective stakeholders. Some of our policies are available at http://www. welspunindia.com/advance-textile.php#/ about us.php#We_at_Welspun								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
	All Relevant Stakeholders (Communicated through Website, meetings, emails, circulars etc.)									
8.	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	N	Y	N	N	N	Y	NA	Y	N
2a	**If answer to S.No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)**									
	Questions	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
1.	The company has not understood the Principles	Not Applicable								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

Notes: # WIL has the following policies covering the 9 principles: Criteria for making payments to non-executive directors, Modern Slavery Act Transparency Statement, Dividend Distribution Policy, Code of Conduct Insider Trading Policy, Code of Fair Disclosure, Policy on Related Party Transactions, WIL Whistleblower Policy and Vigil Mechanism, Policy on Material Subsidiary, Code of Conduct, Familiarization Program, CSR Policy, Records and Archival Management Policy, List and threshold of dissemination of information to the stock exchanges, Environmental Management Policy (Vapi & Anjar) and Human Resources Policy.

Business Responsibility Report

3.	Governance Related to BRR	
1	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The Board of Directors meet every quarter to discuss applicable BR issues and assess the BR performance of the company.
2	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	BRR report is available on the Company's website at www.welspunindia.com
3	Month/year of last review by Governance Structure/ top management of performance of the business across the Principles and Core Elements of the Guidelines?	The review of performance of the business is carried on a continuous basis

Section E- Principlewise Performance

		Refer to section in BRR	
Principle	**Question**	**Chapter**	**Section/Details**
Principle 1:	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs / Others?	Ensuring transparency, enabling governance	Code of conduct
	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the Management?	Ensuring transparency, enabling governance	Grievance redressal
Principle 2:	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	Embedding sustainability in our products”	
	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional)	Embedding sustainability in our products	
	Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	Embedding sustainability in our products	Responsible supply chain
	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	Embedding sustainability in our products	Responsible sourcing
Principle 3:	Please indicate the Total number of employees.	Empowering employees	23284 employees
	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	Empowering employees	4307 employees
	Please indicate the Number of permanent women employees.	Empowering employees	5881 women employees
	Please indicate the Number of permanent employees with disabilities.	Empowering employees	189 employees
	Do you have an employee association that is recognized by management?	Empowering employees	Yes
	What percentage of your permanent employees is members of this recognized employee association?	Empowering employees	38%
	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year	Empowering employees	No complaints
	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	Empowering employees	100%
Principle 4:	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?	Stakeholder engagement	Yes
	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders If so, provide details thereof, in about 50 words or so	Impacting lives, creating sustainable communities	Yes
Principle 5:	Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers /Contractors/NGOs/ Others?	Human rights	The Policy extends to all the subsidiaries, suppliers, vendors

Principle	Question	Refer to section in BRR Chapter	Section/Details
	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?	No complaints had been received and all have been resolved.	
Principle 6:	Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others?	Yes, our policies related to principle 6 extend to all the other stakeholders excluding Joint Venture	
	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming,etc?	Restoring the environment Yes – WIL has undertaken several initiatives in the areas of energy efficiency, emissions management and water management across locations to minimize its environmental impact. Please refer to section Restoring the environment	
	Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N.	Restoring the environment	Yes – Please refer to section Restoring the environment
	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Restoring the environment	Yes
	Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year?	We haven't received any showcause / legal notice during the FY 2020-21	
Principle 7:	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with	Responsible Advocacy	Page 140
	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	Through our representation in the reported industry associations, we participate in relevant forums that are of interest to our industry and our stakeholders. All such engagements are done in line with our code of conduct.	
Principle 8:	Does the company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes, details thereof.	Impacting lives, creating sustainable communities	Our CSR activities are carried out through Welspun Foundation for Health and Knowledge (WFHK), which is active wherever we have a business presence
	Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/ government structures/any other organization?	Impacting lives, creating sustainable communities	Social impact strategy
	Have you done any impact assessment of your initiative?	Impacting lives, creating sustainable communities	
	What is your company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?	Impacting lives, creating sustainable communities	
Principle 9:	What percentage of customer complaints/ consumer cases are pending as on the end of financial year.	No customer complaints	
	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks (additional information)	Yes, certain requirements on the usage of product and specifications of the product are clearly mentioned depending on the customer base to which the product caters to. Also, customers are kept informed specifically on wash care and environmental credentials (eg. OEKOTEX® Standard 100, GOTS, Organic Content Standard) as applicable specifically for products in our environmental portfolio.	
	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anticompetitive behaviour during the last five years and pending as on end of financial year?	No	
	Did your company carry out any consumer survey/ consumer satisfaction trends?	We endeavor to raise customer satisfaction levels, provide consistent product delivery experience and provide timely redressal to customer complaints and concerns. Individual departments seek feedback depending on the specific products, the feedback we obtain is used to ensure that we deliver the best to our customers.	

Independent Auditor's Report

To the Members of Welspun India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Welspun India Limited ("the Company"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Measurement of government grant in respect of incentive under Gujarat Textile policy (the 'Policy') (as described in note 2.4 of the standalone financial statements)	
The Company is eligible to claim government grant in the form of reimbursement of State Goods and Service Tax (SGST) collected on products sold to the extent of the eligible capital investments in plant and machinery for the specified period under the policy. During the current year, there has been a change in the product/sales mix, which has been factored by the management for computation of government grant. The estimates and judgements used by the management in the computation of government grants includes:	We performed the following audit procedures, among others: • We obtained an understanding, evaluated the design and tested operating effectiveness of the controls related to the government grants, including the controls in respect of measurement of the grants. • We analysed the forecast in respect of sales and purchase used by the management in computation of the government grant with respect to reimbursement of SGST. • We compared the forecast in respect to sales and purchase to the business plan and previous forecasts to the actual results. • We compared the eligible capital investments considered by the management with the amount sanctioned by the regulatory authority and with the maximum amount of claim which can be utilized over the eligibility period.

Key audit matters	How our audit addressed the key audit matter

• Future sales growth rate;
• Future product/sales mix and eligibility period;
• Input tax credit utilization;
• SGST rates on the products;
Considering the significance of the estimates and judgements used by the management, we have determined this to be a key audit matter.
	• We analysed the inputs used in the computation of government grant as per the modalities to claim the reimbursement of SGST under the Policy.
	• We evaluated the basis of management estimates and judgements in respect of:
	  • Future sales growth rate;
	  • Future product/sales mix and eligibility period;
	  • Input tax credit utilization; and
	  • SGST rates on the products.
	• We read the legal opinion obtained by the Company in respect of incentive under the policy.
	• We tested the arithmetical accuracy of the computation of government grant.

Impairment of Investments (as described in note 2.22 (v) of the standalone financial statements)	
The Company has investment in subsidiaries of ₹ 14,063.90 million which are carried at cost. For investments where management identifies any impairment indicators, such investments are tested for impairment using discounted cash-flow models by which recoverable value of each investment is compared to the carrying value as at balance sheet date. A deficit between the recoverable value and the carrying value would result in impairment. The Key inputs and assumptions used in the model are following: • Sales growth rate; • Operating margins (%); • Pre-tax discount rate (%); and • Perpetuity growth rate (%) Considering the significant degree of management judgement involved in the assumptions used for computation of the recoverable amount, this is determined as key audit matter.	We performed the following audit procedures, among others: • We evaluated the inputs and assumptions underlying management's assessment of indicators of impairment for investments in subsidiaries. • We evaluated the forecast of future cash flows used by the management in the model to compute the recoverable value. • We compared the forecast of future cash flows to business plan and previous forecasts to the actual results and analyzed results for material differences, if any. • We evaluated the basis of management assumptions in respect of future sales growth rate, operating margins, perpetuity growth rate and discount rate used to compute the recoverable value. • We involved valuation specialists to assist in evaluating the key assumptions and methodologies used by the Company in computing the recoverable amount. • We tested the arithmetical accuracy of the management's impairment testing model. • We read and assessed the relevant disclosures made in the standalone financial statements
Measurement of Income Tax (as described in note 2.5 of the standalone financial statements)	
The measurement of the income tax charge for the year and corresponding balance as at balance sheet date involves significant estimates and judgements, as in respect to certain items / transactions tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or as appropriate through a formal legal process. The Company claims deduction under Chapter VIA of the Income Tax Act, 1961. The tax deduction computation involves significant estimates and judgements in respect of selling price of the products and purchase of goods and services from the vendors. Due to the significance and materiality of the Chapter VIA deductions claimed by the Company and its impact on measurement of current income tax, this matter was considered significant to our audit.	We performed the following audit procedures, among others: • We obtained an understanding, evaluated the design and tested the operating effectiveness of the controls related to procurement and sales process. • We evaluated the basis of management assumptions in respect of prices for sales and purchase of goods and services and measurement of deduction claimed under chapter VI A of the Income Tax Act, 1961. • We involved tax experts to assist in evaluating the measurement of income tax charge for the year including computation of deduction and evaluation of various tax positions and potential exposures. • We read and assessed disclosures made in the Standalone financial statements.

Independent Auditor's Report

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or

conditions may cause the Company to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 31 to the standalone financial statements;

      ii. The Company has long-term contracts as at March 31, 2021 for which there were no material foreseeable losses. The Company did not have any long term derivative contracts as at March 31, 2021;

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

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Vikas Kumar Pansari**
Partner
Membership Number: 93649
UDIN: 21093649AAAABO9254

Place of Signature: Mumbai
Date: May 14, 2021

Annexure 1 Referred to in Paragraph 1 of the section on "Report on other legal and Regulatory Requirements" of our Report of even date

Re: Welspun India Limited

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

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. In respect of inventories lying with third parties, these have substantially been confirmed by them and no material discrepancies were noticed in respect of such confirmations.

(iii) (a) The Company granted loans to wholly owned two subsidiaries covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.

(b) The Company granted loans to wholly owned two subsidiaries covered in the register maintained under section 189 of the Companies Act, 2013. The schedule of repayment of principal and payment of interest for the loans granted has been stipulated and the repayment was regular.

(c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, in respect of which provisions of section 185 of the Companies Act, 2013 are applicable and hence not commented upon. In our opinion and according to the information and explanation given to us, provisions of section 186 of the Companies Act 2013 in respect of in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of textile products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, there are no dues of service-tax, duty of customs and cess which have not been deposited on account of any dispute. The particulars of dues of income-tax, sales-tax, duty of excise and value added tax on account of any dispute, are as follows:

Name of the Statute	Nature of the Dues	Amount (₹ In million) **	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax Demand including penalty	474.91	AY 2010-11 and AY 2012-13	Income Tax Appellate Tribunal
		1,988.53	AY 2013-14 to AY 2018-19	CIT - (Appeals)
Gujarat Sales Tax Act, 1969	Sales Tax Including penalty and interest	16.95	2000-01, 2003-04, 2004-05	Jt. Comm. of Sales Tax (Appeals - 2), Vadodara
		4.00	2015-16	Jt. Comm. (Appeals), Rajkot.
Central Excise Act, 1944	Excise Duty	17.07	September 2005 to July 2006	Joint Secretary, Ministry of Finance, Department of Revenue
		429.11	April 2009 to February 2015	Comm. of Central Excise, Kutch
	CENVAT Credit	0.12	May-2010 to Nov 2010, FEB -2010 to NOV 2010	Superintendent, Central Excise Vapi.
		0.07	March 2011 to June 2011	Comm. Appeal Daman
	CENVAT including penalty	33.34	August 2005 to April 2010	Comm. of Central Excise, Daman
		0.21	August- 2015	Dy. Comm., GST and Central Excise Division-Vapi
Maharashtra Value Added Tax, 2002	VAT including interest and penalty	0.15	FY 2010-11	Deputy Commissioner (Sales Tax)

**Net of amount paid under protest

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution or bank. The Company does not have any loan from Government. Further, the Company has not issued any debenture.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Vikas Kumar Pansari**
Partner
Membership Number: 93649
UDIN: 21093649AAAABO9254

Place of Signature: Mumbai
Date: May 14, 2021

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financial Statements of Welspun India Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Welspun India Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Vikas Kumar Pansari**
Partner
Membership Number: 93649
UDIN: 21093649AAAABO9254

Place of Signature: Mumbai
Date: May 14, 2021

Balance Sheet

As at March 31, 2021

	Note	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
ASSETS			
Non-current assets			
Property, plant and equipment	3	20,971.96	23,044.95
Capital work-in-progress	3	229.25	220.67
Intangible assets	4	229.06	419.89
Right-of-use assets	36	132.51	144.22
Intangible assets under development	4	20.39	16.34
Equity investment in subsidiaries	5	12,552.52	9,044.79
Financial assets			
- Investments	6 (a)	1,531.37	2,238.42
- Loans	6 (b)	1.90	0.67
- Other financial assets	6 (c)	164.80	885.74
Non-current tax assets	7	377.90	571.29
Other non-current assets	8	116.52	181.27
Total non-current assets		**36,328.18**	**36,768.25**
Current assets			
Inventories	9	10,720.82	10,564.19
Financial assets			
- Investments	6 (a)	29.20	2,218.26
- Trade receivables	6 (d)	7,488.10	7,542.50
- Cash and cash equivalents	6 (e)	1,768.82	612.40
- Bank balances other than cash and cash equivalents above	6 (f)	466.07	184.31
- Loans	6 (b)	4.50	97.83
- Other financial assets	6 (c)	2,720.51	2,697.23
Other current assets	8	1,451.54	1,527.27
Total current assets		**24,649.56**	**25,443.99**
Total assets		**60,977.74**	**62,212.24**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10 (a)	1,004.73	1,004.73
Other equity			
- Reserves and surplus	10 (b)	32,374.09	27,066.55
- Other reserves	10 (c)	7.55	(1.00)
Total equity		**33,386.37**	**28,070.28**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
- Borrowings	11 (a)	2,608.48	7,666.77
- Lease liabilities	36	93.19	104.26
- Other financial liabilities	11 (b)	0.02	33.75
Non-current tax liabilities	12	2,159.86	1,517.35
Deferred tax liabilities (Net)	14	2,569.69	1,947.15
Other non-current liabilities	15	628.85	676.16
Total non-current liabilities		**8,060.09**	**11,945.44**
Current liabilities			
Financial Liabilities			
- Borrowings	11 (a)	10,344.05	12,362.72
- Lease liabilities	36	52.29	44.72
- Trade payables	11 (c)		
(a) Total outstanding dues of micro enterprises and small enterprises		332.55	84.43
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		6,042.29	5,740.97
- Other financial liabilities	11 (b)	1,282.35	3,019.51
Employee benefit obligations	13	942.55	702.58
Other current liabilities	15	535.20	241.59
Total current liabilities		**19,531.28**	**22,196.52**
Total liabilities		**27,591.37**	**34,141.96**
Total equity and liabilities		**60,977.74**	**62,212.24**
Summary of significant accounting policies	2		
The accompanying notes are an integral part of these financial statements			

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

per Vikas Kumar Pansari
Partner
Membership No. 093649

Place: Mumbai
Date: May 14, 2021

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN 00270175

Rajesh Mandawewala
Managing Director
DIN 00007179

Dipali Goenka
CEO and Jt. MD
DIN 00007199

Sanjeev Sancheti
Chief Financial Officer

Shashikant Thorat
Company Secretary

Place: Mumbai
Date: May 14, 2021

Statement of Profit and Loss

For the year ended March 31, 2021

	Note	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Income			
Revenue from operations	16	59,563.46	53,235.69
Other Income	17	832.20	431.40
Total income		**60,395.66**	**53,667.09**
Expenses			
Cost of materials consumed	18	28,240.23	27,239.35
Purchases of stock-in-trade		2,244.67	755.16
Changes in inventory of finished goods and work-in-progress	19	810.67	(1,496.20)
Employee benefits expense	20	5,350.58	5,380.73
Depreciation and amortization expense	21	3,301.42	3,881.40
Other expenses	22	12,093.21	11,264.36
Finance costs	23	1,014.20	948.18
Total expenses		**53,054.98**	**47,972.98**
Profit before exceptional items and tax		7,340.68	5,694.11
Exceptional Items-(Income)	24	-	(431.60)
Profit before tax		**7,340.68**	**6,125.71**
Income tax expense	25		
- Current Tax		1,465.18	1,244.29
- Deferred Tax		608.80	132.50
Total Income Tax Expense		**2,073.98**	**1,376.79**
Profit for the year		**5,266.70**	**4,748.92**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Change in fair value of FVOCI equity instruments Gain/(Loss)	10 (c)	8.55	(5.57)
Remeasurement of post employment benefit obligation Gain	20	54.58	8.70
Income tax effect	25	(13.74)	(3.04)
Other comprehensive income for the year, net of tax		**49.39**	**0.09**
Total Comprehensive Income for the year		**5,316.09**	**4,749.01**
Earnings Per Share (₹) [Nominal value per share : ₹ 1 (March 31, 2020 : ₹ 1)]	34		
- Basic		5.24	4.73
- Diluted		5.24	4.73
Summary of significant accounting policies	2		
The accompanying notes are an integral part of these financial statements			

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

per Vikas Kumar Pansari
Partner
Membership No. 093649

Place: Mumbai
Date: May 14, 2021

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN 00270175

Rajesh Mandawewala
Managing Director
DIN 00007179

Dipali Goenka
CEO and Jt. MD
DIN 00007199

Sanjeev Sancheti
Chief Financial Officer

Shashikant Thorat
Company Secretary

Place: Mumbai
Date: May 14, 2021

Statement Changes in Equity

For the year ended March 31, 2021

A. Equity Share Capital

Equity shares of ₹ 1 each issued, subscribed and fully paid	No. of shares	Amount (₹ million)
At April 1, 2019	1,004,725,150	1,004.73
At March 31, 2020	1,004,725,150	1,004.73
At March 31, 2021	1,004,725,150	1,004.73

B. Other Equity

(₹ million)

Particulars	Notes	Reserves and Surplus						Other Reserve	Total Other Equity
		Capital Redemption Reserve	Capital Reserve	Securities Premium	General Reserve	Retained earnings	Total	FVOCI equity instruments	
Balance as at April 1, 2019		**478.38**	**1,474.72**	**3,238.12**	**711.39**	**17,983.99**	**23,886.60**	**4.57**	**23,891.17**
Add:									
Profit for the year		-	-	-	-	4,748.92	4,748.92	-	4,748.92
Other Comprehensive Income	10 (b), 10 (c)	-	-	-	-	5.66	5.66	(5.57)	0.09
Total Comprehensive Income for the year		**-**	**-**	**-**	**-**	**4,754.58**	**4,754.58**	**(5.57)**	**4,749.01**
Transactions with owners in their capacity as owners									
Add:									
Merger effect	10 (b)	-	0.05	-	-	-	0.05	-	0.05
Less:									
Dividends paid	28 (b)	-	-	-	-	1,306.15	1,306.15	-	1,306.15
Dividend distribution tax paid	28 (b)	-	-	-	-	268.53	268.53	-	268.53
Balance as at March 31, 2020		**478.38**	**1,474.77**	**3,238.12**	**711.39**	**21,163.89**	**27,066.55**	**(1.00)**	**27,065.55**

(₹ million)

Particulars	Notes	Reserves and Surplus						Other Reserve	Total Other Equity
		Capital Redemption Reserve	Capital Reserve	Securities Premium	General Reserve	Retained earnings	Total	FVOCI equity instruments	
Balance as at April 1, 2020		**478.38**	**1,474.77**	**3,238.12**	**711.39**	**21,163.89**	**27,066.55**	**(1.00)**	**27,065.55**
Add:									
Profit for the year		-	-	-	-	5,266.70	5,266.70	-	5,266.70
Other Comprehensive Income	10 (b), 10 (c)	-	-	-	-	40.84	40.84	8.55	49.39
Total Comprehensive Income for the year		**-**	**-**	**-**	**-**	**5,307.54**	**5,307.54**	**8.55**	**5,316.09**
Transactions with owners in their capacity as owners									
Add:									
Merger effect	10 (b)	-	-	-	-	-	-	-	-
Less:									
Dividends paid	28 (b)	-	-	-	-	-	-	-	-
Dividend distribution tax paid	28 (b)	-	-	-	-	-	-	-	-
Balance as at March 31, 2021		**478.38**	**1,474.77**	**3,238.12**	**711.39**	**26,471.43**	**32,374.09**	**7.55**	**32,381.64**

The accompanying notes are an integral part of these financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

per Vikas Kumar Pansari
Partner
Membership No. 093649

Place: Mumbai
Date: May 14, 2021

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN 00270175

Rajesh Mandawewala
Managing Director
DIN 00007179

Dipali Goenka
CEO and Jt. MD
DIN 00007199

Sanjeev Sancheti
Chief Financial Officer

Shashikant Thorat
Company Secretary

Place: Mumbai
Date: May 14, 2021

Statement of Cash Flows

For the year ended March 31, 2021

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	7,340.68	6,125.71
Adjustments for:		
Depreciation and amortisation expenses	3,301.42	3,881.40
Income from government grants	(1,996.64)	(1,794.50)
Unrealised foreign exchange differences	20.23	(34.90)
Loss/ (Profit) on disposal of property, plant and equipment	12.19	(32.27)
Impairment of investment in subsidiary / Changes in fair value of financial assets at fair value through profit or loss	(130.77)	308.57
Unwinding of discount on security deposits	(4.64)	(5.14)
Liabilities/ provisions written back	(8.31)	(432.21)
Provision for doubtful debts/ advances written back	(43.50)	-
Provision for doubtful debts/ advances	57.07	65.15
Corporate guarantee commission	(39.23)	(34.39)
Interest income classified as investing cash flows	(316.14)	(122.38)
Finance expenses	1,014.20	948.18
	1,865.88	**2,747.51**
Operating Profit Before Working Capital Changes	**9,206.56**	**8,873.22**
Adjustments for changes in working capital:		
Decrease in trade receivables	49.29	913.08
Increase in trade payables	453.12	207.51
Decrease in provisions	-	(1,168.73)
Increase in employee benefit obligations	294.55	91.35
Increase/ (decrease) in other current liabilities	261.34	(37.34)
Decrease in other non current liabilities	(47.31)	(154.21)
Increase in inventories	(156.63)	(1,639.54)
Decrease in other financial assets	206.74	1,415.86
Increase in other non-current assets	-	(54.02)
Decrease in other current assets	65.92	300.64
	1,127.02	**(125.40)**
Cash Flow Generated from Operations	10,333.58	8,747.82
Tax paid (Net of refunds)	(629.28)	(1,225.90)
Net Cash Inflow from Operating Activities	**9,704.30**	**7,521.92**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, capital work-in-progress and intangible assets	(1,158.28)	(1,020.35)
Sale of property, plant and equipment	125.33	65.32
Receipt of Government grants	1,930.83	1,673.54
Investment in fixed deposit and margin money (net)	(239.77)	(35.41)
Loans given to employees and related parties	(2.90)	(96.98)
Advance given to related parties	(35.70)	(62.81)
Sales/ (Purchase) of Current Investment (Net)	2,228.71	(2,073.70)
Proceeds from sale of investments	892.83	-
Equity investment in subsidiaries and associates	(3,412.73)	(872.03)
Interest received	262.65	38.31
Net Cash from / (used) in Investing Activities	**590.97**	**(2,384.11)**

Statement of Cash Flows

For the year ended March 31, 2021

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of borrowings - Non Current	(6,635.75)	(4,872.35)
(Repayment)/ Receipt of borrowings - Current (net)	(2,018.67)	2,301.22
Payment of lease liabilities	(50.67)	(57.64)
Receipt of interest subsidy	1,059.00	422.43
Dividend paid	-	(1,306.15)
Tax on dividend paid	-	(268.53)
Finance cost paid	(1,492.76)	(1,469.78)
Net Cash used in Financing Activities	**(9,138.85)**	**(5,250.80)**
Net increase / (decrease) in Cash and Cash Equivalents (A + B + C)	**1,156.42**	**(112.99)**
Cash and Cash Equivalents at the beginning of the year	612.40	725.19
Add : Cash and Cash Equivalents on Merger with Prasert Multiventures Private Limited	-	0.20
Cash and Cash Equivalents at the end of the year	1,768.82	612.40
Net increase / (decrease) in Cash and Cash Equivalents	**1,156.42**	**(112.99)**
Cash and cash equivalents comprise of:		
Cash on Hand	0.21	0.35
Cheques on Hand	10.00	-
Bank balances		
- In current accounts	1,714.10	606.34
Fixed deposits with Banks with original maturity period of less than three months	44.51	5.71
Total	**1,768.82**	**612.40**

Change in Liability arising from financing activities

	April 1, 2020 (₹ million)	Cash flow (₹ million)	Foreign exchange movement (₹ million)	March 31, 2021 (₹ million)
Borrowing-Non Current [Refer Note 11 (a)]	10,235.71	(6,635.75)	-	3,599.96
Borrowing-Current [Refer Note 11 (a)]	12,362.72	(2,018.67)	-	10,344.05
	22,598.43	**(8,654.42)**	**-**	**13,944.01**

Note:

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

The accompanying notes are an integral part of these financial statements
As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

per Vikas Kumar Pansari
Partner
Membership No. 093649

Place: Mumbai
Date: May 14, 2021

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN 00270175

Rajesh Mandawewala
Managing Director
DIN 00007179

Dipali Goenka
CEO and Jt. MD
DIN 00007199

Sanjeev Sancheti
Chief Financial Officer

Shashikant Thorat
Company Secretary

Place: Mumbai
Date: May 14, 2021

Notes

To the Financial Statements for the year ended March 31, 2021

1. Corporate Information

Welspun India Limited (herein referred to as "WIL" or "the Company") is 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 listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company is a leading manufacturer of wide range of home textile products, mainly terry towels, bed linen products and rugs. The financial statements were authorized for issue by the board of directors on May 14, 2021.

2. 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.

2.1 Basis of preparation of financial statements

The standalone financial statements has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. 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 assets and liabilities that is measured at fair value as stated in subsequent policies.

2.2 Foreign currency translation

a. Functional and presentation currency

The financial statements of the Company are presented in INR, which is also its functional currency and all items included in the financial statements of the Company are measured using the same functional currency.

b. Transactions and balances

Foreign currency transactions are translated and recorded into the functional currency using the exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in Statement of Profit and Loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other expenses or other income, as applicable.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

2.3 Revenue recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue excludes amounts collected on behalf of third parties.

The disclosures of significant accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.22.

Sale of goods

For sale of goods, revenue is recognized when control of the goods has transferred at a point in time i.e. when the goods have been delivered to the specific location (delivery). Following delivery, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognized by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. Payment is due within 30-120 days. The Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Variable consideration:

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled

Notes

To the Financial Statements for the year ended March 31, 2021

in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with rebates (including mark-downs, chargebacks etc.). The rights of return and rebates give rise to variable consideration.

The Company provides retrospective rebates including, markdowns, chargebacks etc. to certain customers once the conditions relating to such rebates are satisfied in terms of the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

Contract balances:

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note no. 2.13 Financial Instruments – Financial Assets.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

Cost to obtain a contract and cost to fulfill a contract

The Company pays sales commission to its selling agents for each contract that they obtain for the Company. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (under Other Expenses) because the amortization period of the asset that the Company otherwise would have used is less than one year.

Costs to fulfill a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognized.

Rebate / Drawback of Taxes and Duties

In case of sale made by the Company as Support Manufacturer, rebate / drawback of taxes and duties arising from Duty Drawback scheme, Merchandise Exports from India Scheme and other eligible rebate / drawback of taxes and duties are recognised on post export basis at the rate at which the entitlements accrue and is included in the 'Other Operating Income'. (Revenue from operation).

Interest Income

Interest income from the financial assets are recognized using effective interest rate method.

Other Income

Other income is accounted for on accrual basis except where the receipt of income is uncertain.

2.4 Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Grants related to assets are government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. Grants related to income are government grants other than those related to assets.

Government grants relating to an expense item are recognized in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented either under "other operating income" (Revenue from operation) or are deducted in reporting the related expense. The presentation approach is applied consistently to all similar grants. Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to Statement of Profit and Loss over the periods and in proportions in which depreciation expense on those assets is recognized.

2.5 Income Tax

The income tax expense or credit for the year 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 or other comprehensive income, in which case it is recognized in equity or other comprehensive income respectively.

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, 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.

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 Balance Sheet, 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.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

Minimum Alternate Tax ('MAT') credit entitlement is recognized as a deferred tax asset if it is probable that MAT credit will reverse in the foreseeable future and taxable profit will be available against which the deferred tax asset can be utilised.

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence.

2.6 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.

2.7 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis

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To the Financial Statements for the year ended March 31, 2021

over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- **Property 3 to 5 years**
- **Plant & Machinery 13 years**
- **Other equipments 3 to 5 years**

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.10 Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature

2.8 Property, plant and equipment

Property Plant and equipment except for freehold land are stated in the balance sheet at cost less accumulated depreciation and impairment losses, if any. The cost of property plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes(other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected cost of decommissioning. 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 derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred. The company has elected to continue with the carrying value for all of its property plant and equipment as recognized in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost.

Export Promotion Capital Goods (EPCG) grant relating to property, plant and equipment relate to duty saved on import of capital goods and spares under the EPCG scheme. Under the scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities. Such grants are initially recognized / added in the cost of underlying property, plant and equipment and a corresponding liability which is released to the statement of profit and loss based on fulfilment of related export obligations.

Depreciation methods, estimated useful lives and residual value

Freehold land is not depreciated. Leasehold improvements are amortised over the shorter of estimated useful life or the related lease term. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

For following items of property, plant and equipment, depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Assets	Estimated Useful Life (years)
Office Equipment	3 to 5
Furniture and fixtures	10
Computers and Servers	3 to 6
Vehicles	5
Electrical installation	10
Factory Building	28
Residential and other Buildings	58

Plant and Machinery (except electrical installation) is depreciated on written down value method over the useful life ranging between 7.5 years to 20 years.

The useful lives have been determined based on technical evaluation done by the management's expert which is equal to or lower than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other expenses or other income, as applicable.

2.9 Intangible assets

Intangible assets 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.

2.10 Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other 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. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.11 Inventories

Raw materials and stores, work in progress, traded and finished goods

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases on weighted average basis. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory moving weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Notes

To the Financial Statements for the year ended March 31, 2021

2.12 Investment in compound financial instruments issued by subsidiary

Company considers issuance of non-market rate redeemable preference shares by subsidiary as compound instrument comprising a loan with market terms and a capital injection and hence treat the difference between the cash paid and fair value on initial recognition as an addition to the investment in the subsidiary and presented separately as 'Equity component of Preference shares' under 'Investment in subsidiaries'. Equity component is not subsequently re-measured.

2.13 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

A. 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;
- For investments in debt instruments, this will depend on the business model in which the investment is held;
- For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

B. Initial Recognition and 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 Statement of Profit or Loss.

C. Subsequent Measurement

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:

i. **Amortised 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 amortised cost. A gain or loss on such assets are subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

ii. **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 income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other expenses or other incomes, as applicable. Interest income from these financial assets is included in other income using the effective interest rate method.

iii. **Fair value through profit or loss**: A financial asset which is not classified in any of the above categories are measured at Fair value through profit or loss

Equity Investments

Investment in subsidiaries are carried at cost in the separate financial statements and accounted on first-in first-out (FIFO) basis.

The Company subsequently measures all other 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, there will be no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the Statement of Profit and 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 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.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held 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 current liabilities in statement of financial position and which are considered as integral part of company's cash management policy.

Trade receivable

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

D. Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

i. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

ii. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount;

- 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.

E. Derecognition 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

- 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.

F. 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.

Notes

To the Financial Statements for the year ended March 31, 2021

b. **Dividends**
Dividends are recognised in profit or 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.

Financial liabilities

A. Initial Recognition and 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 amortised 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.

B. Subsequent Measurement

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 Statement of profit and loss.

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.

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.

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.

Derivatives and hedging activities
In order to hedge its exposure to foreign exchange, interest rate, and commodity price risks, the Company enters into forward, option, swap contracts and other derivative financial instruments. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

- Derivatives that are not designated as hedges

The Company enters into derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss.

Embedded Derivatives
Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Embedded foreign currency derivatives
Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

i. the functional currency of any substantial party to that contract;

ii. the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world;

iii. a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency).

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit and loss. The Company currently does not have any such derivatives which are not closely related.

C. Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the 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.

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.

2.14 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.

2.15 Employee benefits
a. Short-term obligations
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b. Other long-term employee benefit obligations
The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of

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the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

c. **Post-employment obligations**

The Company operates the following post-employment schemes:

- **defined be**nefit plans such as gratuity, and
- defined con**tribution plans such as provident fund and superannuation Fund**

Defined Benefit Plans

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of Profit or Loss as past service cost.

Defined contribution plans

Provident Fund, Employee State Insurance Corporation (ESIC), Pension Fund and other Social Security Funds

The Contribution towards provident fund, ESIC, pension fund and Social Security Funds for certain employees is made to the regulatory authorities where the Company has no further obligations. Such benefits are classified as Defined Contribution S**chemes as the Company does not carry any further obligations apart from the contributions made on a monthly basis.**

Superannuation Fund

Contribution towards superannuation fund for certain employees is made to SBI Life Insurance Company where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from contribution made on monthly basis.

Bonus Plan

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.16 Provisions and contingent liabilities

Provisions for legal claims, service warranties, volume discounts and returns 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.

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.

Contingent Assets are disclosed, where an inflow of economic benefits is probable.

2.17 Contributed Equity

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.

2.18 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.

2.19 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, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares. (Note 34)

Diluted earnings per share

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.

2.20 Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

2.21 Rounding of amounts

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

2.22 Significant accounting judgements, estimates and assumptions:

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements

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Critical estimates and judgements

i) Current tax expense and deferred tax

The calculation of the Company's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. (Refer Note 25)

Recognition of deferred tax assets/ liabilities

The recognition of deferred tax assets/ liabilities is based upon whether it is more likely than not that sufficient taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. (Refer Note 14).

ii) Provisions & Contingent Liabilities.

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision. (Refer Note 31).

iii) Useful life of Property, Plant and Equipment and Intangible assets

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. For the relative size of the Company's property, plant and equipment and intangible assets (Refer Notes 3 and 4).

iv) Provision for Inventory

The Company writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not realised. The identification of write-downs requires the use of estimates of net selling prices, age and quality/ condition of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed. Refer Note 9 for details of inventory and provisions.

v) Impairment for equity Investments in Subsidiaries

To test the impairment of equity investment e of subsidiaries, market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates (including perpetuity growth rate), discount rate, identification of a cash generating unit and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments. Changes in the assumptions selected by management could significantly affect the Company's impairment evaluation and hence results.

vi) Estimation of Defined Benefit Obligation

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employments plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability. Refer Note 20 for the details of the assumptions used in estimating the defined benefit obligation.

vii) **Government Grants**

The Company has accrued income for Government grant related to fixed assets, in the ratio of related expenses, based on eligibility amount. Critical judgement is involved in determining whether the Company has fulfilled the conditions related to the grant. Estimates are involved in calculation of grant income where the eligibility amount is not confirmed by the government but application is made and the Company is complying all terms & conditions for eligibility. Further, key assumptions used in calculation of government grant to be recognized as revenue, receivables and deferred income include, the future sales growth rate, mix of inter and intra state purchases and corresponding input tax credit, utilization of input tax credit, indirect tax rates on the products, period of eligibility etc. Changes in the assumptions selected by the management could significantly affect the recognition of revenue, receivables and deferred income related to such government grants.

viii) **Fair value of Financial Instruments.**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Management 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. The key judgement includes selection of valuation methodology and key assumptions include the discount rates etc. Changes to the valuation methodology, discount rates etc. could have a significant impact on the valuation of these financial instruments. Refer Note 26.

ix) **Ind AS 115 – Revenue from Contracts with Customers**

Ind AS 115 applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

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

x) **Leases - Estimating the incremental borrowing rate**

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available.

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

xi) **Uncertain tax position and tax related contingency**

The Company has taken certain tax positions particularly those relating to deductions / allowance under Section 80 IA and Section 36(1)(iii) of the Income Tax Act, 1961 by the Company. The taxation authorities may challenge these tax deductions and accordingly these matters are / might be subject to legal proceedings in

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the ordinary course of business. The outcome of the legal proceedings might be different from that estimated on the date of approval of these standalone Ind AS financial statements.

xii) Estimation uncertainty relating to the global health pandemic on COVID-19

The Company has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right of use assets, investments, inventory and trade receivables. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. It has also assessed the probability of occurrence of forecasted transactions under the hedging relationships and continues to evaluate them as highly probable considering the orders in hand. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of these standalone Ind AS financial statements. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

Note 3 : Property, Plant and Equipment

(₹ million)

	Freehold Land	Buildings	Plant and Equipment	Vehicles	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Computers	Total	Capital Work in Progress
Cost or valuation										
At April 1, 2019										
Opening gross carrying amount	462.59	8,161.28	32,295.37	74.48	200.81	347.00	15.14	238.01	41,794.68	272.95
Additions	4.59	192.20	795.61	1.36	17.40	8.08	-	6.25	1,025.49	960.36
Disposals	(3.19)	-	(236.87)	(5.50)	(1.18)	(0.84)	-	(4.28)	(251.86)	-
Capitalised	-	-	-	-	-	-	-	-	-	(1,012.64)
At March 31, 2020 (A)	**463.99**	**8,353.48**	**32,854.11**	**70.34**	**217.03**	**354.24**	**15.14**	**239.98**	**42,568.31**	**220.67**
Depreciation										
At April 1, 2019	-	879.71	14,748.06	39.07	106.18	134.68	12.70	134.23	16,054.63	-
Depreciation charge during the year	-	259.97	3,293.73	11.71	32.68	30.96	-	55.87	3,684.92	-
Disposals	-	-	(206.40)	(4.31)	(1.05)	(0.56)	-	(3.87)	(216.19)	-
At March 31, 2020 (B)	**-**	**1,139.68**	**17,835.39**	**46.47**	**137.81**	**165.08**	**12.70**	**186.23**	**19,523.36**	**-**
Net book value at March 31, 2020 (A-B)	**463.99**	**7,213.80**	**15,018.72**	**23.87**	**79.22**	**189.16**	**2.44**	**53.75**	**23,044.95**	**220.67**
Cost or valuation										
At April 1, 2020										
Opening gross carrying amount	463.99	8,353.48	32,854.11	70.34	217.03	354.24	15.14	239.98	42,568.31	220.67
Additions	68.10	58.70	915.24	17.41	12.33	12.60	-	19.53	1,103.91	879.64
Disposals	(14.93)	(4.34)	(437.54)	(10.14)	(1.68)	(9.14)	-	-	(477.77)	-
Capitalised	-	-	-	-	-	-	-	-	-	(871.06)
At March 31, 2021 (A)	**517.16**	**8,407.84**	**33,331.81**	**77.61**	**227.68**	**357.70**	**15.14**	**259.51**	**43,194.45**	**229.25**
Depreciation										
At April 1, 2020	-	1,139.68	17,835.39	46.47	137.81	165.08	12.70	186.23	19,523.36	-
Depreciation charge during the year	-	263.05	2,747.77	10.94	31.86	29.94	-	25.73	3,109.29	-
Disposals	-	(1.44)	(397.23)	(9.63)	(1.53)	(0.33)	-	-	(410.16)	-
At March 31, 2021 (B)	**-**	**1,401.29**	**20,185.93**	**47.78**	**168.14**	**194.69**	**12.70**	**211.96**	**22,222.49**	**-**
Net book value at March 31, 2021 (A-B)	**517.16**	**7,006.55**	**13,145.88**	**29.83**	**59.54**	**163.01**	**2.44**	**47.55**	**20,971.96**	**229.25**

Notes:

(i) Property, plant and equipment pledged as security - Refer to note 11(a) for information on property, plant and equipment pledged as security by the Company.

(ii) Contractual obligations - Refer to note 32 (a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iii) Additions to fixed assets during the year include capital expenditure of ₹ 10.45 million (Previous Year : ₹ 24.96 million) incurred on in-house Research and Development activities [Refer Note 39]

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(iv) The Company has given certain assets on operating lease, details of which are given below:

(₹ million)

Particulars	March 31, 2021		March 31, 2020	
	Buildings	Plant and Machinery	Buildings	Plant and Machinery
Cost or valuation	124.65	29.04	1.21	29.04
Accumulated depreciation	48.62	27.59	0.36	27.59
Net book value	76.03	1.45	0.85	1.45
Depreciation for the year	1.69	-	0.02	-

Note 4 : Intangible assets

(₹ million)

	Computer Software	Intangible assets under development
Cost or valuation		
At April 1, 2019		
Opening gross carrying amount	695.33	13.58
Additions	45.42	16.34
Discarded	(0.15)	-
Transfers/Capitalised	-	(13.58)
At March 31, 2020 (A)	**740.60**	**16.34**
Amortisation		
At April 1, 2019		
Opening accumulated amortisation	186.75	-
Amortisation charge during the year	134.08	-
Discarded	(0.12)	-
At March 31, 2020 (B)	**320.71**	**-**
Net book value at March 31, 2020 (A-B)	**419.89**	**16.34**
Cost or valuation		
At April 1, 2020		
Opening gross carrying amount	740.60	16.34
Additions	19.51	17.64
Discarded	(277.80)	-
Transfers/Capitalised	-	(13.59)
At March 31, 2021 (A)	**482.31**	**20.39**
Amortisation		
At April 1, 2020		
Opening accumulated amortisation	320.71	-
Amortisation charge during the year	133.25	-
Discarded	(200.71)	-
At March 31, 2021 (B)	**253.25**	**-**
Net book value at March 31, 2021 (A-B)	**229.06**	**20.39**

Note 5 : Non-current equity investment in subsidiaries/ associates

		As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Subsidiaries			
Unquoted			
10,000	(March 31, 2020 : 10,000) Equity Shares of ₹10 each fully paid up of BESA Developers and Infrastructure Private Limited	0.10	0.10
10,000	(March 31, 2020 : 10,000) Equity Shares of ₹10 each fully paid up of Anjar Integrated Textile Park Developers Private Limited	0.10	0.10
50,700	(March 31, 2020 : 50,700) Equity Shares of ₹10 each fully paid up of Welspun Anjar SEZ Limited	2,432.45	2,432.45
23,065,503	(March 31, 2020 : 23,065,503) Equity Shares of ₹10 each fully paid up of Welspun Global Brands Limited	2,281.80	2,281.80
22,744,215	(March 31, 2020 : 22,744,215) Equity Shares of ₹10 each fully paid up of Welspun Captive Power Generation Limited	801.66	801.66
742	(March 31, 2020 : 742) Equity Shares of USD 100 each fully paid up of Welspun USA Inc.	182.51	182.51
1,500	(March 31, 2020 : 1,500) Equity Shares of GBP 1 each, fully paid up of Welspun Holdings Private Limited, Cyprus	29.73	29.73
5,500,000	(March 31, 2020 : 5,500,000) Equity Shares of ₹10 each fully paid up of Welspun Zucchi Textiles Limited	92.13	92.13
65,000,000	(March 31, 2020 : 65,000,000) Equity Shares of ₹10 each fully paid up of Welspun Flooring Limited [Refer Note 30]	2,500.00	2,500.00
4,250	(March 31, 2020 : 4,250) Equity Shares of USD 1,000 each fully paid up of Welspun Nexgen Inc.	269.30	269.30
	Less : Provision for impairment	269.30	269.30
		-	-
260,000	(March 31, 2020 : 260,000) Equity Shares of ₹10 each fully paid up of Welspun Innovative Products Limited (formerly Welspun Advanced Materials Limited)	2.60	2.60
33,010,000	(March 31, 2020 : 10,000) Equity Shares of ₹10 each fully paid up of Welspun Advanced Materials (India) Limited [Refer Note 30]	330.10	0.10
261	(March 31, 2020 : 261) Equity Shares of USD 100 each fully paid up of Pure Sense Organics Myanmar Limited	7.23	7.23
	Less : Provision for impairment	7.23	-
		-	**7.23**
Associate			
4,800	(March 31, 2020: Nil) Equity Shares of ₹10 each fully paid up of Welassure Private Limited	2.94	-
		8,656.12	**8,330.41**
Equity Component of investment in debentures of subsidiaries			
349,641,044	(March 31, 2020 : 71,438,385) 0% Compulsorily Convertible Debentures of ₹ 10 each of Welspun Flooring Limited [Refer Note (i) below and Note 30]	3,496.40	714.38
40,000,000	(March 31, 2020 : Nil) 0% Compulsorily Convertible Debentures of ₹ 10 each of Welspun Advanced Materials (India) Limited [Refer Note (ii) below]	400.00	-
Equity Share Application pending allotment			
	Pure Sense Organics Myanmar Limited	2.79	-
	Less : Provision for impairment	2.79	-
		-	-
Total		**12,552.52**	**9,044.79**

Notes:

(i) Out of total debenture investment in Welspun Flooring Limited, ₹ 1,564.39 million is out of conversion of loan given and interest accrued thereon.

(ii) Out of total debenture investment in Welspun Advanced Materials (India) Limited, ₹ 120 million is out of conversion of loan given.

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Note 6 : Financial assets

6 (a) - Non-current investment

			As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Investment in equity shares (fully paid up)				
i) Quoted - Equity investment at FVOCI				
283,500	(March 31, 2020 : 283,500) Equity Shares of ₹ 10 each of AYM Syntex Limited (Formerly known as Welspun Syntex Limited)		13.14	4.59
80	(March 31, 2020 : 80) Equity Shares of ₹ 1 each of Khaitan Chemicals and Fertilizers Limited		*	*
ii) Unquoted - Equity investment at FVPL				
1,900	(March 31, 2020: Nil) Equity Shares of ₹10 each fully paid up of Welspun Global Services Limited		0.02	-
Total (equity instruments)		**(A)**	**13.16**	**4.59**
Investment in preference shares (fully paid)				
Unquoted - Preference shares at amortised cost				
-	(March 31, 2020 : 13,464,800) 0% Redeemable Cumulative Preference Shares of ₹10 each of Welspun Global Brands Limited		-	123.68
1,389,575	(March 31, 2020 : 1,389,575) 0% Redeemable Preference Shares of ₹10 each of Welspun Global Brands Limited		943.66	868.51
Unquoted - Preference shares at FVPL				
1,000,000	(March 31, 2020 : 1,000,000) 1% Redeemable Cumulative Preference Shares of ₹10 each of Welspun Global Brands Limited		6.87	5.82
-	(March 31, 2020 : 75,818,663) 10% Non-cumulative Redeemable Preference Shares of ₹10 each of Welspun Captive Power Generation Limited		-	733.61
71,042,000	(March 31, 2020 : 71,042,000) 7% Non-cumulative Non-convertible Redeemable Preference Shares of ₹ 10 each of Welspun Anjar SEZ Limited		567.36	501.89
720	(March 31, 2020 : Nil) 7% Non-convertible Preference Shares of USD 100 each fully paid up of Pure Sense Organics Myanmar Limited		5.39	-
	Less : Provision for impairment		5.39	-
			-	**-**
Total (preference shares)		**(B)**	**1,517.89**	**2,233.51**
Others - FVPL		**(C)**	0.32	0.32
Total		**(A+B+C)**	**1,531.37**	**2,238.42**
	Aggregate amount of quoted investments and market value thereof		13.16	4.59
	Aggregate amount of unquoted investments		1,518.21	2,233.83
	Aggregate amount of impairment in the value of Investments		5.39	-

* Amount is below the rounding norms adopted by the Company

6 (a) - Current investments

		As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Investment in bonds at FVPL (unquoted)			
-	(March 31, 2020 : 80) 8.91% Nagpur Seoni Express Way Limited 01/02/2027 Bonds of Face Value of ₹1,00,000 each	-	7.80
58	(March 31, 2020 : 58) 9.10% Reliance General Insurance Company Limited 17/08/2026 Bonds of Face Value of ₹ 1,000,000 each	29.20	28.40
Investment in mutual funds at FVPL (unquoted)			
-	(March 31, 2020 : 4,641,707) ICICI Prudential Overnight Fund Direct Plan-Growth	-	500.14
-	(March 31, 2020 : 91,705) HDFC Liquid Fund-Direct Plan-Growth Option	-	358.25
-	(March 31, 2020 : 172,743) HDFC Overnight Fund-Direct Plan-Growth Option	-	512.89
-	(March 31, 2020 : 156,950) SBI Overnight Fund Direct Growth	-	510.67
-	(March 31, 2019 : 96,528) SBI Liquid Fund Direct Growth	-	300.11
Total		**29.20**	**2,218.26**
	Aggregate amount of unquoted investments	29.20	2,218.26

6 (b) - Non-current loans

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Unsecured		
Considered doubtful		
Loans to related parties [Refer Note 30 (ii)]	15.56	15.56
Less : Allowance for Doubtful Loans	15.56	15.56
	-	-
Loan to employees	1.90	0.67
Total	**1.90**	**0.67**

6 (b) - Current loans

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Loans to related parties (unsecured) [Refer Note 30 (ii) and Note 5 (i)]	-	95.00
Loan to employees	4.50	2.83
Total	**4.50**	**97.83**

6 (c) - Other non-current financial assets

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Security Deposits to Related Parties [Refer Note 30 (ii)]	19.84	50.69
Security Deposits to Others	141.30	122.06
Advances Recoverable in Cash		
- Considered Doubtful	-	43.50
	-	43.50
Less : Allowance for Doubtful Advances	-	43.50
	-	-
Government Grants Receivable	-	610.23
Fixed deposits with Banks with maturity period more than twelve months	0.63	45.40
Margin Money Deposit Accounts	3.01	2.01
Interest Accrued on Fixed Deposits	0.02	21.64
Guarantee Commission Receivable from Related Parties	-	33.71
Total	**164.80**	**885.74**

Notes

To the Financial Statements for the year ended March 31, 2021

6 (c) - Other non-current financial assets

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Security Deposits to Related Parties [Refer Note 30 (ii)]	56.89	10.18
Security Deposits to Others	18.54	1.40
Advances to Related Parties [Refer Note 30 (ii)]	120.48	84.78
Government Grants Receivable	2,249.64	1,515.04
Technology Upgradation Fund Credit Receivable	259.43	916.22
Interest Receivable under Subvention Scheme	12.68	5.32
Mark-to-Market gain (Net) on Forward/ Swap Contracts	-	150.52
Interest Accrued on loan given to related parties [Refer Note 30 (ii)]	-	0.38
Interest Accrued on Fixed Deposits/ Others	2.35	13.36
Insurance Claim Receivable	0.50	0.03
Total	**2,720.51**	**2,697.23**

6 (d) - Trade receivables

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Receivables from related parties [Refer Note 30 (ii)]	6,805.38	7,292.35
Receivables from others	696.04	259.71
Less : Impairment allowance	(13.32)	(9.56)
Total receivables	**7,488.10**	**7,542.50**
Current portion	7,488.10	7,542.50
Non-current portion	-	-
Break-up of security details		
Unsecured, considered good	7,488.10	7,542.50
Trade receivables which has significant increase in credit risk	-	-
Trade receivables-credit impaired	13.32	9.56
Total	**7,501.42**	**7,552.06**
Impairment allowance	13.32	9.56
Total trade receivables	**7,488.10**	**7,542.50**

6 (e) - Cash and cash equivalents

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Balances with banks		
- In current accounts	1,714.10	606.34
Fixed deposits with Banks with original maturity period of less than three months	44.51	5.71
Cash on Hand	0.21	0.35
Cheques on Hand	10.00	-
Total	**1,768.82**	**612.40**

6 (f) - Bank balances other than cash and cash equivalents

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Other Bank balances		
- Fixed deposits	440.77	157.23
- Unpaid dividend account [Refer note (a) below]	25.30	27.08
Total	**466.07**	**184.31**

Notes:

(a) These are restricted bank balances. The restrictions are on account of balances held in unpaid dividend bank accounts.

Note 7 : Non-current tax assets

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Non-current tax assets	377.90	571.29
Total	**377.90**	**571.29**

Note 8 : Other non-current assets

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Capital Advances to Related Parties [Refer Note 30 (ii)]	45.33	19.00
Capital Advances to Others	69.00	160.08
- Balances with Customs, Excise, Sales Tax and other Government Authorities		
- Considered Good	2.19	2.19
- Considered Doubtful	7.72	7.72
	9.91	**9.91**
Less : Provision for Doubtful Balances	7.72	7.72
	2.19	**2.19**
Total	**116.52**	**181.27**

Note 8 : Other current assets

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Balances with Customs, Excise, Sales Tax and other Government Authorities		
- Considered Good	435.44	889.05
Prepaid Expenses	74.83	95.01
Advance to Vendors		
- Considered Good	938.92	535.45
- Considered Doubtful	3.58	-
	942.50	**535.45**
Less : Provision for Doubtful Advances	3.58	-
	938.92	**535.45**
Advance to Employees	2.35	7.76
Total	**1,451.54**	**1,527.27**

Note 9 : Inventories (at lower of cost or net realisable value)

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Raw Materials (Includes in transit ₹ 274.73 million; March 31, 2020 : ₹ 235.12 million)	5,781.91	4,735.04
Work-in-Progress	3,434.85	3,150.07
Finished Goods	938.46	2,033.91
Packing Materials	179.24	180.83
Stores, Spares, Dyes and Chemicals	386.36	464.34
Total	**10,720.82**	**10,564.19**

Notes:

Cost of inventories recognised as (income)/ expense of (₹ 165.78) million (Previous year: ₹ 180.83 million) is in respect of write down of inventories.

Notes

To the Financial Statements for the year ended March 31, 2021

Note 10 : Equity share capital and other equity

10 (a) - Equity share capital

(i) Authorised equity share capital

	Number of Shares	Amount (₹ million)
As at April 1, 2019	**1,555,000,000**	**1,555.00**
Increase during the year	-	-
As at March 31, 2020	**1,555,000,000**	**1,555.00**
Increase during the year	-	-
As at March 31, 2021	**1,555,000,000**	**1,555.00**

Equity Shares of ₹ 1 each (March 31, 2020 : ₹ 1 each)

(ii) Issued equity share capital

	Number of Shares	Amount (₹ million)
As at April 1, 2019	**1,004,725,150**	**1,004.73**
As at March 31, 2020	**1,004,725,150**	**1,004.73**
As at March 31, 2021	**1,004,725,150**	**1,004.73**

Equity Shares of ₹ 1 each (March 31, 2020 : ₹ 1 each fully paid up)

(iii) Shares held by parent

	As At March 31, 2021		As At March 31, 2020	
	Number of Shares	Amount (₹ million)	Number of Shares	Amount (₹ million)
Equity Shares:				
Welspun Group Master Trust (WGMT) (with effect from May 21, 2019)	694,465,432	694.47	683,302,903	683.30
	694,465,432	**694.47**	**683,302,903**	**683.30**

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

	As At March 31, 2021		As At March 31, 2020	
	Number of Shares	%	Number of Shares	%
Equity Shares:				
Welspun Group Master Trust (WGMT) (with effect from May 21, 2019)	694,465,432	69.12	683,302,903	68.01

(v) Rights, preferences and restrictions attached to equity shares

The company has one class of equity shares having a par value of ₹ 1 per share (March 31, 2020 : ₹ 1). Each shareholder is eligible for one vote per share held. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

10 (b) - Reserves and surplus

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Capital Redemption Reserve		
Balance as at the beginning of the year	478.38	478.38
Add : Additions during the year	-	-
Balance as at the end of the year	**478.38**	**478.38**
Capital Reserve		
Balance as at the beginning of the year	1,474.77	1,474.72
Add : Additions during the year	-	0.05
Balance as at the end of the year	**1,474.77**	**1,474.77**
Securities Premium		
Balance as at the beginning of the year	3,238.12	3,238.12
Add : Additions during the year	-	-
Balance as at the end of the year	**3,238.12**	**3,238.12**

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
General Reserve		
Balance as at the beginning of the year	711.39	711.39
Add : Additions during the year	-	-
Balance as at the end of the year	**711.39**	**711.39**
Retained earnings		
Balance as at the beginning of the year	21,163.89	17,983.99
Add : Profit for the year	5,266.70	4,748.92
	26,430.59	**22,732.91**
Add : Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post-employment benefit obligation, net of tax	(40.84)	(5.66)
Dividends		
Interim dividend on Equity Shares for the year	-	1,004.73
Dividend distribution tax on Interim dividend on Equity Shares	-	206.56
Final dividend on Equity Shares	-	301.42
Dividend distribution tax on Final dividend on Equity Shares	-	61.97
Balance as at the end of the year	**26,471.43**	**21,163.89**
Total	**32,374.09**	**27,066.55**

10 (c) - Other Reserve

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
FVOCI - Equity investments		
Balance as at the beginning of the year	(1.00)	4.57
Add : Change in fair value of FVOCI equity instrument (Refer Note (e) below)	8.55	(5.57)
Balance as at the end of the year	**7.55**	**(1.00)**

Note

Nature and purpose of reserves and surplus and other reserves

(a) Capital Redemption Reserve

Capital Redemption Reserve is created 1) when preference shares are redeemed out of profits of the Company, a sum equal to the nominal amount of the shares to be redeemed has to be transferred to this reserve and 2) when company purchases its own shares out of free reserves, a sum equal to the nominal value of shares so purchased has to be transferred to this reserve. This reserve may be used for paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.

(b) Capital Reserve

Out of total, Capital Reserve of ₹1,426.59 million related to Gujarat high court approved composite scheme of arrangement between group companies. Balance ₹ 48.18 million was accrued on Forfeiture of Share warrants. Capital reserve is not available for distribution.

The Hon'ble National Company Law Tribunal, Ahmedabad Bench vide it's order pronounced on May 10, 2019 (the ""Order"") sanctioned the Scheme of Amalgamation of Prasert Multiventure Private Limited (""PMPL"") with Welspun India Limited (""WIL""). The amalgamation of PMPL with WIL is accounted as combination of entities, and not a ""business combination"", with effective date of May 21, 2019 (date on which the order was filed with the Ministry of Corporate Affairs). The said accounting has no significant impact on these financial results.

(c) Securities Premium

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

(d) General Reserve

General Reserve is a free reserve and is available for distribution as dividend, issue of bonus shares, buyback of the Company's securities. It was created by transfer of amounts out of distributable profits.

(e) FVOCI equity investments

The management has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The management transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Notes
To the Financial Statements for the year ended March 31, 2021

Note 11 : Financial liabilities
11 (a) - Non-current borrowings

Sr. No.	Particulars	Maturity Date	Terms of Repayment	As at March 31, 2021		As at March 31, 2020	
				Coupon/ Interest Rate* (%)	Amount (₹ million)	Coupon/ Interest Rate* (%)	Amount (₹ million)
1	**Term Loans - From Banks**						
	(Secured, Measured at amortised cost)						
(a)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Last instalment due in March 2023.	Repayable in 30 quarterly instalments commencing from January 2016.	-	-	9.31	5,370.55
(b)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Last instalment due in September 2024.	Repayable in 31 quarterly instalments commencing from March 2017	8.10	2,096.64	8.82	2,668.06
(c)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Last instalment due in June 2025.	Repayable in 30 quarterly instalments commencing from February 2018	7.50	615.04	9.20	679.63
(d)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company	Last instalment due in June 2024.	Repayable in 26 quarterly instalments commencing from March 2018	7.35	912.64	9.07	1,553.82
(e)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company	Last instalment due in June 2022.	Repayable in 16 quarterly instalments commencing from September 2018	-	-	9.35	57.00
	Total Non-current borrowings				**3,624.32**		**10,329.06**
	Less : Current maturities of long-term debt [included in Note 11 (b)]				991.48		2,568.94
	Less : Interest accrued but not due [included in Note 11 (b)]				24.36		93.35
	Non-current borrowings (as per balance sheet)				**2,608.48**		**7,666.77**

* The rate of interest on the Non-current borrowings in the table above are in the range of 7.35 % to 8.10% (March 31, 2020 : 8.75% to 9.70%). These loans are eligible for Central and State Government Interest Subsidies/ Rebates.

11 (a) - Current borrowings

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Secured:		
Measured at amortised cost		
- Working Capital Loans from Banks [Refer Note (i) below]	5,903.20	10,297.03
Unsecured:		
Measured at amortised cost		
- Working Capital Loans from Banks	2,000.00	-
- Supplier financing [Refer Note (ii) below]	940.85	2,065.69
- Commercial Paper [Refer Note (iii) below]	1,500.00	-
Total current borrowings	**10,344.05**	**12,362.72**

Notes:

(i) The working capital loans, which includes cash credit and packing credit from banks, are secured by hypothecation of raw materials, stock-in-process, finished goods, semi finished goods, stores, spares and book debts and other current financial assets of the Company and second charge on entire fixed assets of the Company.

(ii) The bills of the vendors evidencing supply of material are discounted on presentation and the vendors are directly paid by the banks and the Company bears the discounting charge upfront. Later on the due date (depending on the tenor of financing), the Company pays the discounting bank the principal amount.

(iii) Commercial paper is an unsecured short term debt instrument issued by the Company generally for the period up to 181 days to meet the regular working capital requirements.

(iv) The rate of interest on the current borrowings are in the range of 4.75% to 7.90% (March 31, 2020 : 6.15% to 9%)

11 (b) - Other non-current financial liabilities

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Security deposits	0.02	0.04
Financial guarantee obligation	-	33.71
Total	**0.02**	**33.75**

11 (b) - Other current financial liabilities

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Current Maturities of Long Term Debt		
- Rupee Term Loans from Banks [Refer Note 11(a)]	991.48	2,568.94
Interest Accrued but not due on Borrowings	24.36	93.35
Security Deposits	131.89	170.45
Creditors for Capital Purchases	108.57	144.67
Mark-to-Market loss (Net) on Forward/ Swap Contracts	0.67	-
Unpaid dividends	25.30	27.08
Other Payables	0.08	15.02
Total	**1,282.35**	**3,019.51**

11 (c) - Trade payables

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Total Outstanding Dues of Micro Enterprises and Small Enterprises [Refer Note 38]	332.55	84.43
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	6,042.29	5,740.97
Total	**6,374.84**	**5,825.40**

Notes

To the Financial Statements for the year ended March 31, 2021

Note 12 : Non-current tax liabilities

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Non-current tax liabilities (net)	2,159.86	1,517.35
Total	**2,159.86**	**1,517.35**

Note 13 : Current employee benefit obligations

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Provision for Compensated Absences (Refer Note 20)	194.50	203.06
Provision for Gratuity (Refer Note 20)	101.81	96.57
Employee Benefits Payable**	646.24	402.95
Total	**942.55**	**702.58**

** Includes salary, wages, bonus, leave travel allowance and director commission

Note 14 : Deferred tax liabilities (Net)

The balance comprises temporary differences attributable to:

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Deferred Tax Liabilities arising on account of:		
- Property, plant, equipment and Intangible Assets	2,724.52	2,481.34
- Government Grants	-	100.84
Deferred Tax Asset arising on account of:		
- Minimum Alternate Tax Credit Entitlement	-	455.05
- Provision for Doubtful Debts/ Advances	10.11	19.21
- Provision for Unpaid Statutory Dues under Section 43B of the Income Tax Act, 1961	57.37	81.37
- Government Grants	8.93	-
- Provision for Employee Benefits	74.58	72.37
- Other items	3.84	7.03
Total	**2,569.69**	**1,947.15**

The Company has tax loss (Long Term Capital Loss) of ₹ 73.70 million (March 31, 2020 : ₹ 411.62 million) which are available for offsetting against future taxable profits. Deferred tax assets has not been recognised in respect of these losses due to lack of reasonably certainty with respect of utilisation of these losses against future long term capital gains.

Movement in deferred tax liabilities/(assets)

Particulars	Property, plant and equipment	Defined Benefit Obligation	Government grants	MAT Credit entitlement	Provisions*	Expenses allowed on payment basis	Other items	Total
April 1, 2019	**3,215.23**	**(72.13)**	**114.54**	**(973.14)**	**(121.38)**	**(326.23)**	**(25.28)**	**1,811.61**
(Charged) / Credited:								
Statement of Profit and Loss	733.89	3.28	13.70	(518.09)	(20.80)	(326.23)	(18.25)	(132.50)
Other Comprehensive Income	-	(3.04)	-	-	-	-	-	(3.04)
March 31, 2020	**2,481.34**	**(72.37)**	**100.84**	**(455.05)**	**(100.58)**	**-**	**(7.03)**	**1,947.15**
(Charged) / Credited:								
Statement of Profit and Loss	(243.18)	15.95	109.77	(455.05)	(33.10)	-	(3.19)	(608.80)
Other Comprehensive Income	-	(13.74)	-	-	-	-	-	(13.74)
March 31, 2021	**2,724.52**	**(74.58)**	**(8.93)**	**-**	**(67.48)**	**-**	**(3.84)**	**2,569.69**

*Provisions includes provision for doubtful debts/advances and provision for unpaid statutory dues under section 43B of the Income Tax Act, 1961

Note 15 : Other non-current liabilities

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Deferred Income (Refer Note below)	628.85	676.16
Total	**628.85**	**676.16**

Note 15 : Other current liabilities

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Advances from Customers	29.36	19.85
Statutory dues	336.72	88.18
Deferred Income (Refer Note below)	169.12	133.56
Total	**535.20**	**241.59**

Note:
Deferred income relates to government grant for the purchase of property, plant and equipment and are credited to statement of profit or loss on a straight-line basis over the expected lives of the related assets. Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income.

Note 16 : Revenue from operations

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
(a) Sale of Products		
Finished Goods	54,640.55	49,936.50
Traded Goods	2,261.68	777.39
Sub Total	**56,902.23**	**50,713.89**
(b) Other operating income		
Sale of Scrap	464.47	499.53
Job Work and Processing Charges	1.97	0.58
Government Grant:		
VAT/ State Goods and Service Tax incentive (SGST) [Refer Note (i) below]	2,131.00	1,796.05
Rebate / Drawback of Taxes and Duties [Refer Note (ii) below]	63.79	225.64
Sub Total	**2,661.23**	**2,521.80**
Total	**59,563.46**	**53,235.69**

(i) Value Added Tax (VAT)/State Goods and Service Tax (SGST) Concession: Reimbursement of VAT/SGST collected on product sold to the extent of the eligible capital investments in plant and machinery for the specified period as per the Scheme.

(ii) Merchandise Exports from India Scheme (MEIS): Company is entitled for reward under MEIS computed at specified rates on FOB value of exports to specified countries.

The Ministry of Textile, Government of India, had issued Notification number CG-DL-E-15012020-215423 dated January 14, 2020, withdrawing the entitlement under Merchandise Exports from India Scheme (MEIS) with retrospective effect from March 7, 2019 on certain products exported by the Company and its subsidiary. Without prejudice to the Company's claim, the Company had reversed the MEIS benefit accrued on the affected products, of ₹ 946.94 million for the period March 07, 2019 to September 30, 2019 and reduced from Revenue from Operations.

Notes
To the Financial Statements for the year ended March 31, 2021

(iii) Revenue from contracts with customers
1) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Revenue	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
India	57,290.04	51,214.00
Outside India	78.63	-
Total revenue from contracts with customers	**57,368.67**	**51,214.00**

2) Contract balances

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

Particulars	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Trade receivables*	7,488.10	7,542.50
Contract liabilities (advances from customers)	29.36	19.85

* Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days.

3) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

Particulars	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Revenue as per contracted price	58,280.06	51,217.28
Less: Rebates, discounts, chargebacks, markdowns, etc.	911.39	3.28
Revenue from contracts with customers	**57,368.67**	**51,214.00**

4) Reconciliation of revenue from operations with revenue from contracts with customers

Particulars	As at March 31, 2021 (₹ million)	As at March 31, 2020 (₹ million)
Revenue from operations	59,563.46	53,235.69
Less: VAT/State Goods and Service Tax Incentive	2,131.00	1,796.05
Rebate / Drawback of Taxes and Duties	63.79	225.64
Revenue from contracts with customers	**57,368.67**	**51,214.00**

Note 17 : Other income

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Interest income from financial assets measured at amortised cost		
On Fixed Deposits	9.16	13.15
On Loans given to related parties and others	16.84	0.42
On Preference shares	86.12	79.19
Interest income from financial assets measured at fair value through profit or loss		
On Bonds	154.98	3.22
Interest income on Others	1.28	26.40
Interest income on income tax refund	47.76	-
Unwinding of discount on security deposits	4.64	5.14
Net gain on financial assets measured at fair value through profit or loss	146.18	-
Rent	96.97	20.79
Liabilities Written Back as no Longer Required	8.31	0.61
Profit on Sale of Fixed Assets	-	32.27
Profit on Cancellation of Forward/ Swap Contracts	15.64	2.72
Exchange Gain (Net)	-	16.28
Service Charges	3.66	22.09
Commission on Corporate Guarantees Issued	39.23	34.39
Miscellaneous	201.43	174.73
Total	**832.20**	**431.40**

Note 18 : Cost of materials consumed

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Raw material consumed		
Opening inventory	4,735.04	4,635.93
Add: Purchases (net)	26,923.65	24,723.35
Less : Inventory at the end of the year	5,781.91	4,735.04
	25,876.78	**24,624.24**
Packing material consumed		
Opening inventory	180.83	175.60
Add : Purchases (net)	2,361.86	2,620.34
Less : Inventory at the end of the year	179.24	180.83
	2,363.45	**2,615.11**
Total	**28,240.23**	**27,239.35**

Note 19 : Changes in inventory of finished goods and work-in-progress

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
(Increase)/ decrease in Stocks		
Stock at the end of the year:		
Finished Goods	938.46	2,033.91
Work-in-Progress	3,434.85	3,150.07
Total A	**4,373.31**	**5,183.98**
Less : Stock at the beginning of the year:		
Finished Goods	2,033.91	919.45
Work-in-Progress	3,150.07	2,768.33
Total B	**5,183.98**	**3,687.78**
(Increase) / decrease in Stocks (A-B)	**810.67**	**(1,496.20)**

Note 20 : Employee benefits expense

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Salaries, Wages, Allowances and Other Benefits	4,439.13	4,410.04
Gratuity and ex-gratia	160.76	188.11
Contribution to Provident and Other Funds	336.51	390.93
Managerial Remuneration	266.43	227.89
Staff and Labour Welfare	147.75	163.76
Total	**5,350.58**	**5,380.73**

The Company has classified the various benefits provided to employees as under:-

I Defined Contribution Plans

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
- Employers' Contribution to Provident Fund*	134.74	185.15
- Employers' Contribution to Employees' State Insurance *	32.74	37.13
- Employers' Contribution to Employees' Pension Scheme*	162.33	161.99
- Employers' Contribution to Superannuation Scheme*	6.70	6.66
	336.51	**390.93**

* Included in Contribution to Provident and Other Funds

Notes
To the Financial Statements for the year ended March 31, 2021

II Defined Benefit Plan

Contribution to Gratuity Fund (Funded Defined Benefit Plan)

The Company operates a gratuity plan through the "Welspun India Limited Employees Gratuity Trust". Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier.

Risk exposure

These defined benefit plans expose the Company to actuarial risk such as longitivity risks, interest rate risks, market (investment) risks.

a. Major Assumptions

	As At March 31, 2021 % p.a.	As At March 31, 2020 % p.a.
Discount Rate	6.90	6.86
Salary Escalation Rate @	6.50% p.a. for the next 5 years,5.00% p.a. thereafter, starting from the 6th year	6.50% p.a. for the next 5 years,5.00% p.a. thereafter, starting from the 6th year
Rate of Employee Turnover	For service 0 years and below 27.00% p.a. For service 1 years to 2 years 9.00% p.a. For service 3 years to 4 years 3.00% p.a. For service 5 years and above 3.00% p.a.	For service 0 years and below 32.00% p.a. For service 1 years to 2 years 9.00% p.a. For service 3 years to 4 years 5.00% p.a. For service 5 years and above 3.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

@ The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

b. Change in the Present Value of Obligation

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Opening Present Value of Obligation	504.14	426.78
Current Service Cost	90.71	80.65
Interest Cost	34.58	33.16
Total amount recognised in profit or loss	**125.29**	**113.81**
(Liability Transferred Out/ Divestments)	(28.61)	-
Remeasurements		
(Gain) from change in demographic assumptions	(0.77)	(13.84)
(Gain)/Loss from change in financial assumptions	(2.09)	46.40
Experience (Gains)	(52.98)	(39.83)
Total amount recognised in other comprehensive income	**(55.84)**	**(7.27)**
Benefit/ Exgratia paid	(56.40)	(29.18)
Closing Present Value of Obligation	**488.58**	**504.14**

c. Change in Fair Value of Plan Assets

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Opening Fair Value of Plan Assets	407.57	403.94
Interest Income	27.96	31.38
Total amount recognised in profit or loss	**27.96**	**31.38**
Remeasurements		
Return on Plan Assets, Excluding Interest Income	(1.26)	1.43
Total amount recognised in other comprehensive income	**(1.26)**	**1.43**
Contributions	-	-
Benefits paid	(47.50)	(29.18)
Closing Fair Value of Plan Assets	**386.77**	**407.57**

d. Balance Sheet Reconciliation

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Opening Net (Liability)	(96.57)	(22.84)
Expenses Recognized in Statement of Profit or Loss	(97.33)	(82.43)
Income Recognized in OCI	54.58	8.70
Employer's Contribution	8.90	-
Net (Liability) Transfer Out	28.61	-
Closing Net (Liability)	(101.81)	(96.57)

e. Amount recognised in the Balance sheet

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Present value of Obligation	(488.58)	(504.14)
Fair Value of Plan Assets	386.77	407.58
Funded Status (Deficit)	(101.81)	(96.57)
Net (Liability) Recognised in the Balance Sheet	(101.81)	(96.57)

f. Expenses Recognised in the Statement of Profit and Loss

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Current Service Cost	90.71	80.65
Interest Cost	34.58	33.16
Interest Income	(27.96)	(31.39)
Total Expenses recognized in the statement of profit and loss*	97.33	82.43

* Included in Employee Benefits Expense

g. Expenses recognized in the Other Comprehensive Income

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Re-measurement		
Actuarial (Gains) on Obligation For the year	(55.84)	(7.27)
Return on Plan Assets, Excluding amounts included in Interest Income	1.26	(1.43)
Net (Income) for the Period Recognized in OCI	**(54.58)**	**(8.70)**

h. Sensitivity Analysis

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Projected Benefit Obligation on Current Assumptions	488.58	504.14
Delta Effect of +1% Change in Rate of Discounting	(47.64)	(49.71)
Delta Effect of -1% Change in Rate of Discounting	57.17	59.83
Delta Effect of +1% Change in Rate of Salary Increase	57.40	60.05
Delta Effect of -1% Change in Rate of Salary Increase	(48.61)	(50.72)
Delta Effect of +1% Change in Rate of Employee Turnover	9.79	10.16
Delta Effect of -1% Change in Rate of Employee Turnover	(11.42)	(11.88)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability/asset recognised in the balance sheet.

Notes

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The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

i. **The major categories of plans assets are as follows:**

	As At March 31, 2021		As At March 31, 2020	
	Amount (₹ million)	%	Amount (₹ million)	%
Insurer Managed funds	386.77	100.00	407.58	100.00

j. **Defined benefit liability and employer contributions**

The Company monitors funding levels on an annual basis and the current agreed contribution rate is 12% of the basic salaries. Funding is done only for employees more than 5 years in the firm, for less than 5 years employees are paid separately.

Expected contributions to post-employment benefit plans for the year ending March 31, 2022 are ₹ 191.97 million.

The weighted average duration of the defined benefit obligation is 12 years (March 31, 2020 -13 years). The expected maturity analysis of undiscounted gratuity is as follows:

(₹ million)

Particulars	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Between 6 - 10 years	11 years and above	Total
March 31, 2021						
Defined benefit obligation (gratuity)	29.39	50.67	75.27	155.96	963.85	1,275.14
Total	**29.39**	**50.67**	**75.27**	**155.96**	**963.85**	**1,275.14**
March 31, 2020						
Defined benefit obligation (gratuity)	31.75	27.51	112.17	152.64	1,004.18	1,328.25
Total	**31.75**	**27.51**	**112.17**	**152.64**	**1,004.18**	**1,328.25**

III **Other Employee Benefit**

The liability for compensated absences as at year end is ₹ 194.50 million (March 31, 2020 : ₹ 203.06 million).

Note 21 : Depreciation and amortization expense

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Depreciation of property, plant and equipment	3,109.29	3,684.92
Amortisation of intangible assets	133.25	134.08
Depreciation of Right-of-use assets	58.88	62.40
Total depreciation and amortization expense	**3,301.42**	**3,881.40**

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Note 22 : Other Expenses

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Stores and Spares Consumed	909.68	851.01
Dyes and Chemicals Consumed	2,507.94	2,342.22
Contract Labour Charges	557.34	556.87
Job Work Expenses	967.11	603.61
Power, Fuel and Water Charges	5,000.99	4,740.02
Repairs and Maintenance:		
Plant and Machinery	237.00	174.70
Factory Building	29.08	46.28
Others	264.40	264.94
Freight, Forwarding and Coolie Charges	321.61	154.38
Directors' Sitting Fees	7.64	4.99
Rent (Refer Note 36)	8.93	13.96
Rates and Taxes	13.00	15.23
Printing and Stationery	7.12	15.16
Travelling and Conveyance	155.73	192.58
Legal and Professional Charges	317.77	327.53
Security Expenses	46.46	43.13
Insurance	292.37	285.04
Communication	24.49	14.45
Postage and Courier	6.19	9.22
Loss on Sale/ Discarding of Fixed Assets (Net)	12.19	-
Provision for Doubtful Debts	3.76	3.64
Provision for Doubtful Advances	3.58	-
Exchange Loss (Net)	91.82	-
Provision for impairment of investment in subsidiaries	15.41	269.30
Advances written off [Net of allowance for doubtful advance written back of ₹ 43.50 million (March 31, 2020 ₹ Nil)]	6.23	61.51
Net loss on financial assets measured at fair value through profit or loss	-	39.27
Design and Development Expenses	48.13	29.43
Advertising and Sales Promotion	31.53	35.34
Donations	6.52	1.62
Corporate Social Responsibility Expenses [Refer Note 22 (b) below]	81.66	68.43
Payments to auditors [Refer Note 22 (a) below]	8.85	8.16
Miscellaneous	108.68	92.34
Total Other Expenses	**12,093.21**	**11,264.36**

22 (a) - Details of Payments to auditors

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Payments to auditors		
As auditor:		
Audit fee	6.60	6.60
Tax audit fee	0.60	0.60
Certification fee	1.45	0.65
Re-imbursement of expenses	0.20	0.31
Total payments to auditors	**8.85**	**8.16**

Notes

To the Financial Statements for the year ended March 31, 2021

22 (b): Details of CSR expenditure

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
(i) Gross amount required to be spent by the Company during the year	81.66	67.12
(ii) Amount spent during the year		
(a) Construction/acquisition of any asset	-	-
(b) on purposes other than (a) above	81.66	68.43

Note 23 : Finance costs

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Interest and finance charges on financial liabilities not at fair value through profit or loss	433.07	246.25
(net of interest subsidy of ₹ 489.29 million, Previous Year : ₹ 985.20 million)		
- Short term borrowings	414.47	490.74
- Interest to Others	14.52	15.66
- Interest on lease liabilities	18.53	19.11
Discounting and Bank Charges	133.61	176.42
	1,014.20	**948.18**

Note 24 : Exceptional Items-(Income)

The Company received final approval from trial court dated October 28, 2019 for its settlement agreement which was intended to resolve all pending legal claims in the United States concerning past marketing and labeling of the Company's premium cotton home textile products. Accordingly, the management based on expert advice had reversed the unutilized provision aggregating ₹ 431.60 million during the previous year.

Note 25 : Income tax expense

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

a) Statement of Profit and Loss

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Income tax expense		
Current Tax		
Current Tax on profits for the year.	1,638.51	1,244.29
Adjustment for current tax of prior periods	(173.33)	-
Total current tax expense	**1,465.18**	**1,244.29**
Deferred Tax		
Relating to originating and reversal of temporary differences	608.80	132.50
Total deferred tax expense	**608.80**	**132.50**
Income tax expense	**2,073.98**	**1,376.79**

b) Other Comprehensive Income (OCI)

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Net (gain) on remeasurement of defined benefit plans	(13.74)	(3.04)

c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Profit for the year before income tax expense	7,340.68	6,125.71
Tax at the Indian tax rate @ 34.94%	2,564.83	2,140.32
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Impact on account of change in tax rate	-	(984.37)
Corporate social responsibility expenditure	14.54	11.96
Deduction under section 80 IA	(189.61)	(89.36)
Adjustment of tax related to earlier years	(173.33)	193.50
Research and Development Expenditure	-	(22.93)
Adjustment on account of fair value/ Impairment of investment	(81.17)	80.15
Other Items	(61.28)	47.52
Income tax expense	**2,073.98**	**1,376.79**

Note 26 : Fair value measurements

Financial instruments by category

	March 31, 2021 (₹ million)			March 31, 2020 (₹ million)		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	-	13.16	-	-	4.59	-
- Preference shares	574.23	-	943.66	1,241.32	-	992.19
- Bonds and debentures	29.20	-	-	36.20	-	-
- Mutual funds	-	-	-	2,182.06	-	-
- Others	0.32	-	-	0.32	-	-
Trade receivables	-	-	7,488.10	-	-	7,542.50
Loans	-	-	6.40	-	-	98.50
Cash and cash equivalents	-	-	1,768.82	-	-	612.40
Bank balance other than Cash and cash equivalents	-	-	466.07	-	-	184.31
Mark-to-Market gain (Net) on Forward/ Swap Contracts	-	-	-	150.52	-	-
Security deposits	-	-	236.57	-	-	184.33
Fixed deposit with bank	-	-	3.64	-	-	47.41
Interest accrued on fixed deposit, bonds and certificates	-	-	2.37	-	-	35.00
Government Grant & TUF	-	-	2,509.07	-	-	3,041.49
Interest Receivable under Subvention Scheme	-	-	12.68			5.32
Others financial assets	-	-	120.98	-	-	118.90
Total financial assets	**603.75**	**13.16**	**13,558.36**	**3,610.42**	**4.59**	**12,862.35**
Financial liabilities						
Borrowings and interest accrued thereon	-	-	13,968.37	-	-	22,691.78
Trade payables	-	-	6,374.84	-	-	5,825.40
Security Deposits	-	-	131.91	-	-	170.49
Creditors for Capital Purchases	-	-	108.57	-	-	144.67
Other financial liabilities	-	-	171.53	-	-	224.79
Total financial liabilities	**-**	**-**	**20,755.22**	**-**	**-**	**29,057.13**

Notes

To the Financial Statements for the year ended March 31, 2021

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

	March 31, 2021 (₹ million)		March 31, 2020 (₹ million)	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Investments				
- Preference Shares	943.66	941.72	992.19	952.26
Loans	6.40	6.40	98.50	98.50
Security deposits	236.57	236.57	184.33	184.33
Fixed deposits with Banks with maturity period more than twelve months	3.64	3.64	47.41	47.41
Interest Accrued on Deposits	2.37	2.37	35.00	35.00
Government Grant, TUF & Incentive	2,521.75	2,521.75	3,046.81	3,046.81
Others	9,843.97	9,843.97	8,458.11	8,458.11
Total	**13,558.36**	**13,556.42**	**12,862.35**	**12,822.42**
Financial liabilities				
Borrowings	13,968.37	13,968.37	22,691.78	22,691.78
Security deposits more than 12 months	0.02	0.02	0.04	0.04
Others	6,786.83	6,786.83	6,365.31	6,365.31
Total	**20,755.22**	**20,755.22**	**29,057.13**	**29,057.13**

The carrying amount of trade receivable, current loans, current portion of interest accrued on fixed deposit, bonds and certificates, cash and cash equivalents, bank balances other than cash and cash equivalents, trade payable, capital creditors, current security deposits (liability) and other current financial liabilities are considered to be approximately same as their fair value, due to their short-term nature and have been classified as level 3 in the fair value hierarchy. Similarly, carrying values of government grants, TUF and incentive and interest subvention due to it sovereign nature and expected collection term are considered to approximate their fair value and have been classified as level 3 in the fair value hierarchy.

The fair value for loans, security deposits, advance recoverable in cash, fixed deposit with bank, interest accrued on fixed deposit and investments in preference shares is calculated based on cash flows discounted using a current lending rates. Further, security deposits, advance recoverable in cash and investments in preference share 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 value for long term security deposits 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.

The carrying amount of long term borrowings is approximately equal to it's fair value since the borrowings are at floating rate of interest. Also, the carrying amount of short term borrowing is considered to be approximately same as it's fair value due to it's short term nature.

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

(ii) Fair value hierarchy

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

(₹ million)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
At March 31, 2021					
Financial assets:					
Financial Investments at FVPL					
Preference Shares	6 (a)	-	-	574.23	574.23
Investment-Others	6 (a)	-	-	0.32	0.32
Bonds and Government Securities	6 (a)	-	-	29.20	29.20
Financial Investments at FVOCI					
Listed Equity Investment	6 (a)	13.16	-	-	13.16
Total financial assets		**13.16**	**-**	**603.75**	**616.91**

(₹ million)

Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed	Notes	Level 1	Level 2	Level 3	Total
At March 31, 2021					
Financial assets					
Investments					
Preference shares	6 (a)	-	-	941.72	941.72
Loans	6 (b)	-	-	6.40	6.40
Security deposits for more than 12 months	6 (c)	-	-	236.57	236.57
Fixed deposits with Banks with maturity period more than twelve months	6 (c)	-	-	3.64	3.64
Interest Accrued on Deposits	6 (c)	-	-	2.37	2.37
Government Grant, TUF & Incentive	6 (c)	-	-	2,521.75	2,521.75
Others		-	-	9,843.97	9,843.97
Total financial assets		**-**	**-**	**13,556.42**	**13,556.42**
Financial Liabilities					
Borrowings	11 (a)	-	-	13,968.37	13,968.37
Security deposits for more than 12 months	11 (b)	-	-	0.02	0.02
Others		-	-	6,786.83	6,786.83
Total financial liabilities		**-**	**-**	**20,755.22**	**20,755.22**

(₹ million)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
At March 31, 2020					
Financial assets					
Financial Investments at FVPL					
Preference Shares	6 (a)	-	-	1,241.32	1,241.32
Investment-Others	6 (a)	-	-	0.32	0.32
Bonds and Government Securities	6 (a)	-	-	36.20	36.20
Mutual funds	6 (a)	-	2,182.06	-	2,182.06
Derivatives not designated as hedges					
Foreign exchange forward cover at FVPL	6 (c)	-	150.52	-	150.52
Financial Investments at FVOCI					
Listed Equity Investment	6 (a)	4.59	-	-	4.59
Total financial assets		**4.59**	**2,332.58**	**1,277.84**	**3,615.01**

Notes

To the Financial Statements for the year ended March 31, 2021

(₹ million)

Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed	Notes	Level 1	Level 2	Level 3	Total
At March 31, 2020					
Financial assets					
Financial Investments at FVPL					
Preference shares	6 (a)	-	-	952.26	952.26
Loans	6 (b)	-	-	98.50	98.50
Security deposits for more than 12 months	6 (c)	-	-	184.33	184.33
Fixed deposits with Banks with maturity period more than twelve months	6 (c)	-	-	47.41	47.41
Interest Accrued on Deposits	6 (c)	-	-	35.00	35.00
Government Grant, TUF & Incentive		-	-	3,046.81	3,046.81
Others		-	-	8,458.11	8,458.11
Total financial assets		**-**	**-**	**12,822.42**	**12,822.42**
Financial Liabilities					
Borrowings	11 (a)	-	-	22,691.78	22,691.78
Security deposits for more than 12 months	11 (b)	-	-	0.04	0.04
Others				6,365.31	6,365.31
Total financial liabilities		**-**	**-**	**29,057.13**	**29,057.13**

The above mentioned grouping into Level 1 to Level 3, is described below.

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (such as traded bonds, debentures, government securities and commercial papers) is determined using Fixed Income Money Market and Derivatives Association of India (FIMMDA) inputs and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The mutual funds are valued using the closing Net Assets Value (NAV). NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted preference shares and security deposits included in level 3.

There are no internal transfers of financial assets and financial liabilities between Level 1, Level 2 and Level 3 during the period. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy level as at the end of reporting period.

iii) Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- NAV quoted by mutual funds
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(iv) Fair value measurements using significant unobservable inputs (level 3) for FVPL instruments

The following table presents the changes in level 3 items for the periods ended March 31, 2021 and March 31, 2020:

	Preference shares (₹ million)
As at April 1, 2019	1,278.82
Acquisitions	-
Gains/losses recognised in profit or loss	(37.50)
As at March 31, 2020	1,241.32
Redemptions	-892.83
Gains/losses recognised in profit or loss	225.74
As at March 31, 2021	**574.23**

(v) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (iii) above for the valuation techniques adopted

Particulars	Fair Value (₹ million)		Significant unobservable inputs	Probability-weighted range		Sensitivity
	March 31, 2021	March 31, 2020		March 31, 2021	March 31, 2020	
Preference Shares	574.23	1,241.32	Discount Rate	8% to 10%	9% to 10%	March 31, 2021 : Increase in discount factor by 50 basis points (bps) would decrease fair value by ₹ 21.42 million and decrease in discount rate by 50 bps would increase fair value by ₹ 22.44 million. March 31, 2020 : Increase in discount factor by 50 basis points (bps) would decrease fair value by ₹ 46.42 million and decrease in discount rate by 50 bps would increase fair value by ₹ 48.76 million.

vi) Valuation processes:

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO).

Discussions of valuation processes and results are held between the CFO, and the valuation team at least once every three months, in line with the Company's quarterly reporting periods.

The main level 3 inputs for preference shares used by the Company are derived and evaluated as follows:

- Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk grading determined by the Company's internal credit risk management team.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the quarterly valuation discussion between the CFO and the valuation team. As part of this discussion the team presents a report that explains the reason for the fair value movements.

Notes

To the Financial Statements for the year ended March 31, 2021

Note 27 : Financial Risk Management

The Company's activities are exposed to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Ageing analysis	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 – foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian Rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward Foreign Exchange Contracts
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk – security prices	Investments in Bonds	Sensitivity analysis	Portfolio diversification

The Company's risk management is carried out by a central treasury department under policies approved by the Board of Directors. Company's treasury team identifies, evaluates and hedges financial risks in close cooperation with the Company's respective department heads. 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 is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with bank and financial institution, foreign exchange transactions and other financial instruments.

The Company determines default by considering the business environment in which the Company operates and other macro-economic factors. This definition of default is determined by considering the business environment in which the Company operates and other macro-economic factors. The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business;

ii) Actual or expected significant changes in the operating results of the counterparty;

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;

iv) Significant increase in credit risk on other financial instruments of the same counterparty;

v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the company.

Trade Receivable

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables.

Concentrations of credit risk with respect to trade receivables are limited, due to major customers being subsidiaries of the Company which in turn have a large and diverse customer base. The following table gives details in respect of percentage of revenue generated (sale of products, sale of scrap and job work and processing charges) from the top ten customers.

	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from top 10 Customers	97.82%	**97.88%**

Expected credit loss for trade receivables as at March 31, 2021 is ₹ 13.32 million (March 31, 2020: ₹ 9.56 million)

During the year and previous years, the Company made no write-offs of trade receivables.

As at March 31, 2021

(₹ million)

Ageing of Trade receivables Gross Carrying Amount	Less than 3 Months	3 months to 6 months	Above 6 months	Total
Trade Receivables	7,323.09	52.00	126.32	7,501.42
Expected loss rate	-	-	10.55%	0.18%
Allowance for doubtful debts	-	-	13.32	13.32
Carrying amount of trade receivables (net of impairment)	**7,323.09**	**52.00**	**113.00**	**7,488.10**

As at March 31, 2020

(₹ million)

Ageing of Trade receivables Gross Carrying Amount	Less than 3 Months	3 months to 6 months	Above 6 months	Total
Trade Receivables	7,444.08	48.12	59.86	7,552.06
Expected loss rate	-	-	15.97%	0.13%
Allowance for doubtful debts	-	-	9.56	9.56
Carrying amount of trade receivables (net of impairment)	**7,444.08**	**48.12**	**50.31**	**7,542.50**

Reconciliation of loss allowance provision - Trade receivables

	Amount
Allowance for doubtful debts on April 01, 2019	**5.92**
Expected Credit loss recognised	3.64
Written off during the year	-
Allowance for doubtful debts on March 31, 2020	**9.56**
Expected Credit loss recognised	3.76
Written off during the year	-
Allowance for doubtful debts on March 31, 2021	**13.32**

Notes

To the Financial Statements for the year ended March 31, 2021

The Company does not expect to receive future cash flows or recoveries from collection of cash flows previously written off.

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, Derivative financial instruments, investments in government securities and bonds, and investments in mutual funds. The Company has diversified portfolio of investment with various number of counter-parties which have good credit ratings, good reputation, good past track records and reviews and hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company.

(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, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	March 31, 2021 (₹ million)		March 31, 2020 (₹ million)	
	Fund Based	Non Fund Based	Fund Based	Non Fund Based
Floating rate				
Expiring within one year (packing credit, bank overdraft and other facilities)	6,717.55	661.60	4,024.58	1,533.31
	6,717.55	**661.60**	**4,024.58**	**1,533.31**

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

(ii) Maturities of Financial liabiliities

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.

As at March 31, 2021

(₹ million)

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
Non-derivatives							
Borrowings	6,899.21	4,167.32	628.91	1,299.69	1,562.07	-	14,557.20
Trade payables	6,374.84	-	-	-	-	-	6,374.84
Other financial liabilities	266.51	-	-	0.02	-	-	266.53
Financial Guarantee Obligation	-	-	-	-	-	-	-
Lease Liabilities	18.43	16.89	31.30	40.75	66.28	7.06	180.71
Total non-derivative liabilities	**13,558.99**	**4,184.21**	**660.21**	**1,340.46**	**1,628.35**	**7.06**	**21,379.28**

As at March 31, 2021

(₹ million)

Derivative Financial Instruments (based on contracted rates)	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
Forward contracts USD-INR	-	105.44	-	-	-	-	105.44
Total	**-**	**105.44**	**-**	**-**	**-**	**-**	**105.44**

As at March 31, 2020

(₹ million)

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
Non-derivatives							
Borrowings	8,152.39	6,358.34	1,425.97	3,340.84	5,393.86	-	24,671.40
Trade payables	5,825.41	-	-	-	-	-	5,825.41
Other financial liabilities	357.21	-	-	0.04	-	-	357.25
Financial Guarantee Obligation	9,219.91	-	-	-	-	-	9,219.91
Lease Liabilities	17.00	15.00	29.00	51.00	54.00	41.00	207.00
Total non-derivative liabilities	**23,571.92**	**6,373.34**	**1,454.97**	**3,391.88**	**5,447.86**	**41.00**	**40,280.97**

As at March 31, 2020

(₹ million)

Derivative Financial Instruments (based on contracted rates)	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
Forward contracts USD-INR	1,336.03	2,958.65	-	-	-	-	4,294.68
Forward contracts EUR-INR	27.40	-	-	-	-	-	27.40
Forward contracts CHF-INR	-	96.61	-	-	-	-	96.61
Total	**1,363.43**	**3,055.26**	**-**	**-**	**-**	**-**	**4,418.68**

(C) Market risk

(i) Foreign currency risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments, highly probable forecast transactions and foreign currency required at the settlement date of certain receivables/payables. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's risk management policy and procedures.

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To the Financial Statements for the year ended March 31, 2021

(a) Foreign currency risk exposure
The Company's exposure to foreign currency risk at the end of the reporting period in India Rupees are as follows:

	March 31, 2021 (₹ million)			March 31, 2020 (₹ million)		
Foreign Currency	**USD**	**EUR**	**Others***	**USD**	**EUR**	**Others***
Financial Assets						
Trade Receivable	67.67	1.13	-	-	-	
Other Receivables	7.18	12.72	0.02	-	-	19.41
Net exposure to foreign currency risk (assets)	**74.85**	**13.85**	**0.02**	**-**	**-**	**19.41**
Financial liabilities						
Borrowing	-	-	-	2,042.96	-	-
Trade payables and provisions	808.18	72.46	-0.15	820.39	68.46	14.75
Other Payable	1.18	-	-	-	-	
Other financial liabilities	-	-	-	-	-	-
Foreign exchange forward contracts	-103.46	-	-	(2,638.93)	(28.80)	-
Net exposure to foreign currency risk (liabilities)	**705.90**	**72.46**	**(0.15)**	**224.41**	**39.66**	**14.75**
Net open exposures (assets-liabilities) - assets /(liabilities)	**(631.05)**	**(58.61)**	**0.17**	**(224.41)**	**(39.66)**	**4.66**

* Others consists of JPY, CHF, AED, HKD & GBP

Amount of financial hedge, as mentioned above do not include outstanding forward contracts of ₹NIL (March 31, 2020: ₹1,846.97 millions) that are towards firm commitment / highly probable forecast transactions to purchase where corresponding exposure is yet to be recorded in the books.

(b) Foreign currency sensitivity
The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and foreign forward exchange contracts.

	Impact on profit before tax	
	March 31, 2021 (₹ million)	**March 31, 2020 (₹ million)**
USD sensitivity		
USD - INR - Increase by 5 % (March 31, 2020 - 5%)*	(31.55)	(11.22)
USD - INR - Decrease by 5 % (March 31, 2020 - 5%)*	31.55	11.22
EURO sensitivity		
EURO - INR - Increase by 4 % (March 31, 2020 - 4%)*	(2.34)	(1.59)
EURO - INR - Decrease by 4 % (March 31, 2020 - 4%)*	2.34	1.59
(EURO sensitivity also calculated for EURO/USD forward contracts outstanding as on March 31, 2021)		

* Holding all other variables constant

(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:

Particulars	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Fixed rate borrowings	10,344.05	12,362.72
Floating rate borrowings	3,599.96	10,235.70
Total borrowings	**13,944.01**	**22,598.42**

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

	March 31, 2021			March 31, 2020		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Borrowings-Term Loan	**7.81%**	**3,599.96**	**26%**	**9.16%**	**10,235.70**	**45%**

(b) **Sensitivity**

Profit or (loss) is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit before tax	
	March 31, 2021 (₹ million)	March 31, 2020 (₹ million)
Increase by 25 basis points (March 31, 2020 - 25 basis points)*	(9.00)	(25.59)
Decrease by 25 basis points (March 31, 2020 - 25 basis points)*	9.00	25.59

* Holding all other variables constant including change in interest subsidy

(iii) Price risk

(a) **Exposure**

The Company is mainly exposed to the price risk due to its investment in mutual funds and bonds. The price risk arises due to uncertainties about the future market values of these investments. In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies.

(b) **Sensitivity**

The table below summarises the impact of increases/decreases of 0.75% increase in price of Mutual Fund / Bond.

	Impact on profit before tax	
	March 31, 2021	March 31, 2020
Increase in price 0.75% (March 31, 2020- 0.75%)	0.22	16.64
Decrease in price 0.75% (March 31, 2020 - 0.75%)	(0.22)	(16.64)

* Holding all other variables constant

Notes

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Note 28 : 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 and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

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

The funding requirements are met through a mixture of equity, internal fund generation and other long term borrowings. The Company's policy is to use short-term and long-term borrowings to meet anticipated funding requirements.

The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements.

Net debt are long term and short term debts as reduced by cash and cash equivalents. Equity comprises of all components including other equity.

For Impact of COVID-19 on capital management, refer Note 29.

The Company's strategy is to maintain a gearing ratio within 2:1. The gearing ratios were as follows:

The following table summarizes the capital of the Company:

Particulars	March 31, 2021	March 31, 2020
Non-current borrowings	2,608.48	7,666.77
Current maturities of long term debt	991.48	2,568.94
Current borrowings	10,344.05	12,362.72
Less: cash and cash equivalent	1,768.82	612.40
Net debt	12,175.19	21,986.03
Total equity	33,386.37	28,070.28
Gearing ratio	0.36	0.78

In order to achieve this overall objective, the Companies capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants, in certain cases, may permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020.

(b) Dividend

	March 31, 2021	March 31, 2020
Equity Share		
Final dividend for the year ended March 31, 2020 of ₹ Nil (March 31, 2019 of ₹ 0.30) per fully paid share (Dividend distribution tax for the year ended March 31, 2020 : ₹ Nil, March 31, 2019 : ₹ 61.97 million)	-	301.42
Interim dividend for the year ended March 31, 2021 of ₹ Nil (March 31, 2020 of ₹ 1) per fully paid share. (Dividend distribution tax for the year ended March 31, 2021 : ₹ Nil, March 31, 2020 : ₹ 206.56 million)	-	1,004.73
Dividend not recognised at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 0.15 per fully paid equity share (March 31, 2020 of ₹ Nil). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	-	-

Note 29 : Estimation uncertainty relating to the global health pandemic on COVID-19

'The Company has adopted measures to curb the spread of infection of COVID-19 in order to protect the health of its employees and ensure business continuity with minimal disruption including remote working, maintaining social distancing, sanitization of work spaces etc. The Company's operations, revenue and consequently profit during the year ended March 31, 2021 were impacted due to COVID-19. The Company has considered the possible effects that may result from outbreak of COVID-19 in the preparation of this financial including the recoverability of carrying amounts of financial and non-financial assets and liquidity assessment based on future cash flow projections. In building the assumptions relating to the possible uncertainties in the global economic conditions as at the date of approval of these financial, 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.

Note 30 : Related Party Disclosures

(i) Relationships

(a) Enterprises where control exists	
Parent	Prasert Multiventure Private Limited (till May 20, 2019)
	Welspun Group Master Trust (WGMT) (with effect from May 21, 2019)
Subsidiary companies	Besa Developers and Infrastructure Private Limited (BESA)
	Welspun Global Brands Limited (WGBL)
	Welspun Holdings Private Limited, Cyprus (WHPL)
	Welspun Home Textiles UK Limited (WHTUKL) (Held through WHPL)
	Welspun UK Limited (WUKL) (Held through CHTL)
	CHT Holdings Limited (CHTHL) (Held through WHTUKL)
	Welspun USA Inc., USA (WUSA)
	Welspun Captive Power Generation Limited (WCPGL)
	Anjar Integrated Textile Park Developers Private Limited (AITPDPL)
	Welspun Anjar SEZ Limited (WASEZ)
	Welspun Mauritius Enterprises Limited (WMEL)
	Novelty Home Textiles SA de CV (NHTSC) (Held through WMEL)
	Christy Home Textiles Limited (CHTL) (Held through CHTHL)
	Christy 2004 Limited (CHT 2004) (Held through WUKL)
	Christy Welspun GmbH (CWG) (Held through WUKL)
	Christy UK Limited (CUKL) (Held through CHTL)
	ER Kingsley (Textiles) Limited (ERK) (Held through CHTL)
	Christy Lifestyle LLC, USA (CLL) (Held through WUKL)
	Welspun Flooring Limited (WFL)
	Welspun Zucchi Textiles Limited (WZTL)
	Welspun Nexgen Inc., USA (WNI)
	Welspun Innovative Products Limited (WIPL) [Formerly known as Welspun Advanced Material Limited (WAML)]
	Tilt Innovation Inc., USA (TII) (Held through WUSA)
	TMG (Americas) LLC, USA (held through WUSA)
	Pure Sense Organics Myanmar Limited (PSOM) (with effect from July 22, 2019)
	Welspun Advanced Materials (India) Limited (WAMIL) (with effect from December 3, 2019)
Associate Company	Welassure Private Limited (with effect from September 17, 2020)

Notes

To the Financial Statements for the year ended March 31, 2021

	Name	Nature of relationship
(b) Key Management Personnel		
	Balkrishan Goenka	Director & Chairman
	Rajesh Mandawewala	Managing Director
	Dipali Goenka	CEO & Joint Managing Director
	Arun Todarwal	Independent Director
	Arvind Singhal	Independent Director
	Pradeep Poddar	Independent Director
	Anisha Motwani	Independent Director
	Shalil Awale	Nomine Director (till May 28, 2020)
	Altaf Jiwani	Chief Financial Officer (till July 01, 2020)
	Sanjeev Sancheti	Chief Financial Officer (w.e.f. July 02, 2020)
	Shashikant Thorat	Company Secretary
(c) Relatives of Key Management Personnel	Radhika Goenka	
(d) List of entities over which key management personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year	For listing of parties, refer disclosure in Note 30(ii)	

(i) Terms and conditions:

- All transactions were made on normal commercial terms and conditions and at market rates.
- **All outstanding balances are unsecured and repayable in cash.**

30 (ii) Following are the transactions with related parties mentioned in (i) above and the year-end balances

Particulars	Parent	Subsidiary companies															Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year					₹Million
	WGMT	BESA	WGBL	WUKL	CHTHL	WUSA	WHPL	WCPGL	AITPDPL	WASEZ	WFL	WNI	WIPL (formerly WAML)	PSOML	WAMIL	WZTL	Welspun Corp Limited	Welspun Steel Limited	AYM Syntex Limited	Welspun Realty Private Limited	Wel-treat Enviro Management Organisation Limited	Balance Carried Forward
Transactions during the year																						
Loans, Advances and Deposits given	-	-	-	-	-	-	-	-	-	-	1,439.96	-	-	-	195.00	-	-	-	-	-	-	1,634.96
	-	-	-	-	-	-	-	-	-	-	(120.80)	-	-	-	-	-	-	-	-	(31.50)	-	(152.30)
Repayment of Loans, Advances and Deposits given	-	-	-	-	-	-	-	-	-	-	1,534.96	-	-	-	195.00	-	-	-	-	8.62	-	1,738.58
	-	-	-	-	-	-	-	-	-	-	(25.80)	-	-	-	-	-	-	-	-	(10.18)	-	(35.98)
Loan Advance & Deposits Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	(310.00)	-	(505.00)	-	-	-	-	-	-	-	-	-	-	-	(815.00)
Repayment Loans, Advances and Deposits received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	(310.00)	-	(505.00)	-	-	-	-	-	-	-	-	-	-	-	(815.00)
Advances Written off	-	-	-	-	-	-	-	-	-	-	-		-	-		-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-		-	-		-	-	-	-	-	(56.00)	(56.00)
Purchase of Goods/ MEIS Licenses *	-	-	1,119.98	-	-	-	-	3,280.08	-	-	-	-	-	-	-	-	2.55	427.90	491.82	-	-	5,322.33
	-	-	(111.32)	-	-	-	-	(2,774.79)	-	-	-	-	-	-	-	-	(10.79)	(481.63)	(1.12)	-	-	(3,379.65)
Purchase of Services/ Expenses incurred	-	-	228.70	-	-	-	-	-	-	0.65	-	-	-	-	-	2.78	11.08	1.42	-	17.22	-	261.85
	-	-	(1,062.45)	-	-	-	-	-	-	(0.69)	-	-	-	-	-	(28.18)	(17.23)	(8.71)	-	(20.36)	-	(1,137.62)
Sale of Goods/ DEPB Licenses *	-	-	59,306.67	-	-	78.63	-	135.87	-	-	32.21	-	-	-	-	-	33.02	19.04	#	-	-	59,605.44
	-	-	(52,892.52)	-	-	-	-	(111.74)	-	-	(24.47)	-	-	-	-	-	(44.97)	(22.14)	(0.02)	-	-	(53,095.86)
Sale of Services/ Expenses incurred	-	-	146.61	0.06	-	-	-	0.43	-	-	24.74	-	-	-	142.90	-	8.75	0.35	-	-	-	323.84
	(0.94)	-	(45.68)	-	-	-	-	(0.36)	-	-	(23.01)	-	-	-	-	-	(7.87)	(0.36)	(14.67)	-	-	(92.89)
Sale of Fixed Assets	-	-	24.81	-	-	-	-	0.57	-	-	18.85	-	-	-	4.40	-	-	-	-	-	-	48.63
	-	-	-	-	-	-	-	-	-	-	(0.04)	-	-	-	-	-	(43.40)	-	-	-	-	(43.44)
Purchase of Fixed Assets / Capital Goods	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	56.77	-	-	-	-	56.77
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.73)	-	-	-	-	(0.73)
Interest Income	-	-	-	-	-	-	-	-	-	-	15.94	-	-	-	0.90	-	-	-	-	-	-	16.84
	-	-	-	-	-	-	-	-	-	-	(0.42)	-	-	-	-	-	-	-	-	-	-	(0.42)
Interest Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	(0.06)	-	(11.48)	-	-	-	-	-	-	-	-	-	-	-	(11.54)
Remuneration and Commission+++	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Director Sitting Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Dividend Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(203.75)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(203.75)
Interim Equity Dividend Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(679.17)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(679.17)
Corporate Social Responsibility Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share Application Money Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	2.79	-	-	-	-	-	-	-	2.79
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment Made during the year***	-	-	-	-	-	-	-	-	-	-	1,247.06	-	-	5.39	730.00	-	-	-	-	-	-	1,982.45
	-	-	-	-	-	-	-	-	-	-	(862.20)	-	(2.50)	(7.23)	(0.10)	-	-	-	-	-	-	(872.03)

Notes
To the Financial Statements for the year ended March 31, 2021

Particulars	Parent	Subsidiary companies														Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year					₹Million
	WGMT	BESA	WGBL	WUKL	CHTHL	WUSA	WHPL	WCPGL	AITPDPL	WASEZ	WFL	WNI	WIPL (formerly WAML)	PSOML	WAMIL	WZTL	Welspun Corp Limited	Welspun Steel Limited	AYM Syntex Limited	Welspun Realty Private Limited	Wel-treat Enviro Management Organisation Limited	Balance Carried Forward
Provision for impairment of investments	-	-	-	-	-	-	-	-	-	-	-	-	-	15.41	-	-	-	-	-	-	-	15.41
	-	-	-	-	-	-	-	-	-	-	-	(269.30)	-	-	-	-	-	-	-	-	-	(269.30)
Redemption of preference investment during the year	-	-	134.65	-	-	-	-	758.19	-	-	-		-	-	-	-	-	-	-	-	-	892.84
	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-	-
Corporate Guarantee Given	-	-	1,285.00	-	-	-	-	-	-	-	4,460.00	-	-	-	2,519.00	-	-	-	-	-	-	8,264.00
	-	-	(1,265.00)	-	-	-	-	-	-	-	(500.00)	-	-	-	-	-	-	-	-	-	-	(1,765.00)
Commission on Corporate Guarantee Given @	-	-	-	-	6.57	-	-	-	-	-	32.51	-	-	-	0.14	-	-	-	-	-	-	39.22
	-	-	-	-	(8.97)	-	-	(1.14)	-	-	(24.28)	-	-	-	-	-	-	-	-	-	-	(34.39)
Closing Balance																						
Loans, Advances and Deposits received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10.00	2.40	-	-	-	-	12.40
	-	-	-	-	-	-	-	(0.07)	-	-	-	-	-	-	-	(10.00)	(2.40)	-	-	-	-	(12.47)
Loans, Advances and Deposits given (Including Interest Accrued on Loan)	-	15.56	50.56	0.42	6.81	-	-	-	0.50	-	62.31	-	-	-	0.30	0.84	0.02	-	-	56.16	19.00	212.48
	-	(15.56)	(63.66)	-	(19.41)	-	-	-	(0.50)	-	(119.66)	-	-	-	-	-	(0.02)	-	(13.42)	(60.15)	(19.00)	(311.38)
Provision for diminution in value of Loans/ Advances	-	15.56	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15.56
	-	(15.56)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(15.56)
Trade Receivables (Net of Bills Discounted with Banks)	-	-	6,553.62	-	-	68.99	-	-	-	-	119.57	-	-	-	4.50	-	58.60	-	-	-	-	6,805.28
	-	-	(7,227.93)	-	-	-	-	-	-	-	(43.68)	-	-	-	-	-	(20.74)	-	-	-	-	(7,292.35)
Trade and other payables	-	-	344.94	-	-	12.94	-	300.42	-	1.82	-	-	-	-	-	18.08	0.01	35.11	56.52	-	-	769.84
	-	-	-	(10.57)	-	(13.40)	-	(310.17)	-	(1.18)	-	-	-	-	-	(14.46)	(1.71)	(42.00)	(1.26)	-	-	(394.75)
Investments	-	0.10	3,232.33	-	-	182.51	111.52	801.66	0.10	2,999.81	5,996.41	269.30	2.60	12.62	730.10	92.13	-	-	13.14	-	-	14,444.33
	-	(0.10)	(3,279.80)	-	-	(182.51)	(111.52)	(1,535.26)	(0.10)	(2,934.34)	(3,214.38)	(269.30)	(2.60)	(7.23)	(0.10)	(92.13)	-	-	(4.59)	-	-	(11,633.96)
Provision for impairment of investments	-	-	-	-	-	-	81.79	-	-	-	-	269.30	-	12.62	-	-	-	-	-	-	-	363.71
	-	-	-	-	-	-	(81.79)	-	-	-	-	(269.30)	-	-	-	-	-	-	-	-	-	(351.09)
Corporate Guarantee Given	-	-	6,900.00	-	1,058.88	-	-	-	-	-	12,610.00	-	-	-	2,519.00	-	-	-	-	-	-	23,087.88
	-	-	(5,615.00)	-	(1,197.65)	-	-	-	-	-	(8,650.00)	-	-	-	-	-	-	-	-	-	-	(15,462.65)
Other Commitments	-	-	-	-	-	-	-	8,516.15	-	-	947.88	-	-	-	660.00	-	-	-	-	-	-	10,124.03
	-	-	-	-	-	-	-	(8,516.15)	-	-	(965.00)	-	-	(32.28)	(2.50)	-	-	-	-	-	-	(9,515.93)
Share Application Money Pending Allotment	-	-	-	-	-	-	-	-	-	-	-	-	-	2.79	-	-	-	-	-	-	-	2.79
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for impairment of share application money	-	-	-	-	-	-	-	-	-	-	-	-	-	2.79	-	-	-	-	-	-	-	2.79
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Previous year figures are given in brackets
* Amount is inclusive of taxes
** As the liabilities for defined benefit plans and compensated absences are provided on acturial basis for the Company as a whole the amount pertaining to KMP's are not included in the above table.
*** The Company has created a negative lien on 51% of total investments in WFL i.e. to the extent of carrying value of investment of ₹3,058.16 million (March 31, 2020: 1639.33 million)
*** The Company has created a negative lien on 51% of Equity share capital in WAMIL i.e. to the extent of carrying value of investment of ₹ 168.35 million (March 31, 2020: Nil)
@ Amount is exclusive of taxes
+++ Commission applicable to Balkrishan Goenka, Rajesh Mandawewala and Dipali Goenka
# Amount is below the rounding norms adopted by the Company

30 (ii) Following are the transactions with related parties mentioned in (i) above and the year-end balances

Particulars	₹Million	Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year							Key Management Personnel **										Relatives of Key Management Personnel	₹Million
	Balance Brought Forward	Welspun Tradewel Limited	Welspun Foundation for Health and Knowldege	Welspun Speciality Solutions Limited (Formerly RMG Alloy Steel Ltd)	Aryabhat Vyapar Private Limited	Welspun Multiventure LLP	Welspun Global Services Limited	Welassure Private Limited	Balkrishan Goenka	Rajesh Mandawewala	Dipali Goenka	Arun Todarwal	Arvind Singhal	Pradeep Poddar	Anisha Motwani	Altaf Jiwani	Sanjeev Sancheti	Shashikant Thorat	Radhika Goenka	TOTAL
Transactions during the year																				
Loans, Advances and Deposits given	1,634.96	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,634.96
	(152.30)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(152.30)
Repayment of Loans, Advances and Deposits given	1,738.58	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,738.58
	(35.98)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(35.98)
Loan Advance & Deposits Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(815.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(815.00)
Repayment Loans, Advances and Deposits received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(815.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(815.00)
Loans, Advances and Deposits Written off	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-
	(56.00)	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-	(56.00)
Purchase of Goods/ FPS Licenses	5,322.33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,322.33
	(3,379.65)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,379.65)
Purchase of Services/ Expenses incurred	261.85	-	-	-	-	-	-	163.26	-	-	-	-	-	-	-	-	-	-	-	425.11
	(1,137.62)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,137.62)
Sale of Goods/ DEPB Licenses *	59,605.44	-	1.67	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	59,607.11
	(53,095.86)	-	-	(0.55)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(53,096.41)
Sale of Services/ Expenses incurred	323.84	-	-	-	-	-	-	2.59	-	-	-	-	-	-	-	-	-	-	-	326.43
	(92.89)	-	-	(0.80)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(93.69)
Sale of Fixed Assets	48.63	-	19.77	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	68.40
	(43.44)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(43.44)
Purchase of Fixed Assets / Capital Goods	56.77	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	56.77
	(0.73)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.73)
Interest Income	16.84	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16.84
	(0.42)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.42)
Interest Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(11.54)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(11.54)
Remuneration and Commission+++	-	-	-	-	-	-	-	-	74.10	91.15	101.18	-	-	-	-	5.19	14.62	3.95	-	290.19
	-	-	-	-	-	-	-	-	(61.29)	(78.43)	(88.17)	-	-	-	-	(32.75)	-	(4.98)	-	(265.62)
Director Sitting Fees	-	-	-	-	-	-	-	-	-	-	-	2.68	1.26	2.23	1.37	-	-	-	-	7.54
	-	-	-	-	-	-	-	-	-	-	-	(2.20)	(0.45)	(1.64)	(0.50)	-	-	-	-	(4.79)
Equity Dividend Paid +	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(203.75)	(1.63)	-	-	-	-	-	-	(0.21)	(#)	(0.23)	-	-	-	-	-	-	-	(0.60)	(206.42)
Interim Equity Dividend Paid ++	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(679.17)	-	-	-	(5.42)	-	-	-	(0.68)	(#)	(0.75)	-	-	-	-	-	-	-	(2.01)	(688.03)
Corporate Social Responsibility Expenses	-	-	81.78	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	81.78
	-	-	(67.55)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(67.55)
Share Application Money Paid	2.79	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-	2.79
	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-
Investment Made during the year	1,982.45	-	-	-	-	-	0.02	2.94	-	-	-	-	-	-	-	-	-	-	-	1,985.41
	(872.03)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(872.03)

Notes

To the Financial Statements for the year ended March 31, 2021

Particulars	₹Million	Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year							Key Management Personnel **										Relatives of Key Management Personnel	₹Million
	Balance Brought Forward	Welspun Tradewel Limited	Welspun Foundation for Health and Knowldege	Welspun Speciality Solutions Limited (Formerly RMG Alloy Steel Ltd)	Aryabhat Vyapar Private Limited	Welspun Multiventure LLP	Welspun Global Services Limited	Welassure Private Limited	Balkrishan Goenka	Rajesh Mandawewala	Dipali Goenka	Arun Todarwal	Arvind Singhal	Pradeep Poddar	Anisha Motwani	Altaf Jiwani	Sanjeev Sancheti	Shashikant Thorat	Radhika Goenka	TOTAL
Provision for diminution in value in investment	15.41	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15.41
	(269.30)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(269.30)
Redemption of Preference Shares	892.84	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	892.84
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Guarantee Given	8,264.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,264.00
	(1,765.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,765.00)
Commission on Corporate Guarantee Given @	39.22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39.22
	(34.39)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(34.39)
Closing Balance																				
Loans, Advances and Deposits received	12.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12.40
	(12.47)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(12.47)
Loans, Advances and Deposits given (Including Interest Accrued on Loan)	212.48	-	-	-	-	0.70	-	#	-	-	-	-	-	-	-	-	-	-	-	213.18
	(311.38)	-	-	(0.80)	-	(0.70)	-	-	-	-	-	-	-	-	-	-	-	-	-	(312.88)
Provision for diminution in value of Loans/ Advances	15.56	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15.56
	(15.56)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(15.56)
Trade Receivables (Net of Bills Discounted with Banks)	6,805.28	-	0.04	0.01	-	-	-	0.05	-	-	-	-	-	-	-	-	-	-	-	6,805.38
	(7,292.35)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,292.35)
Trade and other payables	769.84	-	-	-	-	-	-	12.53	68.54	74.10	74.10	0.04	0.04	0.04	0.04	-	-	-	-	999.27
	(394.75)	-	-	(0.02)	-	-	-	-	(61.29)	(61.29)	(61.29)	-	-	-	-	-	-	-	-	(578.64)
Investments	14,444.33	-	-	-	-	-	0.02	2.94	-	-	-	-	-	-	-	-	-	-	-	14,447.29
	(11,633.96)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(11,633.96)
Provision for impairment of investments	363.71	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	363.71
	(351.09)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(351.09)
Corporate Guarantee Given	23,087.88	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23,087.88
	(15,462.65)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(15,462.65)
Other Commitments	10,124.03	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,124.03
	(9,515.93)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(9,515.93)
Share Application Money Pending Allotment	2.79	-	-	-	-	-			-	-	-	-	-	-	-	-		-	-	2.79
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2.79	-	-	-	-	-			-	-	-	-	-	-	-	-		-	-	2.79
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Previous year figures are given in brackets
* Amount is inclusive of taxes
** As the liabilities for defined benefit plans and compensated absences are provided on acturial basis for the Company as a whole the amount pertaining to KMP's are not included in the above table.
*** The Company has created a negative lien on 51% of total investments in WFL i.e. to the extent of carrying value of investment of ₹3,058.16 million (March 31, 2020: 1639.33 million)
*** The Company has created a negative lien on 51% of Equity share capital in WAMIL i.e. to the extent of carrying value of investment of ₹ 168.35 million (March 31, 2020: Nil)
@ Amount is exclusive of taxes
+++ Commission applicable to Balkrishan Goenka, Rajesh Mandawewala and Dipali Goenka
\# Amount is below the rounding norms adopted by the Company

Note 31 : Contingent Liabilities

(a) Description on matters considered as contingent liabilities:

Description	As at March 31, 2021 (₹ million)	As at March 31, 2020 (₹ million)
Excise, Customs and Service Tax Matters	58.23	23.39
Income Tax Matters	200.40	74.06
Stamp Duty Matter	4.46	4.46
Sales Tax	16.95	16.95
Claims against Company not acknowledged as debts	-	2.74
Corporate Guarantees (Refer Note 33)	11,656.17	9,219.91

(i) It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

(ii) The Company does not expect any reimbursements in respect of the above contingent liabilities.

(b) There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order. The Company will update its provision, on receiving further clarity on the subject.

Note 32 : Capital and Other Commitments

(a) Capital Commitments

Description	As at March 31, 2021 (₹ million)	As at March 31, 2020 (₹ million)
Estimated value of Contracts in Capital Account remaining to be executed (Net of Capital Advances)	837.06	44.27

(b) Other Commitments

Description	As at March 31, 2021 (₹ million)	As at March 31, 2020 (₹ million)
Commitment for purchase of power and steam from Welspun Captive Power Generation Limited over the next three years.	8,516.15	8,516.15
Commitment for loan to or investment in Welspun Flooring Limited.	947.88	965.00
Commitment for loan to or investment in Welspun Advanced Materials (India) Limited.	660.00	2.50
Commitment for loan to or investment in Pure Sense Organics Myanmar Limited.	-	32.28

Note 33 : The Company has issued corporate guarantees aggregating ₹ 23,087.88 million as at the year end March 31, 2021 (March 31, 2020: ₹15,462.65 million) on behalf of Welspun Global Brands Limited (WGBL), CHT Holdings Limited (CHTHL), Welspun Flooring Limited (WFL) and Welspun Advanced Materials (India) Limited. Liability outstanding in the books of above-mentioned companies for which corporate guarantees have been issued aggregates ₹ 11,656.17 million as at March 31, 2021 (March 31, 2020: ₹ 9,219.91 million)

Note 34 : Earnings per Share

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Profit after Tax (A) (₹ million)	5,266.70	4,748.92
Weighted average number of equity shares outstanding during the year (B)	1,004,725,150	1,004,725,150
Number of Shares for Diluted Earnings Per Share (C)	1,004,725,150	1,004,725,150
Basic earnings per share (A)/(B)	5.24	4.73
Diluted earnings per share (A)/(C)	5.24	4.73
Nominal value of an equity share (₹)	1.00	1.00

Notes

To the Financial Statements for the year ended March 31, 2021

Note 35 : Buy-back of equity shares

The Board of Directors in its meeting held on May 14, 2021, has approved the buy-back of fully paid -up equity shares of face value of ₹ 1/- each of the Company, at a price ₹120 per equity share (maximum buy-back price) and for an amount of ₹ 20,000 Lacs (maximum buy-back size) by way of tender offer in accordance with the provisions contained in the SEBI (Buy-back of Securities) Regulations, 2018 and the Companies Act, 2013 and rules made thereunder.

Note 36 : Leases

Company as lessee

The Company has lease contracts for various items of property, plant and machinery, vehicles and other equipment used in its operations. Leases of plant and machinery generally have lease term of 13 years, while motor vehicles and other equipment generally have lease terms between 3 and 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets and some contracts require the Company to maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Company also has certain leases with lease terms of 12 months or less and leases with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

(₹ million)

Particulars	Right to use assets			
	Commercial Property	Plant and Machinery	Other Equipments	Total
As at April 1, 2019	**90.94**	**62.71**	**46.45**	**200.10**
Additions	12.79	-	15.10	27.89
Lease modifications / adjustments	(1.11)	(20.26)	-	(21.37)
Depreciation expense	(43.00)	(3.40)	(16.00)	(62.40)
As at March 31, 2020	**59.62**	**39.05**	**45.55**	**144.22**
Additions	86.22	-	-	86.22
Deletions	-	(39.05)	-	(39.05)
Depreciation expense	(41.10)	-	(17.78)	(58.88)
As at March 31, 2021	**104.74**	**-**	**27.77**	**132.51**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

(₹ million)

	Total
Lease liabilities	
As at April 1, 2019	**200.10**
Additions	27.89
Lease modifications/ adjustments	(21.37)
Accretion of interest	19.11
Payments	(76.75)
As at March 31, 2020	**148.98**
Additions	86.22
Deletions	(40.59)
Accretion of interest	18.53
Payments	(67.66)
As at March 31, 2021	**145.48**
Current lease liabilities	52.29
Non-Current lease liabilities	93.19

The maturity analysis of lease liabilities are disclosed in Note 27.

The effective interest rate for lease liabilities is 10% (Previous Year : 10%)

The following are the amounts recognised in statement of profit and loss:

Particulars	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Depreciation expense of right-of-use assets	58.88	62.40
Interest expense on lease liabilities	18.53	19.11
Expense relating to short-term leases and low value assets (included in other expenses)	17.72	21.46
Total amount recognised in profit or loss	**95.13**	**102.97**

The Company had total cash outflows for leases of ₹ 85.38 million in March 31, 2021 (₹ 98.20 million in March 31, 2020). There are no non-cash additions to right-of-use assets and lease liabilities. There are no future cash outflows relating to leases that have not yet commenced.

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Note 37 : Disclosure pursuant to the Regulation 34(3) read with Para A of Schedule V of SEBI listing Regulations, 2015.

		Balance as at March 31, 2021 (₹ million)	Maximum amount outstanding during the year ended March 31, 2021 (₹ million)	Balance as at March 31, 2020 (₹ million)	Maximum amount outstanding during the year ended March 31, 2020 (₹ million)
i	Loans and advances in the nature of loans to subsidiary (excluding interest accrued)				
	- Besa Developers and Infrastructure Private Limited	15.56*	-	15.56*	-
	- Welspun Flooring Limited	-	858.70	95.00	95.00
	- Welspun Advanced Materials (India) Limited	-	170.00	-	-
ii	Loans and advances in the nature of loans to associates	-	-	-	-
iii	Loans and advances in the nature of loans to firms/ companies in which directors are interested	-	-	-	-
iv	Investments by the Loanee in the shares of the Company as at March 31, 2021	-	-	-	-

* Provision for doubtful loans and advance of ₹ 15.56 million (March 31, 2020: ₹ 15.56 million) has been made.

Note 38 : Disclosure for Micro and Small Enterprises:

	Particulars	As at March 31, 2021 (₹ million)	As at March 31, 2020 (₹ million)
i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year		
	-Principal	326.22	82.00
	-Interest	0.34	0.22
ii)	The amount of interest paid by the buyer in terms of Section 16 along with the amount of the payment made to the supplier beyond the appointed day during the year		
	-Principal	548.79	199.68
	-Interest	-	-
iii)	The amount of interest due and payable for the period of delay in making payment (which has been paid beyond the appointed day during the year) but without adding the interest specified	-	2.30
iv)	The amount of interest accrued and remaining unpaid at the end of year	6.33	2.43

Notes

To the Financial Statements for the year ended March 31, 2021

The above information and that given in Note 11 (c) – "Trade Payable" regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 39 : Details of Research and Development expenses incurred during the year, debited under various heads of Statement of Profit and Loss are given below:

Particulars	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Material Consumption	106.06	143.37
Employee benefits expenses	60.00	78.81
Others	56.87	45.05
Total	**222.93**	**267.23**

Details of Capital Expenditure incurred during the year for Research and Development is given below:

Particulars	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Plant and Machinery	10.45	24.96
Total	**10.45**	**24.96**

Note 40 : As per Ind AS 108 - "Operating Segment", segment information has been provided under the Notes to Consolidated Financial Statements.

Note 41 : Expenditure in Foreign Currency (net, on accrual basis)

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Travelling and conveyance	1.38	16.03
Repairs and Maintenance	25.97	30.58
Legal and Professional Charges	100.93	59.73
Membership and Subscription	-	13.40
Advertisement and Sales Promotion	29.97	8.68
Others	3.99	13.59
Total	**162.24**	**142.01**

Note 42 : Details of Consumption and Purchases

(a) Details of Raw Materials and Packing Materials consumed

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Cotton Yarn	11,362.94	10,609.20
Cotton	7,420.72	8,194.34
Fabric	1,604.70	759.15
Others	577.71	435.78
Bed Linen Fabrics	3,710.38	3,271.81
Fiber	1,200.33	1,353.96
Packing Materials	2,363.45	2,615.11
Total	**28,240.23**	**27,239.35**

(b) Value of Imported and Indigenous Raw Materials, Packing Materials and Stores, Spare Parts Consumed and Percentage

1) Raw Materials and Packing Materials

	Year ended March 31, 2021		Year ended March 31, 2020	
	%	(₹ million)	%	(₹ million)
Imported	15.36%	4,337.54	13.34%	3,633.98
Indigenous	84.64%	23,902.69	86.66%	23,605.37
Total	**100.00%**	**28,240.23**	**100.00%**	**27,239.35**

2) Stores, Spares, Dyes and Chemicals

	Year ended March 31, 2021		Year ended March 31, 2020	
	%	(₹ million)	%	(₹ million)
Imported	9.04%	308.90	8.03%	256.56
Indigenous	90.96%	3,108.72	91.97%	2,936.67
Total	**100.00%**	**3,417.62**	**100.00%**	**3,193.23**

Note 43 : Dividend remitted in foreign exchange

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Number of non-resident shareholders	-	233
Number of shares on which dividend is remitted	-	339,550
Year to which dividend relates	-	2018-19 & 2019-20
Amount remitted (₹ million)	-	0.22

Note 44 : Earnings in foreign currency

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
	(₹ million)	(₹ million)
Revenue from Exports on FOB basis	75.36	-
Commission on Corporate Guarantee	6.57	8.97
Total	**81.93**	**8.97**

Note 45 : The figures for the previous year are re-arranged/ re-grouped, wherever necessary.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

per Vikas Kumar Pansari
Partner
Membership No. 093649

Place: Mumbai
Date: May 14, 2021

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN 00270175

Rajesh Mandawewala
Managing Director
DIN 00007179

Dipali Goenka
CEO and Jt. MD
DIN 00007199

Sanjeev Sancheti
Chief Financial Officer

Shashikant Thorat
Company Secretary

Place: Mumbai
Date: May 14, 2021

Independent Auditor's Report

To the Members of Welspun India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Welspun India Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate comprising of the consolidated Balance sheet as at March 31 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2021, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	**How our audit addressed the key audit matter**
Measurement of government grant (as described in note 2.7 of the consolidated financial statements)	
The consolidated financial statements include claims of government grant in respect of the following: a. Claims in the form of reimbursement of State Goods and Service Tax (SGST) collected on sale of products based on the extent of the eligible capital investments in plant and machinery for the specified period under the Gujarat Textile Policy (the 'Policy') by the Holding Company. During the current year, there has been a change in the product /sale mix which has been factored by the management for computation of government grant.	We performed the following audit procedures, among others: • We obtained an understanding, evaluated the design and tested operating effectiveness of the controls related to the government grants, including the controls in respect of measurement of the grants. • We analysed the forecast in respect of sales and purchase used by the management in computation of the government grant with respect to reimbursement of SGST.

Key audit matters	How our audit addressed the key audit matter
b. Claims in the form of one time capital subsidy, interest subsidy on eligible capital investments, reimbursement of land and stamp duty and reimbursement of State Goods and Service Tax (SGST) collected on products sold to the extent of the eligible capital investments in plant and machinery for the specified period under Telangana Textile and Apparel Policy (TTAP) by one of the subsidiary company. The estimates and judgements used by the management in the computation of government grants includes: • Future sales growth rate; • Future product/sales mix and eligibility period • Input tax credit utilisation; • SGST rates on the products; • Eligible capital investments limit; Considering the significance of the estimates and judgements used by the management, we have determined this to be a key audit matter.	• We compared the forecast in respect to sales and purchase to the business plan and previous forecast to the actual results. • We compared the eligible capital investments considered by the management with the amount sanctioned by the concerned regulatory authority and with the maximum amount of claim which can be utilized over eligibility period. • We analysed the inputs used in the computation of government grant as per the modalities to claim the reimbursement of SGST under the Policy. • We evaluated the basis of management estimates and judgements in respect of: – Future sales growth rate; – Future product/sales mix and eligibility period – Input tax credit utilization; – SGST rates on products; and – Eligible capital investments • We read the legal opinion obtained by the Company in respect of incentive under the policy. • We tested the arithmetical accuracy of the computation of government grant.
Impairment of goodwill (as described in note 2.13 of the consolidated financial statements)	
The consolidated financial statements of has Goodwill of ₹ 1,829.77 million for the year ended March 31, 2021. These goodwill balances are allocated to Cash Generating Units (CGUs) which are tested annually for impairment. This testing is done by using discounted cash-flow models of each CGU's to determine the recoverable value which is then compared with the carrying values of the net assets. A deficit between the recoverable value and the CGU's net assets would result in impairment. The Group uses a discounted cash flow model ('model') to determine value in use. The Key inputs and assumptions used in the model are following: • Sales growth rate; • Operating cash profit (%); • Pre-tax discount rate (%); and • Perpetuity growth rate (%) Considering that the impairment assessment requires consideration of above inputs that involve significant degree of management judgement, this is determined as key audit matter.	We performed the following audit procedures, among others: • We assessed the Group's methodology applied in determining the CGUs to which goodwill is allocated. • We evaluated the forecast of future cash flows used by the management in the model to compute the CGU's recoverable value. • We compared the forecast of future cash flows to business plan and previous forecasts to the actual results and analyzed results for material differences, if any. • We evaluated the basis of management assumptions in respect of future sales growth rate, operating cash profit, perpetuity growth rate and discount rate used to compute the CGU's recoverable value. • We involved valuation experts to assist in evaluating the key assumptions and methodologies used by the Holding Company in computing the CGU's recoverable value. • We tested the arithmetical accuracy of the management's impairment testing model. • We read and assessed the disclosures made in the financial statements.

Independent Auditor's Report

Key audit matters	How our audit addressed the key audit matter
Measurement of Income Tax and Deferred tax (as described in note 2.8 of the consolidated financial statements)	
The measurement of the Group's income tax and deferred tax charge for the year and corresponding balances as at balance sheet date involves significant estimates and judgements, as in respect to certain items / transactions the final tax treatment cannot be determined until resolution has been reached with the relevant tax authority or as appropriate through a formal legal process. The Holding Company and a subsidiary company claim deduction under Chapter VIA of the Income Tax Act, 1961. The tax deduction computation involves significant estimates and judgements in respect of selling price of the products and purchase of goods and services from the vendors. Further, a subsidiary company has generated credit of Minimum Alternate Tax (MAT) recorded as deferred tax assets. As at March 31, 2021, the said subsidiary has MAT credit of INR 587.52 million. The utilization of MAT credit involves significant estimates and judgements in respect of forecasted taxable profits for future years. Due to the significance and materiality of the deferred tax balances and current income tax positions and the judgment involved in determining these, this matter was considered significant to our audit and hence a key audit matter.	Our procedures over measurement of tax included the following: • We obtained an understanding, evaluated the design and tested the operating effectiveness of the controls related to procurement and sales process. • We evaluated the basis of management assumptions in respect of prices for sales and purchase of goods and services and measurement of deduction claim under chapter VI A of the Income Tax Act, 1961. • We involved tax experts to assist in evaluating measurement of income tax charge for the year including computation of deduction and evaluation of various tax positions and potential exposures. Our procedures over recoverability of the deferred tax asset included the following: • We evaluated the forecast of future taxable income post tax holiday period of 10 years prepared by the management to assess the recoverability of deferred tax asset. • We compared the forecast of future taxable income to business plan and previous forecasts to the actual results and analyzed results for material differences, if any. • We tested the arithmetical accuracy of the model used to compute the recoverability of deferred tax asset. We read and assessed disclosures made in the consolidated financial statements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its associate are responsible for assessing the ability of the Group and its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant

Independent Auditor's Report

ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 14 subsidiaries whose financial statements include total assets of ₹5,439 million as at March 31, 2021, and total revenues of ₹2,750 million and net cash inflows of ₹51 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of ₹ 0.6 million for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of an associate, whose financial statements, other financial information have been audited by other auditor and whose report has been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of such other auditors.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of four subsidiaries, whose financial statements and other financial information reflect total assets of ₹1,333 million as at March 31, 2021, and total revenues of ₹0.1 million and net cash outflows of ₹0.4 million for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

a. We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associate company, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy and the operating effectiveness of the internal financial controls with reference to these consolidated financial statements of the Holding Company and its subsidiary companies and associate company, incorporated in India, refer to our separate Report in "Annexure 1" to this report;

g. In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and the associate company incorporated in India, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Holding Company, its subsidiaries, and the associate company incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate in its consolidated financial statements – Refer Note 35 to the consolidated financial statements;

ii. The Group and its associate did not have any material foreseeable losses in long-term contracts during the year ended March 31, 2021. The Group and its associate did not have any long-term derivative contracts as at March 31, 2021;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and its associate incorporated in India during the year ended March 31, 2021.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Vikas Kumar Pansari
Partner
Membership Number: 093649
UDIN: 21093649AAAABN9103

Place of Signature: Mumbai
Date: May 14, 2021

Annexure 1 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Welspun India Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Welspun India Limited as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Welspun India Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to these 5 subsidiary companies and 1 associate which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Vikas Kumar Pansari
Partner
Membership Number: 093649
UDIN: 21093649AAAABN9103

Place of Signature: Mumbai
Date: May 14, 2021

Consolidated Balance Sheet

As at March 31, 2021

	Note	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Assets			
Non-current Assets			
Property, Plant and Equipment	3	35,117.60	36,325.76
Capital work-in-progress	3	1,709.22	564.23
Goodwill on Consolidation	4	1,829.77	1,803.46
Other Intangible assets	4	283.24	477.10
Right-of-use assets	34	910.48	721.54
Intangible assets Under Development	4	21.32	16.34
Financial assets			
- Investments	5 (a)	18.50	7.51
- Loans	5 (b)	3.50	2.37
- Other financial assets	5 (c)	768.32	1,232.53
Non-current tax assets (net)		396.70	684.36
Deferred Tax Assets (net)	6	1,120.30	1,161.77
Other non-current assets	7	626.83	421.27
Total non-current assets		**42,805.78**	**43,418.24**
Current Assets			
Inventories	8	17,731.03	15,287.15
Financial assets			
- Investments	5 (a)	1,092.73	2,436.42
- Trade receivables	5 (d)	11,817.03	10,861.58
- Cash & cash equivalents	5 (e)	2,994.19	2,051.08
- Bank balances other than cash and cash equivalents above	5 (f)	996.72	253.39
- Loans	5 (b)	5.97	4.71
- Other financial assets	5 (c)	4,421.64	3,223.62
Current tax assets (net)		21.48	20.82
Other current assets	7	4,891.26	5,545.79
Total current assets		**43,972.05**	**39,684.56**
Total assets		**86,777.83**	**83,102.80**
Equity and Liabilities			
Equity			
Equity Share capital	9 (a)	1,004.73	1,004.73
Other Equity			
- Reserves and surplus	9 (b)	35,163.85	29,725.02
- Other reserves	9 (c)	278.23	(1,009.23)
Equity attributable to owners of Welspun India Limited		**36,446.81**	**29,720.52**
Non-controlling Interests		985.46	848.56
Total Equity		**37,432.27**	**30,569.08**
Liabilities			
Non-current liabilities			
Financials liabilities			
- Borrowings	10 (a)	9,704.77	14,069.54
- Lease liabilities	34	776.57	527.58
- Other financial liabilities	10 (b)	52.48	50.91
Non-current tax liabilities (net)		2,244.31	1,526.12
Provisions	11	27.39	26.02
Deferred tax liabilities (net)	13	2,494.34	1,927.17
Other non-current liabilities	14	981.82	938.99
Total non-current liabilities		**16,281.68**	**19,066.33**
Current liabilities			
Financials liabilities			
- Borrowings	10 (a)	17,452.02	17,717.34
- Lease liabilities	34	212.21	260.16
- Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	10 (c)	524.90	179.25
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	10 (c)	10,390.59	8,799.26
- Other financial liabilities	10 (b)	1,846.49	4,932.62
Provisions	11	-	0.59
Employee benefit obligations	12	1,345.98	880.27
Current Tax Liabilities (net)		50.87	43.07
Other Current Liabilities	14	1,240.82	654.83
Total current liabilities		**33,063.88**	**33,467.39**
Total liabilities		**49,345.56**	**52,533.72**
Total Equity and Liabilities		**86,777.83**	**83,102.80**
Summary of significant accounting policies	2		
The accompanying notes are an integral part of these consolidated financial statements			

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

per Vikas Kumar Pansari
Partner
Membership No. 093649

Place: Mumbai
Date: May 14, 2021

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN: 00270175

Rajesh Mandawewala
Managing Director
DIN: 00007179

Dipali Goenka
CEO and Jt. MD
DIN: 00007199

Sanjeev Sancheti
Chief Financial Officer

Shashikant Thorat
Company Secretary

Place: Mumbai
Date: May 14, 2021

Consolidated Statement of Profit and Loss

For the year ended March 31, 2021

	Note	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Income			
Revenue from Operations	15	73,401.76	67,410.92
Other Income	16	677.78	950.89
Total Income		**74,079.54**	**68,361.81**
Expenses			
Cost of materials consumed	17	33,217.98	30,232.22
Purchases of stock-in-trade		4,226.32	3,611.70
Changes in inventory of finished goods, work-in-progress and stock-in-trade	18	(1,571.11)	(880.97)
Employee benefits expense	19	8,227.69	7,781.36
Depreciation and amortization expense	20	4,536.44	4,810.85
Other expenses	21	15,780.76	14,519.93
Finance costs	22	1,975.06	1,776.99
Total expenses		**66,393.14**	**61,852.08**
Profit before exceptional items, Share of net profit of Associates and tax		7,686.40	6,509.73
Share of Associates' Net Profit		0.62	-
Profit before exceptional items and tax		7,687.02	6,509.73
Exceptional Items - Expenses/(Income)	23	-	(434.18)
Profit before tax		**7,687.02**	**6,943.91**
Income tax expense	24		
- Current Tax		2,026.15	1,619.07
- Deferred Tax		152.94	81.29
Total Income Tax Expense		**2,179.09**	**1,700.36**
Profit for the year		**5,507.93**	**5,243.55**
Other Comprehensive Income			
A (i) Items that may be reclassified to profit or loss			
Exchange Gain / (loss) in translation of foreign operation	9 (c)	(9.46)	125.32
Deferred Gain / (loss) on cash flow hedges	9 (c)	1,756.12	(2,436.02)
(ii) Income tax effect	24	(442.03)	723.59
		1,304.63	**(1,587.11)**
B (i) Items that will not be reclassified to profit or loss			
Gain / (loss) due to Change in fair value of FVOCI equity instruments	9 (c)	8.55	(5.57)
Gain / (loss) due to Remeasurement of post employment benefit obligation	19	55.28	(10.93)
(ii) Income tax effect	24	(13.67)	1.40
		50.16	**(15.10)**
Other comprehensive income / (Loss) for the year, net of tax		**1,354.79**	**(1,602.21)**
Total Comprehensive Income for the year		**6,862.72**	**3,641.34**
Profit is attributable to			
- Owners of Welspun India Limited		5,396.73	5,073.73
- Non-controlling interests		111.20	169.82
Other comprehensive income is attributable to:			
- Owners of Welspun India Limited		1,329.09	(1,571.78)
- Non-controlling interests		25.70	(30.43)
Total Comprehensive Income is attributable to			
- Owners of Welspun India Limited		6,725.82	3,501.95
- Non-controlling interests		136.90	139.39
Earnings Per Share (₹) [Nominal value per share : ₹1 (March 31, 2020 : ₹1)]	33		
- Basic		5.37	5.05
- Diluted		5.37	5.05
Summary of significant accounting policies	2		
The accompanying notes are an integral part of these consolidated financial statements			

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

For and on behalf of the Board of Directors

per Vikas Kumar Pansari
Partner
Membership No. 093649

Balkrishan Goenka
Chairman
DIN: 00270175

Rajesh Mandawewala
Managing Director
DIN: 00007179

Dipali Goenka
CEO and Jt. MD
DIN: 00007199

Sanjeev Sancheti
Chief Financial Officer

Shashikant Thorat
Company Secretary

Place: Mumbai
Date: May 14, 2021

Place: Mumbai
Date: May 14, 2021

Consolidated Statement of Changes in Equity

For the year ended on March 31, 2021

A. Equity Share Capital

(₹ million)

Equity shares of ₹ 1 each issued, subscribed and fully paid	No. of shares	Amount
Balance as at April 1, 2019	1,00,47,24,050	1,004.73
Balance as at March 31, 2020	1,00,47,25,150	1,004.73
Balance as at March 31, 2021	**1,00,47,25,150**	**1,004.73**

B. Other Equity

(₹ million)

		Reserves and Surplus							Other Reserves						
		Capital redemption reserve	Capital reserve	Securities premium	Debenture redemption reserve	General reserve	Retained earnings	Total	FVOCI Equity instruments	Hedging reserve	Foreign currency translation reserve	Total	Total other equity	Non-controlling Interest	Total
Balance as at April 1, 2019		**488.38**	**1,474.73**	**3,238.12**	**220.00**	**711.39**	**20,102.83**	**26,235.45**	**4.57**	**722.98**	**(174.53)**	**553.02**	**26,788.47**	**709.44**	**27,497.91**
Profit for the year		-	-	-	-	-	5,073.73	5,073.73	-	-	-	-	5,073.73	169.82	5,243.55
Other Comprehensive Income	9 (b),9 (c)	-	-	-	-	-	(9.53)	(9.53)	(5.57)	(1,680.69)	124.01	(1,562.25)	(1,571.78)	(30.43)	(1,602.21)
Total Comprehensive Income for the year		**-**	**-**	**-**	**-**	**-**	**5,064.20**	**5,064.20**	**(5.57)**	**(1,680.69)**	**124.01**	**(1,562.25)**	**3,501.95**	**139.39**	**3,641.34**
Transactions with owners in their capacity as owners:															
Dividends paid	27 (b)	-	-	-	-	-	(1,306.15)	(1,306.15)	-	-	-	-	(1,306.15)	-	(1,306.15)
Dividend distribution tax paid	27 (b)	-	-	-	-	-	(268.53)	(268.53)	-	-	-	-	(268.53)	-	(268.53)
Transfer to General Reserve	9 (b)	-	-	-	(220.00)	220.00	-	-	-	-	-	-	-	-	-
Transactions with non-controlling interests	29 (c)	-	-	-	-	-	-	-	-	-	-	-	-	(0.27)	(0.27)
On Merger with Prasert Multiventures Private Limited	9 (b)	-	0.05	-	-	-	-	0.05					0.05	-	0.05
Balance as at March 31, 2020		**488.38**	**1,474.78**	**3,238.12**	**-**	**931.39**	**23,592.35**	**29,725.02**	**(1.00)**	**(957.71)**	**(50.52)**	**(1,009.23)**	**28,715.79**	**848.56**	**29,564.35**

(₹ million)

	Note	Reserves and Surplus							Other Reserves						
		Capital redemption reserve	Capital reserve	Securities premium	Debenture redemption reserve	General reserve	Retained earnings	Total	FVOCI Equity instruments	Hedging reserve	Foreign currency translation reserve	Total	Total other equity	Non-controlling Interest	Total
Balance as at April 1, 2020		**488.38**	**1,474.78**	**3,238.12**	**-**	**931.39**	**23,592.35**	**29,725.02**	**(1.00)**	**(957.71)**	**(50.52)**	**(1,009.23)**	**28,715.79**	**848.56**	**29,564.35**
Profit for the year		-	-	-	-	-	5,396.73	5,396.73	-	-	-	-	5,396.73	111.20	5,507.93
Other Comprehensive Income	9 (b),9 (c)	-	-	-	-	-	41.63	41.63	8.55	1,288.20	(9.29)	1,287.46	1,329.09	25.70	1,354.79
Total Comprehensive Income for the year		**-**	**-**	**-**	**-**	**-**	**5,438.36**	**5,438.36**	**8.55**	**1,288.20**	**(9.29)**	**1,287.46**	**6,725.82**	**136.90**	**6,862.72**
Transactions with owners in their capacity as owners:															
Transfer to Capital Redemption Reserve	9 (b)	1,119.27	-	-	-	-	(1,119.27)	-	-	-	-	-	-	-	-
Transactions with Associate		-	0.47	-	-	-	-	0.47	-	-	-	-	0.47	-	0.47
Balance as at March 31, 2021		**1,607.65**	**1,475.25**	**3,238.12**	**-**	**931.39**	**27,911.44**	**35,163.85**	**7.55**	**330.49**	**(59.81)**	**278.23**	**35,442.08**	**985.46**	**36,427.54**

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

per Vikas Kumar Pansari
Partner
Membership No. 093649

Place: Mumbai
Date: May 14, 2021

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN: 00270175

Rajesh Mandawewala
Managing Director
DIN: 00007179

Dipali Goenka
CEO and Jt. MD
DIN: 00007199

Sanjeev Sancheti
Chief Financial Officer

Shashikant Thorat
Company Secretary

Place: Mumbai
Date: May 14, 2021

Consolidated Statement of Cash Flows

For the year ended March 31, 2021

	Year Ended March 31, 2021 (₹ million)	Year Ended March 31, 2020 (₹ million)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	7,687.02	6,943.91
Adjustments for:		
Depreciation and amortisation expense	4,536.44	4,810.85
Income from government grants	(2,251.87)	(1,920.50)
Unrealised Foreign Exchange Differences	(171.15)	(247.03)
Gain on disposal of property, plant and equipment	(24.12)	(104.96)
Unwinding of discount on security deposits	(7.84)	(9.40)
Insurance Claim for loss of profit	136.79	(180.00)
Net Loss/ (gain) on financial assets measured at fair value through profit or loss	(62.58)	256.07
Liabilities/ provision Written Back	(44.11)	(434.79)
Provision for Doubtful Debts/ Advances (net)	91.63	158.83
Share of Associates' Net Profit	(0.62)	-
Interest income classified as investing cash flows	(268.80)	(84.14)
Finance expenses	1,975.06	1,776.99
Operating Profit Before Working Capital Changes	**11,595.85**	**10,965.83**
Adjustments for changes in working capital:		
(Increase) / decrease in trade receivables	(984.47)	240.07
Increase in trade payables	2,006.25	1,913.32
Increase / (decrease) in provisions	0.78	(1,338.68)
Increase in employee benefit obligations	521.01	149.48
Increase / (decrease) in other current liabilities	66.22	(89.82)
Increase/ (decrease) in other non current liabilities	1.57	(29.17)
Increase in inventories	(2,443.88)	(1,944.86)
(Increase) / decrease in other financial assets	(826.19)	1,130.08
(Increase) / decrease in other non-current assets	(7.91)	151.76
(Increase) / decrease in other current assets	619.51	(1,759.47)
	(1,047.11)	**(1,577.29)**
Cash Flow Generated from Operations	**10,548.74**	**9,388.54**
Taxes Paid (net of refunds)	(1,013.16)	(1,616.30)
Net Cash Flow from Operating Activities	**9,535.58**	**7,772.24**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, capital work-in-progress and intangible assets	(4,498.17)	(5,178.98)
Sale of property, plant and equipment	290.72	274.44
Receipt of Government Grant	2,223.87	1,673.54
Investment in fixed deposit and margin money (net)	(686.38)	(28.95)
Sales/ (Purchase) of Investment (Net)	1,404.92	(1,436.22)
Interest received	281.99	103.21
Net Cash Flow used in Investing Activities	**(983.05)**	**(4,592.96)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Redemption of Preference Shares	(226.46)	-
Proceeds from borrowings - Non Current	1,142.02	3,507.45
Repayment of borrowings - Non Current	(6,740.11)	(5,833.84)
Proceeds from / (Repayment of) borrowings - Current (Net)	(265.80)	3,570.53
Payment of lease liabilities	(250.61)	(278.03)
Dividends Paid	-	(1,306.14)
Tax on Dividends Paid	-	(268.54)

Consolidated Statement of Cash Flows

For the year ended March 31, 2021

	Year Ended March 31, 2021 (₹ million)	Year Ended March 31, 2020 (₹ million)
Receipt of interest subsidy	1,058.47	442.40
Interest Expenses paid	(2,338.76)	(2,522.85)
Net Cash Flow used in Financing Activities	**(7,621.25)**	**(2,689.02)**
Net increase in Cash and Cash Equivalents (A + B + C)	**931.28**	**490.26**
Cash and Cash Equivalents at the beginning of the year	2,051.08	1,543.66
Effects of exchange rate changes on cash and cash equivalents	11.83	16.96
Add : Cash and Cash Equivalents on Merger with Prasert Multiventures Private Limited	-	0.20
Cash and Cash Equivalents at the end of the year	2,994.19	2,051.08
Net Increase in Cash and Cash Equivalents	**931.28**	**490.26**
Cash and cash equivalents comprise of:		
Cash on Hand	2.45	2.65
Money in Transit	524.38	
Bank balances		
- In current accounts	2,274.53	1,946.77
- Fixed deposits with Banks with original maturity period of less than three months	192.83	101.66
Total	**2,994.19**	**2,051.08**

Change in Liability arising from financing activities

	April 1, 2020	Cash flow	Foreign exchange movement	March 31, 2021
Borrowing-Non Current [Refer Note 10 (a)]	16,702.73	(5,824.55)	83.70	10,961.88
Borrowing-Current [Refer Note 10 (a)]	17,717.34	(265.80)	0.48	17,452.02
	34,420.07	**(6,090.35)**	**84.18**	**28,413.90**

Note:

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

The accompanying notes are an integral part of these financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

per Vikas Kumar Pansari
Partner
Membership No. 093649

Place: Mumbai
Date: May 14, 2021

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN: 00270175

Rajesh Mandawewala
Managing Director
DIN: 00007179

Dipali Goenka
CEO and Jt. MD
DIN: 00007199

Sanjeev Sancheti
Chief Financial Officer

Shashikant Thorat
Company Secretary

Place: Mumbai
Date: May 14, 2021

Notes

To the Financial Statements for the year ended March 31, 2021

Note 1: Corporate Information

The consolidated financial statements comprise financial statements of Welspun India Limited (the group) and its subsidiaries (collectively, the Group) for the year ended March 31, 2021. The Group is a public limited group which is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) and is incorporated and domiciled in India. The address of its registered office is "Welspun City", Village Versamedi, Tal. Anjar, Dist Kutch, Gujarat - 370110, India. The Group is a leading manufacturer of wide range of home textile products, mainly terry towels, bed linen products and rugs and flooring products. These Group's consolidated financial statements were approved for issue by the board of directors on May 14, 2021.

Note 2: Significant Accounting Policies

This Note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented. The financial statements are for the Group consisting of the Group and its subsidiaries.

2.1 Basis of preparation of financial statements

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] (as amended from time to time).The financial statements have been prepared on the accrual and going concern basis. The financial statements have been prepared on a historical cost basis, except for financial assets and liabilities that is measured at fair value as stated in subsequent policies.

2.2 Principles of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at March 31, 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent group, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

2.3 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

Over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

Notes
To the Financial Statements for the year ended March 31, 2021

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

2.4 Segment reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The management of the group assesses the financial performance and position of the group, and makes strategic decisions.

2.5 Foreign currency translation
a) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is Group's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other expenses or other income, as applicable.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of initial transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

c) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation on or after 1 April 2016 and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

2.6 Revenue recognition
(i) Revenue from contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue excludes amounts collected on behalf of third parties.

The disclosures of significant accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.24 (viii).

Sale of goods
For sale of goods, revenue is recognized when control of the goods has transferred at a point in time i.e. when the goods have been delivered to the specific location (delivery). Following delivery, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognized by the Group when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. Payment is due within 0-120 days. The Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Sale of power and steam

Revenue from supply of power and steam is recognized for each unit of electricity/steam delivered at the pre-determined contracted price during the period.

Variable consideration:

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with rebates (including mark-downs, chargebacks etc.). The rights to rebates give rise to variable consideration.

The Group provides retrospective rebates including, markdowns, chargebacks etc. to certain customers once the conditions relating to such rebates are satisfied in terms of the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Group applies the most likely amount method for contracts. The Group then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

Contract balances:

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note no. 2.15 Financial Instruments – Financial Assets.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

Cost to obtain a contract and cost to fulfill a contract

The Group pays sales commission to its selling agents for each contract that they obtain for the Group. The Group has elected to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense sales commissions (under Other Expenses) because the amortization period of the asset that the Group otherwise would have used is less than one year.

Costs to fulfill a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognized.

Rendering of service

Revenue from rendering of services is recognized when the performance of agreed contractual task has been completed.

(ii) Other Revenue

Rebate / Drawback of Taxes and Duties

In case of sale made by the Group as Support Manufacturer, rebate / drawback of taxes and duties arising from Duty Drawback scheme, Merchandise Exports from India Scheme and other applicable rebate / drawback of taxes and duties are recognised on post export basis at the rate at which the entitlements accrue and is included in the 'Other Operating Income'. (Revenue from operation).

Other Income

Other income is accounted for on accrual basis except where the receipt of income is uncertain.

2.7 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Grants related to assets are government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. Grants related to income are government grants other than those related to assets.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and

Notes

To the Financial Statements for the year ended March 31, 2021

presented either under "other operating income" or are deducted in reporting the related expense. The presentation approach is applied consistently to all similar grants. Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to profit or loss over the periods and in proportions in which depreciation expense on those assets is recognized.

2.8 Income Tax

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction 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 or other comprehensive income, in which case it is recognized in equity or other comprehensive income respectively.

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 in the countries where the Group 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.

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. Such deferred tax assets and liabilities are computed separately for each taxable entity and for each taxable jurisdiction. 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 liabilities are recognized for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax liability not recognised if they arise from initial recognition of goodwill.

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 Group 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.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The respective Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

In the situations where one or more entities in the group are entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where they operate, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the group restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence.

2.9 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 Group's underlying financial performance.

2.10Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Property 1 to 12 years
- Plant & Machinery 13 years
- Motor Vehicle 1 to 4 years
- Other Equipment 1 to 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.13 Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

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To the Financial Statements for the year ended March 31, 2021

As a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

2.11 Property, plant and equipment

Property Plant and equipment except for freehold land held are stated in the balance sheet at cost less accumulated depreciation and impairment losses, if any. The cost of property plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes(other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected cost of decommissioning. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. 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 Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred. The group has elected to continue with the carrying value for all of its property plant and equipment as recognized in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Depreciation methods, estimated useful lives and residual value

Freehold land is not depreciated. Leasehold improvements are amortised over the shorter of estimated useful life or the related lease term.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term.

For following items of property, plant and equipment, depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Assets	Estimated Useful Life (years)
Office Equipment	3-5
Furniture and fixtures	10
Computer	3 -6
Vehicles	5- 10
Electrical installation	10
Factory Building	28
Residential and other Buildings	27-58
Road, Fencing, etc.	3-5

Plant and Machinery (except electrical installations) is depreciated on written down value method over the useful life ranging between 7.5 years to 20 years.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other expenses or other income, as applicable.

2.12 Intangible assets

a. Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

b. Other intangible assets

Other intangible assets with finite useful lives acquired by the group 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.

2.13 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other 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.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.14 Inventories

Raw materials and stores, work in progress, traded and finished goods

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases on weighted average basis. Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Costs are assigned to individual items of inventory on the basis of weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.15 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

A. Classification

The Group 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;
- For investments in debt instruments, this will depend on the business model in which the investment is held;
- For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

B. Initial Recognition and Measurement

At initial recognition, the Group 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 Statement of Profit or Loss.

C. Subsequent Measurement

Debt Instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash

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flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

i. **Amortised 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 amortised cost. A gain or loss on such assets are subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

ii. **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 income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other expenses or other incomes, as applicable. Interest income from these financial assets is included in other income using the effective interest rate method.

iii. **Fair value through profit or loss:** A financial asset which is not classified in any of the above categories are measured at Fair value through profit or loss

Equity Investments

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

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held 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 current liabilities in statement of financial position and which are considered as integral part of group's cash management policy.

Trade receivable

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

D. Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

i. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;

ii. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount;

- For trade receivables only, the Group 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.

E. Derecognition of financial assets

A financial asset is derecognised only when

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

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

F. 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 Group 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 profit or 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 Group, and the amount of the dividend can be measured reliably.

Financial liabilities

A. Initial Recognition and 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 amortised 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.

B. Subsequent Measurement

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

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non-cash assets transferred or liabilities assumed, is recognised in Statement of profit and loss.

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.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group 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 Group 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).

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 amortisation, where appropriate.

Derivatives and hedging activities

In order to hedge its exposure to foreign exchange, interest rate, and commodity price risks, the Group enters into forward, option, swap contracts and other derivative financial instruments. The Group does not hold derivative financial instruments for speculative purposes.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability

For the purpose of hedge accounting, hedges are classified as

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined)

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss the change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

Refer to Note 26 for more details.

(ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the Effective portion of cash flow hedges, while any ineffective portion is recognised immediately in the statement of profit and loss. The Effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, the ineffective portion relating to foreign currency contracts is recognised in the statement of profit and loss.

Refer to Note 26 for more details.

The Group designates only the spot element of a forward contract as a hedging instrument. The forward element is recognised in OCI.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

Embedded Derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Embedded foreign currency derivatives:

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

(i) the functional currency of any substantial party to that contract,

(ii) the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,

(iii) a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency)

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit and loss. The group currently does not have any such derivatives which are not closely related.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet

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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 group or the counterparty.

2.16 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.

2.17 Employee benefits
a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

c) Post-employment obligations

The group operates the following post-employment schemes:

- defined benefit plans such as gratuity, and
- defined contribution plans such as provident fund and superannuation Fund

Defined Benefit Plans
Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in Indian Rupees ('INR') is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Remeasurements are not reclassified to profit and loss in the subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans
Provident Fund, Employee State Insurance Corporation (ESIC), Pension Fund and other Social Security Funds

The Contribution towards provident fund, ESIC, pension fund and Social Security Funds for certain employees is made to the regulatory authorities where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations apart from the contributions made on a monthly basis.

Superannuation Fund

Contribution towards superannuation fund for certain employees is made to SBI Life Insurance Group where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from contribution made on monthly basis.

d) Bonus Plan

The group recognises a liability and an expense for bonuses. The group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.18 Provisions and contingent liabilities

a) **Provisions** for legal claims, service warranties, volume discounts and returns are recognised when the group 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 group when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the group 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 group.

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 group 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.

2.19 Contributed Equity

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.

2.20 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.

2.21 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares. (Refer note 33)

Diluted earnings per share

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.

2.22 Current versus Non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle

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- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

2.23 Rounding of amounts

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

2.24 Significant accounting judgements, estimates and assumption:

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

i) Current tax expense and deferred tax

The calculation of the Group's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Further a subsidiary Company has claimed deduction under section 80IA of the Income Tax Act, 1961 which involves significant estimates and judgements in respect of sales price of power and steam, purchase of goods and services from vendors (Refer note 24)

Recognition of deferred tax assets/liabilities

The recognition of deferred tax assets in respect of mat credit entitlement is expected to be utilized after the tax holiday period of ten years. There is significant management judgement involved in determination of forecast of future taxable profits beyond the ten years tax holiday (which also involves key assumptions like future growth rate, profit margins etc.) against which the aforesaid MAT credit entitlement is expected to be utilised. Any changes to these assumptions could significantly affect the recoverability of deferred tax asset on account of MAT credit entitlement. (Refer notes 6 and 13).

ii) Provisions & Contingent Liabilities.

The Group exercises judgement in measuring and recognizing provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision. (Refer note 35).

iii) Useful life of Property, Plant and Equipment and intangible assets

Property, Plant and Equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. For the relative size of the Group's property, plant and equipment and intangible assets (Refer Notes 3 and 4).

iv) Provision for Inventory

The Group writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not realised. The identification of write-downs requires the use of estimates of net selling prices, age and condition / quality of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed. Refer note 8 for details of inventory and provisions.

v) Defined Benefit Obligation

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employments plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Group considers the interest rates of government bonds of maturity approximating the terms of the related plan liability. Refer note 19 for the details of the assumptions used in estimating the defined benefit obligation.

vi) Government Grant

The group has accrued income for Government grant related to fixed assets, in the ratio of related expenses, based on eligibility amount. Critical judgement is involved in determining whether the Group has fulfilled the conditions related to the grant. Estimates are involved in calculation of grant income where the eligibility amount is not confirmed by the government but application is made and the Group is complying all terms & conditions for eligibility. Further, key assumptions used in calculation of government grant to be recognized as revenue, receivables and deferred income include, the future sales growth rate, mix of inter and intra state purchases and corresponding input tax credit, utilization of input tax credit, indirect tax rates on the products, period of eligibility etc. Changes in the assumptions selected by the management could significantly affect the recognition of revenue, receivables and deferred income related to such government grant.

vii) Fair value of Financial Instruments.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Management 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. The key judgement includes selection of valuation methodology and key assumptions include the discount rates etc. Changes to the valuation methodology, discount rates etc. could have a significant impact on the valuation of these financial instruments. Refer Note 25.

viii) Ind AS 115 – Revenue from Contracts with Customers

Ind AS 115 applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customers.

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

ix) Determination of control/significant influence:

Significant management judgement is involved in determining whether the Group has control/ significant influence over another entity in which investment has been made by the Group. The judgement affects the determination of whether an entity is a subsidiary / associate and consequently required to be consolidated in the consolidated financial statements of the Group or not consolidated and required to be carried at fair value through profit and loss account / other comprehensive income. Refer note 5.

x) Impairment of non-financial assets

The Group determines Cash Generating Units (CGU) based on management judgement after considering cash inflows generated from business activities of assets / group of assets for annual impairment testing as required by Ind AS 36. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value

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less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the determined period and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 4.

xi) Leases - Estimating the incremental borrowing rate:

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group would have to pay, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available.

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

xii) Uncertain tax position and tax related contingency:

The Group has taken certain tax positions particularly those relating to deductions / allowance under Section 80 IA and Section 36(1)(iii) of the Income Tax Act, 1961 by the Group. The taxation authorities may challenge these tax deductions and accordingly these matters are / might be subject to legal proceedings in the ordinary course of business. The outcome of the legal proceedings might be different from that estimated on the date of approval of these console Ind AS financial statements.

xiii) Estimation uncertainty relating to the global health pandemic on COVID-19:

The Group has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right of use assets, investments, and inventory and trade receivables. Based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. It has also assessed the probability of occurrence of forecasted transactions under the hedging relationships and continues to evaluate them as highly probable considering the orders in hand. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of these console Ind AS financial statements. The Group will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

Note 3 : Property, Plant and Equipment

(₹ million)

	Freehold Land	Buildings	Plant and Equipment	Vehicles	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Computers	Total	Capital Work in Progress
Cost or valuation										
At April 1, 2019										
Gross carrying amount										
Opening gross carrying amount	3,290.07	9,055.52	34,717.74	74.55	274.40	398.34	121.97	338.59	48,271.18	4,861.87
Additions	914.55	1,757.99	7,332.98	10.43	21.70	38.22	-	51.67	10,127.54	1,432.70
Disposals	(149.69)	-	(237.70)	(5.50)	(1.59)	(0.84)	-	(4.45)	(399.77)	-
Transfers	-	-	-	-	-	-	-	-	-	(5,730.34)
Exchange Differences	0.02	-	9.45	-	1.92	10.98	9.35	10.64	42.36	-
At March 31, 2020 (A)	**4,054.95**	**10,813.51**	**41,822.47**	**79.48**	**296.43**	**446.70**	**131.32**	**396.45**	**58,041.31**	**564.23**
Depreciation										
At April 1, 2019	-	1,034.29	15,948.50	39.11	138.05	166.33	36.56	191.18	17,554.02	-
Depreciation charge during the year	-	364.41	3,792.04	11.87	36.15	37.45	29.76	79.18	4,350.86	-
Disposals	-	-	(206.97)	(4.31)	(1.41)	(0.56)	-	(3.87)	(217.12)	-
Exchange Differences	-	-	6.39	-	1.43	10.31	2.20	7.46	27.79	-
At March 31, 2020 (B)	**-**	**1,398.70**	**19,539.96**	**46.67**	**174.22**	**213.53**	**68.52**	**273.95**	**21,715.55**	**-**
Net book value at March 31, 2020 (A-B)	**4,054.95**	**9,414.81**	**22,282.51**	**32.81**	**122.21**	**233.17**	**62.80**	**122.50**	**36,325.76**	**564.23**
Cost or valuation										
At April 1, 2020										
Opening gross carrying amount	4,054.95	10,813.51	41,822.47	79.48	296.43	446.70	131.32	396.45	58,041.31	564.23
Additions	344.59	1,012.69	1,702.52	17.91	15.56	26.64	1.72	44.06	3,165.69	3,247.44
Disposals	(189.77)	(4.34)	(438.74)	(10.35)	(1.85)	(20.14)	-	(0.17)	(665.36)	-
Transfers	-	-	-	-	-	-	-	-	-	(2,102.45)
Exchange Differences	0.04	-	4.27	(0.01)	1.59	12.43	(3.58)	4.57	19.31	-
At March 31, 2021 (A)	**4,209.81**	**11,821.86**	**43,090.52**	**87.03**	**311.73**	**465.63**	**129.46**	**444.91**	**60,560.95**	**1,709.22**
Depreciation										
At April 1, 2020	-	1,398.70	19,539.96	46.67	174.22	213.53	68.52	273.95	21,715.55	-
Depreciation charge during the year	-	411.86	3,516.47	12.06	36.44	37.07	58.89	51.88	4,124.67	-
Disposals	-	(1.44)	(397.59)	(9.73)	(1.69)	(9.80)	-	(0.13)	(420.38)	-
Exchange Differences	-	-	5.21	-	1.67	12.25	(1.71)	6.09	23.51	-
At March 31, 2021 (B)	**-**	**1,809.12**	**22,664.05**	**49.00**	**210.64**	**253.05**	**125.70**	**331.79**	**25,443.35**	**-**
Net book value at March 31, 2021 (A-B)	**4,209.81**	**10,012.74**	**20,426.47**	**38.03**	**101.09**	**212.58**	**3.76**	**113.12**	**35,117.60**	**1,709.22**

Notes
To the Financial Statements for the year ended March 31, 2021

Notes:

(i) Property, plant and equipment pledged as security - Refer to note 10(a) for information on property, plant and equipment pledged as security by the Group.

(ii) Contractual obligations - Refer to note 31 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iii) Capital work-in-progress mainly comprises of new plant and machinery for flooring plant being constructed in India.

(iv) Capital work-in-progress includes Employee Benefit Expenses, Professional charges, Travelling Expenses & Other expenses of ₹0.78 million as at March 31, 2021 directly attributable to project. (March 31,2020: ₹Nil million)

(v) Additions to Property, plant and equipment during the year include capital expenditure of ₹10.45 million (Previous Year : ₹ 116.40 million) incurred on in-house Research and Development activities [Refer note 36]

(vi) Borrowing Costs aggregating ₹1.85 million (March 2020: ₹37.34 million) attributable to the acquisition or construction of qualifying assets are capitalised during the year as part of the cost of such assets.

(vii) The Company has given certain assets on operating lease, details of which are given below:

(₹ million)

Particulars	March 31, 2021 Building	March 31, 2021 Plant and Equipment	March 31, 2020 Building	March 31, 2020 Plant and Equipment
Cost or valuation	1.21	29.04	1.21	29.04
Accumulated Depreciation	0.38	27.59	0.36	27.59
Net book value	0.83	1.45	0.85	1.45
Depreciation for the year	0.02	-	0.02	-

Note 4 : Intangible assets

(₹ million)

	Goodwill on consolidation	Computer software	Intangible assets under development
Cost or valuation			
At April 1, 2019			
Opening gross carrying amount	1,792.44	758.25	27.33
Exchange differences	39.13	1.54	-
Additions	-	75.91	16.34
Disposals	-	(0.14)	-
Transfers/Capitalised	-	-	(27.33)
At March 31, 2020 (A)	**1,831.57**	**835.56**	**16.34**
Amortisation			
At April 1, 2019	-	210.61	-
Amortisation charge during the year	-	146.18	-
Impairment of Goodwill	28.11	-	
Disposals	-	0.13	-
Exchange differences	-	1.54	-
At March 31, 2020 (B)	**28.11**	**358.46**	**-**
Net book value at March 31, 2020 (A-B)	**1,803.46**	**477.10**	**16.34**
Cost or valuation			
At April 1, 2020			
Opening gross carrying amount	1,831.57	835.56	16.34
Exchange differences	26.31	(0.59)	-
Additions	-	36.12	18.57
Disposals	-	(295.45)	-
Transfers/Capitalised	-	-	(13.59)
At March 31, 2021 (A)	**1,857.88**	**575.64**	**21.32**
Amortisation			
At April 1, 2020	28.11	358.46	-
Amortisation charge during the year	-	149.06	-
Impairment of Goodwill	-	-	
Disposals	-	(214.53)	-
Exchange differences	-	(0.59)	-
At March 31, 2021 (B)	**28.11**	**292.40**	**-**
Net book value at March 31, 2021 (A-B)	**1,829.77**	**283.24**	**21.32**

Note: Intangible assets under development mainly comprises of software development expenses.

(i) Impairment tests for goodwill

Goodwill acquired through business combination pertains to the Home Textile Segment which is one of the reportable segment.

(₹ million)

	As at March 31, 2021	As at March 31, 2020
Home Textile Segment	1,829.77	1,803.46

(ii) Significant estimate: Key assumptions used for value-in-use calculations

The group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations on a discounted cash flow method which require the use of assumptions. Management prepare forecast for a period of 5-8 years and applies perpetuity growth rate ranging from 2.5% to 3% onwards. The calculations use cash flow projections calculated using the estimated growth and pre-tax discount rates stated below.

The following table sets out the key assumptions for those CGUs that have significant goodwill allocated to them:

Assumptions	As at March 31, 2021	As at March 31, 2020
Sales Growth (% annual growth rate)	5% to 32%	3% to 12%
EBITDA (%)	1% to 18%	1% to 10%
Post-tax discount rate (%)	10% to 16%	10% to 16%

Management has determined the values assigned to each of the above key assumptions as follows:

Assumption	Approach used for determining values
Sales Growth	Average annual growth rate over the forecasted period; based on past performance and management's expectations of market development.
EBITDA (%)	Based on past performance and management's expectations for the future.
Pre-tax discount rate (%)	Reflect specific risks relating to the relevant segments and the countries in which they operate.

Note 5 (a) : Non-current investment

		As at March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Investment in equity instruments (fully paid up)			
In Associates			
4,800	(March 31, 2020: Nil) Equity Shares of ₹10 each fully paid up of Welassure Private Limited	4.03	-
Investment in equity shares (fully paid up)			
a) Quoted - Equity investment at FVOCI			
2,83,500	(March 31, 2020 : 283,500) Equity Shares of ₹ 10 each fully paid up of AYM Syntex Limited (Formerly known as Welspun Syntex Limited)	13.14	4.59
80	(March 31, 2020 : 80) Equity Shares of ₹ 1 each fully paid up of Khaitan Chemicals & Fertilizers Limited	*	*
b) Unquoted - Equity investment at FVPL fully paid up			
100	(March 31, 2020 : 100) Equity Shares of ₹ 10 each fully paid up of Weltreat Enviro Management Organisation	*	*
1,900	(March 31, 2020: Nil) Equity Shares of ₹10 each fully paid up of Welspun Global Services Limited	0.02	-
Total (equity instruments)		**13.16**	**4.59**
Other Investments at FVPL		1.31	2.92
Total Non Current Investments		**18.50**	**7.51**
	Aggregate amount of quoted investments and market value thereof	13.14	4.59
	Aggregate amount of unquoted investments	5.36	2.92

* Amount is below the rounding norms adopted by the Company

Notes

To the Financial Statements for the year ended March 31, 2021

Note 5 (a) : Current investments

	As at March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Investments in Mutual Funds at FVPL (unquoted)	215.03	2,354.95
Investments in Bonds at FVPL (unquoted)	877.70	81.47
Total	**1,092.73**	**2,436.42**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	1,092.73	2,436.42

Note 5 (b) : Non-current Loans

	As at March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Loan to Employees	3.50	2.37
Total	**3.50**	**2.37**

Note 5 (b) : Current Loans

	As at March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Loan to Employees	5.97	4.71
Total	**5.97**	**4.71**

Note 5 (c) : Other non-current financial assets

	As at March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Security Deposits to		
- Related Parties (Refer Note 30)	19.00	85.95
- Others	188.16	124.47
Advances Recoverable in Cash		
- Considered Doubtful	-	43.50
	-	**43.50**
Less : Provision for Doubtful Advances	-	43.50
	-	**-**
Government Grants Receivable*	557.50	938.10
Fixed deposits with Banks with maturity period more than twelve months	0.63	60.36
Margin Money Deposit Accounts	3.01	2.01
Interest Accrued on Fixed Deposits	0.02	21.64
Total	**768.32**	**1,232.53**

*Government Grants Receivable includes Receivable against VAT/SGST Incentives, Rebate / Drawback of Taxes and Duties and Interest subsidies.

Note 5 (c) : Other current financial assets

	As at March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Security Deposits to	-	
- Related Parties (Refer Note 30)	158.30	93.34
- Others	51.64	27.75
Advances to Related Parties (Refer Note 30)	-	14.22
Government Grants Receivable*	3,125.14	2,716.83
Mark-to-Market gain (Net) on Forward/ Swap Contracts	726.89	150.52
Other Receivables	275.90	-
Interest Accrued on Bonds/ Certificate of Deposits	17.92	1.46
Interest Accrued on Deposits	9.52	17.55
Insurance Claim Receivable	56.33	201.95
Total	**4,421.64**	**3,223.62**

*Government Grants Receivable includes Receivable against VAT/SGST Incentives, Rebate / Drawback of Taxes and Duties and Interest subsidies.

Note 5 (d) : Trade receivables

	As at March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Unsecured, considered good		
- Trade receivables	11,430.41	10,357.44
- Receivables from related parties (Refer Note 30)	473.72	564.30
Less : Provision for Doubtful Debts	87.10	60.16
Total	**11,817.03**	**10,861.58**
Current portion	11,817.03	10,861.58
Non-current portion	-	-
Break-up of security details		
Secured, considered good	-	-
Unsecured, considered good	11,817.03	10,861.58
Trade receivable which have significant increase in credit risk	-	-
Trade receivable - Credit impaired	87.10	60.16
Allowance for doubtful debts	(87.10)	(60.16)
Total	**11,817.03**	**10,861.58**

The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the Company has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as secured borrowing.

Note 5 (e) : Cash and cash equivalents

	As at March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Cash on Hand	2.45	2.65
Cheques on Hand/ Money in Transit	524.38	-
Balances with banks		
- In Current Accounts	2,274.53	1,946.77
Fixed deposits with Banks with original maturity period of less than three months	192.83	101.66
Total	**2,994.19**	**2,051.08**

Note 5 (f) : Bank balances other than cash and cash equivalents

	As at March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Fixed Deposits (Refer note (a) below)	592.06	226.31
In Margin Money Deposit Accounts	379.36	-
Unpaid Dividend Account (Refer note (b) below)	25.30	27.08
Total	**996.72**	**253.39**

(a) Fixed Deposits include ₹ 0.04 million (March 31, 2020 : ₹ 0.04 million) under lien with sales tax authorities

(b) These are restricted bank balances. The restrictions are on account of balances held in unpaid dividend bank accounts.

Note 6 : Deferred tax assets

The balance comprises temporary differences attributable to:

	As at March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Deferred Tax Asset arising on account of temporary differences in:		
- Provision for Doubtful Debts/ Advances	10.50	20.18
- Provision for Employee Benefits	0.78	24.44
- Expenses inadmissible under section 40(a) of the Income Tax Act, 1961	46.94	25.11
- Provision for Inventory	423.69	337.11
- Hedging reserves	-	328.61
- Unabsorbed Depreciation and Business Losses	0.56	-
- Others	20.80	15.60
- Minimum Alternative Tax Credit Entitlement	759.26	587.52
Deferred Tax Liabilities arising on account of temporary differences in:		
- Property, plant, equipment and Intangible Assets	142.23	153.46
- Preference shares	-	23.34
Total	**1,120.30**	**1,161.77**

Notes

To the Financial Statements for the year ended March 31, 2021

Note: The Group's subsidiary has recognised deferred tax asset in respect of Minimum Alternate Tax (MAT) Credit of ₹759.26 million which is expected to be utilised after the tax holiday period of ten years. The management based on the projections prepared for a period of fifteen years expects to fully utilise the MAT credit entitlement. Also refer Note 2.25 (i).

Particulars	Property, plant, equipment and Intangible Assets	Hedging reserves	Preference shares	Minimum Alternative Tax Credit Entitlement	Provision for Doubtful debts/ Advances	Provision for unpaid statutory dues	Expenses inadmissible under section 40(a) of the Income Tax Act, 1961	Provision in Inventory	Unabsorbed depreciation and Business Losses	Classification of investment in preference shares on FRV	Other items	Total
April 01, 2019	**(139.42)**	**-**	**(27.79)**	**453.26**	**1.68**	**1.91**	**6.90**	**262.63**	**-**	**-**	**39.75**	**598.92**
(Charged) / Credited:												-
to Statement of Profit and Loss	(14.04)		4.45	134.26	18.50	22.53	18.21	74.48	-	-	(24.15)	234.24
to Other Comprehensive Income	-	328.61	-	-	-	-	-	-	-	-		328.61
March 31, 2020	**(153.46)**	**328.61**	**(23.34)**	**587.52**	**20.18**	**24.44**	**25.11**	**337.11**	**-**	**-**	**15.60**	**1,161.77**
(Charged) / Credited:												-
to Statement of Profit and Loss	11.23		23.34	171.74	(9.68)	(23.66)	21.83	86.58	0.56	-	5.20	287.14
to Other Comprehensive Income	-	(328.61)	-	-	-	-	-	-	-	-		(328.61)
March 31, 2021	**(142.23)**	**-**	**-**	**759.26**	**10.50**	**0.78**	**46.94**	**423.69**	**0.56**	**-**	**20.80**	**1,120.30**

Note 7 : Other Non-current assets

	As at March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Capital Advances to		
- Related Parties (Refer Note 30)	45.33	19.00
- others	509.45	348.10
Security Deposits to Others	25.19	41.13
Balances with Customs, Excise, Sales Tax and other Government Authorities		
- Considered Good	29.19	13.04
- Considered Doubtful	7.72	7.72
	36.91	**20.76**
Less : Provision for Doubtful Balances	7.72	7.72
	29.19	**13.04**
Prepaid Expenses	17.67	-
Total	**626.83**	**421.27**

Note 7 : Other Current assets

	As at March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Others		
Balances with Customs, Excise, Sales Tax and other Government Authorities	3,552.58	4,560.73
Prepaid Expenses	145.69	169.53
Advance to vendors	1,176.42	792.99
Advance to Employees	16.57	22.54
Total	**4,891.26**	**5,545.79**

Note 8 : Inventories

	As at March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Raw Materials (at cost)	6,429.95	5,325.40
Work-in-Progress (at cost)	3,707.79	3,426.50
Finished Goods and Traded Goods (including in transit) [at lower of cost or net realisable value]	6,892.21	5,805.93
Packing Materials (at cost)	231.53	180.83
Stores, Spares, Dyes and Chemicals (at cost)	469.55	548.49
Total	**17,731.03**	**15,287.15**

Note: Cost of inventories recognised as (income)/ expense of (₹ 65.56) million (Previous year: ₹ 368.30 million) is in respect of write down of inventories.

Notes
To the Financial Statements for the year ended March 31, 2021

9 (a) : Equity share capital

(i) Authorised equity share capital

	Equity Shares of ₹ 1 each	
	Number of Shares	Amount (₹ million)
As at April 1, 2019	**1,55,50,00,000**	**1,555.00**
As at March 31, 2020	**1,55,50,00,000**	**1,555.00**
As at March 31, 2021	**1,55,50,00,000**	**1,555.00**
Equity Shares of ₹ 1 each (March 31, 2020 : ₹ 1 each)		

(ii) Issued, subscribed and paid up

	Equity Shares of ₹ 1 each fully paid up	
	Number of Shares	Amount (₹ million)
As at April 1, 2019	**1,00,47,25,150**	**1,004.73**
As at March 31, 2020	**1,00,47,25,150**	**1,004.73**
As at March 31, 2021	**1,00,47,25,150**	**1,004.73**
Equity Shares of ₹ 1 each (March 31, 2020 : ₹ 1 each)		

(iii) Shares held by parent

	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	Amount (₹ million)	Number of Shares	Amount (₹ million)
Equity Shares:				
Welspun Group Master Trust (WGMT) (with effect from May 21, 2019)	69,44,65,432	694.47	68,33,02,903	683.30
	69,44,65,432	**694.47**	**68,33,02,903**	**683.30**

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

	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	%	Number of Shares	%
Equity Shares:				
Welspun Group Master Trust (WGMT) (with effect from May 21, 2019)	69,44,65,432	69.12	68,33,02,903	68.01

(v) Rights, preferences and restrictions attached to Equity shares

The company has one class of equity shares having a par value of ₹ 1 per share (March 31, 2020 : ₹ 1). Each shareholder is eligible for one vote per share held. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note 9 (b) : Reserves and surplus

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Capital Redemption Reserve		
Balance as at the beginning of the year	488.38	488.38
Add : Additions during the year	1,119.27	-
Balance as at the end of the Year	**1,607.65**	**488.38**
Capital Reserve		
Balance as at the beginning of the year	1,474.78	1,474.73
Add : Additions during the year (Refer note b below)	0.47	0.05
Balance as at the end of the year	**1,475.25**	**1,474.78**

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Debenture Redemption Reserve		
Balance as at the beginning of the year	-	220.00
Less : Transfer to General Reserve during the year (Refer note c below)	-	220.00
Balance as at the end of the year	**-**	**-**
Securities Premium reserve		
Balance as at the beginning of the year	3,238.12	3,238.12
Add : Additions during the year	-	-
Balance as at the end of the year	**3,238.12**	**3,238.12**
General Reserve		
Balance as at the beginning of the year	931.39	711.39
Add : Additions during the year		220.00
Balance as at the end of the year	**931.39**	**931.39**
Retained earnings		
Balance as at the beginning of the year	23,592.35	20,102.83
Add : Profit for the year	5,396.73	5,073.73
	28,989.08	**25,176.56**
Add : Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post-employment benefit obligation, net of tax	41.63	(9.53)
Less : Dividend		
Interim dividend on Equity Shares for the year	-	1,004.73
Dividend distribution tax on Interim dividend on Equity Shares	-	206.56
Final dividend on Equity Shares	-	301.42
Dividend distribution tax on Final dividend on Equity Shares	-	61.97
Less : Appropriations		
Transfer to Capital Redemption Reserve	1,119.27	-
Balance as at the end of the year	**27,911.44**	**23,592.35**
Total	**35,163.85**	**29,725.02**

Note 9 (c) : Other reserves

(₹ million)

	FVOCI - Equity Investments (Refer note (f) below)	Hedging reserve (Refer note (g) below)	Foreign currency Translation reseve (Refer note (h) below)	Total other reserves
As at April 1, 2019	**4.57**	**722.98**	**(174.53)**	**553.02**
Change in fair value of FVOCI equity instrument	(5.57)	-	-	(5.57)
Amount recognised in Hedging Reserve during the year	-	(1,231.16)	-	(1,231.16)
Gain transferred to Statement of Profit and Loss	-	(1,158.87)	-	(1,158.87)
Deferred tax	-	709.34	-	709.34
Foreign currency translation differences	-	-	124.01	124.01
As at 31 March, 2020	**(1.00)**	**(957.71)**	**(50.52)**	**(1,009.23)**
Change in fair value of FVOCI equity instrument	8.55	-	-	8.55
Amount recognised in Hedging Reserve during the year	-	1,619.21	-	1,619.21
Gain transferred to Statement of Profit and Loss	-	102.31	-	102.31
Deferred tax	-	(433.32)	-	(433.32)
Foreign currency translation differences	-		(9.29)	(9.29)
As at 31 March, 2021	**7.55**	**330.49**	**(59.81)**	**278.23**

Notes

To the Financial Statements for the year ended March 31, 2021

Notes: Nature and purpose of reserves and surplus and other reserves

(a) Capital Redemption Reserve

Capital Redemption Reserve is created 1) when preference shares are redeemed out of profits of the Group, a sum equal to the nominal amount of the shares to be redeemed has to be transferred to this reserve and 2) when Group purchases its own shares out of free reserves, a sum equal to the nominal value of shares so purchased has to be transferred to this reserve. This reserve may be used for paying up unissued shares of the Group to be issued to members of the Group as fully paid bonus shares.

(b) Capital Reserve

i) Out of total, Capital Reserve of ₹1,426.60 million related to Gujarat high court approved composite scheme of arrangement between group companies. Balance ₹ 48.18 million was accrued on Forfeiture of Share warrants. Capital reserve is not available for distribution.

II) The Hon'ble National Company Law Tribunal, Ahmedabad Bench vide it's order pronounced on May 10, 2019 (the "Order") sanctioned the Scheme of Amalgamation of Prasert Multiventure Private Limited ("PMPL") with Welspun India Limited ("WIL"). The amalgamation of PMPL with WIL is accounted as combination of entities, and not a "business combination", with effective date of May 21, 2019 (date on which the order was filed with the Ministry of Corporate Affairs). The said accounting has no significant impact on these financial.

(c) Debenture redemption reserve

The group is required to create a debenture redemption reserve out of distributable profits for the purpose of redemption of debentures. During the previous year Debentures are redeemed so balance of Debentures Redemption reserve is transferred to General Reserve

(d) Securities premium reserve

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

(e) General Reserve

General Reserve is a free reserve and is available for distribution as dividend, issue of bonus shares, buyback of the Group's securities. It was created by transfer of amounts out of distributable profits.

(f) FVOCI equity investments

The group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(g) Hedging reserve

The group uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale and inventory purchases and interest rate risk associated with variable interest rate borrowings as described within note 26. For hedging foreign currency risk, the group uses foreign currency forward contracts and foreign currency option contracts, both of which are designated as cash flow hedges.To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects profit or loss (e.g. sales and interest payments). When the forecast transaction results in the recognition of a non-financial asset (e.g.inventory), the amount recognised in the cash flow hedging reserve is adjusted against the carrying amount of the nonfinancial asset.

The group designates the spot component of foreign currency forward contracts and the intrinsic value of foreign currency option contracts as hedging instruments in cash flow hedge relationships. The group defers changes in the forward element of foreign currency forward contracts and the time value element of foreign currency option contracts in the costs of hedging reserve. The deferred costs of hedging are included in the initial cost of the related inventory when it is recognised or reclassified to profit or loss when the hedged item affects profit or loss.

(h) Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Note 10 (a) : Non-current borrowings

(₹ million)

Sr. No.	Particulars	Maturity Date	Terms of Repayment	As on March 31, 2021	As on March 31, 2020
1	**Secured Loans:**				
	Measured at amortised cost				
(A)	**Term Loans**				
(i)	**- From Banks**				
(a)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Last instalment due in March 2023.	Repayable in 30 quarterly instalments commencing from January 2016.	-	5,370.55
(b)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Last instalment due in September 2024.	Repayable in 31 quarterly instalments commencing from March 2017	2,096.64	2,668.06
(c)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company.	Last instalment due in June 2025.	Repayable in 30 quarterly instalments commencing from February 2018	615.04	679.63
(d)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company	Last instalment due in June 2024.	Repayable in 26 quarterly instalments commencing from March 2018	912.64	1,553.82
(e)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties and second pari passu charge over current assets of the Company	Last instalment due in June 2022.	Repayable in 28 quarterly instalments commencing from September 2018	-	57.00
(f)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties, all intangible assets, all accounts and on project rights, titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies of the Company and second pari passu charge over present and future book debts, operating cash flows, receivables, commission, revenue; Negative Lien on 51% of the total paid up equity shares.	Last Instalment due in Quarter ending March 2029.	Repayable in 33 quarterly instalments commencing from Quarter ending March 2021.	6,743.90	6,429.29
(g)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties, all intangible assets, all accounts and on project rights, titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies of the Company and second pari passu charge over present and future book debts, operating cash flows, receivables, commission, revenue; Negative Lien on 51% of the total paid up equity shares.	Last Instalment due in Quarter ending March 2031.	Repayable in 33 quarterly instalments commencing from Quarter ending March 2023.	369.59	-
(h)	Long Term Working Capital loan in a subsidiary is secured against a charge over the present and future land and plant & machinery and charge over all current assets of the Company.	Last instalment due in July 2020.	Repayable in 39 quarterly instalments commencing from May 2017.	-	28.91
(i)	A subsidiary had financed equipment payable to a bank, collateralized by the equipment financed.	Last instalment due in May 2020	The equipment payable is financed over a term of 36 months	-	1.03

Notes
To the Financial Statements for the year ended March 31, 2021

(₹ million)

Sr. No.	Particulars	Maturity Date	Terms of Repayment	As on March 31, 2021	As on March 31, 2020
(j)	Rupee term loan is secured by first pari passu charge over the present and future fixed assets, all movable and immovable properties, all intangible assets, all accounts, project rights, titles, interest, benefits in the existing and future Project documents, letter of credit, guarantee and insurance policies of the Company; Negative Lien on 51% of the total paid up equity shares and second pari passu charge over present and future book debts, operating cash flows, receivables, commission, revenue.	Last instalment due in December 2030	Repayable in quarterly instalments commencing from December 2022	250.00	-
2	**Unsecured Loans:**				
	Measured at amortised cost				
	Loans from Others				
(a)	Liability component of compound financial instruments (Refer note (aa) below)			-	60.22
	Total borrowings			**10,987.81**	**16,848.51**
	Less : Current maturities of long-term debt (included in Note 10(b))			1,257.11	2,634.22
	Less : Interest accrued but not due (included in Note 10 (b))			25.93	144.75
	Total			**9,704.77**	**14,069.54**

Notes:
The rate of interest on the Non-current borrowings in the table above are in the range of 3.5 % to 9.25 % (March 31, 2020 : 8.75 % to 9.90 %). These loans are eligible for Central and State Government Interest Subsidies/ Rebates.

(aa) 10% Non- Cumulative Redeemable Preference Shares
Preference shares were redeemable at the expiry of 19 years from the date of allotment or at the option of the subsidiary, whichever is earlier..

On December 8, 2020 the Company's subsidiary Welspun Captive Power Generation Limited (WCPGL) had exercised the option for early redemption of 10% Non-Cumulative Redeemable Preference Shares (NCRPS). 22,643,349 NCRPS were held by non-controlling shareholders of WCPGL on which the difference of ₹161.29 Millions between the face value and the carrying value of such NCRPS has been accounted as finance cost during the year ended March 31, 2021. Refer table below:

(₹ million)

	As at December 08, 2020	As at March 31, 2020
Fair Value of 10% Non- Cumulative Redeemable Preference Shares	226.46	226.46
Equity Component of 10% Non- Cumulative Redeemable Preference Shares	(199.66)	(199.66)
	26.80	**26.80**
Unwinding of Interest (upto December 08, 2020 / March 31, 2020)	38.37	33.42
Carrying value	**65.17**	**60.22**
Face value at the time of redemption	226.46	-
Excess of face value over carrying value (Finance cost)	**(161.29)**	

Note 10 (a) : Current borrowings

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Secured:		
Measured at amortised cost		
- Working Capital Loans from Banks [Refer Note (i) below]	10,485.31	13,868.89
- Export bills discounted [Refer Note (iii) below]	2,528.57	1,787.55
Unsecured:		
Measured at amortised cost		
- Working Capital Loans from Banks	2,000.00	-
- Supplier financing [Refer note (ii) below]	940.85	2,065.69
- Commercial Paper [Refer note (iv) below]	1,500.00	-
Total current borrowings	**17,454.73**	**17,722.13**
Less: Interest accrued but not due [included in Note 10 (b)]	2.71	4.79
	17,452.02	**17,717.34**

Note:

(i) The working capital loans, which includes cash credit, packing credit and short term loan from banks, are generally secured by hypothecation of raw materials, stock-in-process, finished, semi finished goods, stores, spares and book debts and current financial assets of borrowing companies and second charge on entire fixed assets of borrowing companies and by corporate guarantees issued by certain companies within the Group.

(ii) The bills of the vendors evidencing supply of material are discounted on presentation and the vendors are directly paid by the banks and the Group bears the discounting charge upfront. Later on the due date (depending on the tenor of financing), the Group pays the discounting bank the principal amount. This financing is unsecured and therefore there is no hypothecation against stock or debtors.

(iii) Export bills are discounted with the banks and the net amount after deduction of discounting charges is received by the Group. Once the bills are realised the same is utilized to settle the outstanding amount with the bank.

(iv) Commercial paper is an unsecured short term debt instrument issued by the Company generally for the period up to 181 days to meet the regular working capital requirements.

Note 10 (b) : Other Non-current financial liabilities

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Security Deposits	52.48	50.91
Total	**52.48**	**50.91**

Note 10 (b) : Other current financials liabilities

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Current maturities of long term debt		
- Rupee Term Loans from Banks [Refer note 10 (a)]	1,257.11	2,633.19
- Foreign Currency Loans from Banks [Refer note 10 (a)]	-	1.03
Interest Accrued but not due on Borrowings	28.64	149.54
Security Deposits	126.22	160.45
Creditors for Capital Purchases	369.33	443.49
Mark-to-market loss on Forward Contracts	0.67	1,389.63
Temporary Overdraft with Scheduled Banks	-	1.41
Unpaid Dividends	25.30	27.08
Other Payables	39.22	126.80
Total	**1,846.49**	**4,932.62**

Notes

To the Financial Statements for the year ended March 31, 2021

Note 10 (c) : Trade payables

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Acceptances	-	
- Total Outstanding Dues of Micro Enterprises and Small Enterprises	524.90	179.25
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	10,390.59	8,799.26
Total	**10,915.49**	**8,978.51**

Note 11 : Non-current provisions

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Provision for litigation [Refer note (b) below]	27.39	26.02
Total	**27.39**	**26.02**

Note 11 : Current provisions

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Provision for litigation [Refer note (c) below]	-	0.59
Provision for exceptional items [Refer note (a) below]	-	-
Total	**-**	**0.59**

Particulars	**Provision for exceptional items [Refer note (a) below]**	**Provisions for litigation - Non Current and Current [Refer note (b) & (c) below]**
As at March 31, 2019	**1,728.89**	**26.26**
Charged/ (credited) to profit or loss**	(434.18)	0.35
Provisions utilised/adjusted during the year	1,294.71	-
As at March 31, 2020	**-**	**26.61**
Charged/ (credited) to profit or loss	-	0.78
Provisions utilised/adjusted during the year	-	-
As at March 31, 2021	**-**	**27.39**

**Pertains only to the exceptional item specified in Note 23

(a) The opening provision which was fully utilised during the previous year was towards return of goods by the customers, refund to the customers, cost of rework, inventory write-down, legal fees and other related expenses relating to the traceability issue. Refer Note 23 "Exceptional Items-Expense"

(b) Provision for litigation - non current is for litigation and disputes towards legal notices received for non-payment of rent in case of stores taken on lease.

(c) Provision for litigation - current is for Indirect Taxes towards likely demands that may arise on completion of assessments.

Note 12 : Current employee benefit obligations

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Provision for Compensated Absences [Refer Note 19]	272.78	264.23
Provision for Gratuity [Refer Note 19]	190.07	140.37
Employee Benefits Payable**	883.13	475.67
Total	**1,345.98**	**880.27**

** Includes salary, wages, bonus, leave travel allowance and director commission

Note 13 : Deferred tax liabilities

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
The balance comprises temporary differences attributable to:		
Deferred Tax Liabilities arising on account of temporary differences in:		
- Property, Plant and Equipment and Intangible assets	3,095.60	2,714.50
- Hedging reserves	113.42	-
- Government grants	-	100.84
Deferred Tax Asset arising on account of temporary differences in:		
- Provision for Doubtful Debts/ Advances	16.40	19.21
- Provision for Unpaid Statutory Dues under Section 43B of the Income Tax Act, 1961	57.37	81.37
- Provision for Employee Benefits	109.09	72.37
- Expenses inadmissible under section 40(a) of the Income Tax Act, 1961	15.89	7.03
- Provision for Inventory	103.40	15.03
- Unabsorbed Depreciation and Business Losses of Subsidiaries	396.20	238.11
- Others	16.33	
- Minimum Alternative Tax Credit Entitlement	-	455.05
Total	**2,494.34**	**1,927.17**

Notes:

(i) The Group has tax loss (Long Term Capital Loss) of ₹ 73.70 million (March 31, 2020 : ₹ 411.62 million) which are available for offsetting against future taxable profits. Deferred tax assets has not been recognised in respect of these losses due to lack of reasonably certainty with respect of utilisation of these losses against future long term capital losses.

(ii) The Group has not recognised deferred tax liabilities for taxes amounting to ₹1,191.35 million (March 31, 2020 : ₹ 1336.40 Million) that would be payable on the Group's share in unremitted earnings of its subsidiaries because the Group controls when the liability will be incurred and it is probable that the liability will not be incurred in the foreseeable future.

Notes
To the Financial Statements for the year ended March 31, 2021

Particulars	Property, Plant and Equipment and Intangible assets	Hedging reserves	Valuation of current investments	Minimum Alternative Tax Credit Entitlement	Provision for Doubtful debts/ Advances	Provision for unpaid statutory dues	Employee Benefits Expenses	Expenses inadmissible under section 40(a) of the Income Tax Act, 1961	Provision in Inventory	Expenses allowed on payment basis	Unabsorbed Depreciation and Business Losses	Government grants	Other items	Total
April 01, 2019	**3,220.11**	**394.98**	**0.94**	**(976.62)**	**(38.53)**	**(91.61)**	**(90.73)**	**(25.01)**	**(89.94)**	**(362.47)**	**(24.87)**	**114.54**	**(22.77)**	**2,008.02**
Charged / (Credited):														-
to Statement of Profit and Loss	(505.61)	-	(0.94)	521.57	19.32	10.24	19.76	17.98	74.91	362.47	(213.24)	(13.70)	22.77	315.53
to Other Comprehensive Income	-	(394.98)	-	-	-	-	(1.40)	-	-	-	-	-	-	(396.38)
March 31, 2020	**2,714.50**	**-**	**-**	**(455.05)**	**(19.21)**	**(81.37)**	**(72.37)**	**(7.03)**	**(15.03)**	**-**	**(238.11)**	**100.84**	**-**	**1,927.17**
Charged / (Credited):														-
to Statement of Profit and Loss	381.10	-	-	455.05	2.81	24.00	(50.39)	(8.86)	(88.37)	-	(158.09)	(100.84)	(16.33)	440.08
to Other Comprehensive Income	-	113.42	-	-	-	-	13.67	-	-	-	-	-	-	127.09
March 31, 2021	**3,095.60**	**113.42**	**-**	**-**	**(16.40)**	**(57.37)**	**(109.09)**	**(15.89)**	**(103.40)**	**-**	**(396.20)**	**-**	**(16.33)**	**2,494.34**

Note 14 : Other Non current liabilities

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Deferred Income [Refer Note below]	981.82	938.99
Total	**981.82**	**938.99**

Note 14 : Other current liabilities

	As At March 31, 2021 (₹ million)	As At March 31, 2020 (₹ million)
Advances from Customers	271.03	228.68
Unearned Revenue	3.95	5.83
Statutory dues	546.47	286.46
Deferred Income (Refer Note below)	414.43	133.56
Others	4.94	0.30
Total	**1,240.82**	**654.83**

Note:

Deferred income relates to government grant for the purchase of property, plant and equipment and are credited to profit or loss on a straight-line basis over the expected lives of the related assets. Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Note 15 : Revenue from Operations

	Year Ended March 31, 2021 (₹ million)	Year Ended March 31, 2020 (₹ million)
(a) Sale of Products		
Sale of Products (including excise duty)		
Finished Goods and Traded Goods	65,266.09	59,019.79
Power & Steam	674.90	1,219.13
Sub Total	**65,940.99**	**60,238.92**
(b) Other operating income		
Government Grant:		
Vat/ State Goods and Service Tax incentive (SGST) [Refer Note (i) below]	2,411.47	1,932.12
Rebate / Drawback of Taxes and Duties [Refer Note (ii) below and Note 40]	4,319.89	4,727.74
Sale of Coal	16.10	5.44
Sale of Scrap	448.99	506.12
Job Work and Processing Charges	264.32	0.58
Sub Total	**7,460.77**	**7,172.00**
Total	**73,401.76**	**67,410.92**

Notes:

(i) Value Added Tax (VAT)/State Goods and Service Tax (SGST) Concession: Reimbursement of VAT/SGST collected on end product/intermediate product to the extent of the eligible capital investments in plant and machinery for the specified period as per the Scheme.

(ii) Merchandise Export from India Scheme (MEIS): Group is entitled for reward under MEIS computed at specified rates on FOB value of exports to specified countries.

The Ministry of Textile, Government of India, had issued Notification number CG-DL-E-15012020-215423 dated January 14, 2020, withdrawing the entitlement under Merchandise Exports from India Scheme (MEIS) with retrospective effect from March 7, 2019 on certain products exported by the Company and its subsidiary. Without prejudice to the Company's claim, the Company had reversed the MEIS benefit accrued on the affected products, of ₹ 946.94 million for the period March 07, 2019 to September 30, 2019 and reduced from Revenue from Operations.

(iii) Revenue from contracts with customers

Notes

To the Financial Statements for the year ended March 31, 2021

1) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Revenue	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
India	8,984.12	7,356.00
Outside India	57,686.28	53,395.06
Total revenue from contracts with customers	**66,670.40**	**60,751.06**

2) Contract balances

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

Particulars	As at March 31, 2021 (₹ million)	As at March 31, 2020 (₹ million)
Trade receivables*	11,817.03	10,861.58
Contract liabilities (advances from customers)	271.03	228.68
Refund liabilities (Rebates, discounts, chargebacks, markdowns, etc.)	1,824.45	1,114.92

* Trade receivables are non-interest bearing and are generally on terms of 0 to 120 days.

3) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

Particulars	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Revenue as per contracted price	69,639.75	64,106.53
Less: Rebates, discounts, chargebacks, markdowns, etc.	2,969.34	3,355.47
Revenue from contracts with customers	**66,670.41**	**60,751.06**

4) Reconciliation of revenue from operations with revenue from contracts with customers

Particulars	As at March 31, 2021 (₹ million)	As at March 31, 2020 (₹ million)
Revenue from operations	73,401.76	67,410.92
Less: VAT/State Goods and Service Tax Incentive	2,411.47	1,932.12
Rebate / Drawback of Taxes and Duties	4,319.89	4,727.74
Revenue from contracts with customers	**66,670.40**	**60,751.06**

Note 16 : Other income

	As at March 31, 2021 (₹ million)	As at March 31, 2020 (₹ million)
Interest income from financial assets measured at amortised cost		
On Fixed Deposits	16.77	25.84
Interest income from financial assets measured at fair value through profit or loss		
On Bonds and Certificate of Deposits	175.03	13.28
Interest income on Others	6.74	39.25
Interest income on income tax refund	70.26	5.77
Rent	45.08	35.29
Unwinding of discount on security deposits	7.84	9.40
Net gain on financial assets measured at fair value through profit or loss	62.58	-
Liabilities Written Back as no Longer Required	44.11	0.61
Profit on Cancellation of Forward/ Swap Contracts	44.80	2.72
Profit on Sale/ Discarding of Property, Plant and Equipment (Net)	24.12	104.96
Exchange Gain (Net)	-	393.43
Miscellaneous	180.45	320.34
Total	**677.78**	**950.89**

Note 17 : Cost of materials consumed

	As at March 31, 2021 (₹ million)	As at March 31, 2020 (₹ million)
Raw material consumed		
Opening inventory	5,325.40	4,764.12
Add: Purchases (net)	31,422.64	28,178.38
Less : Inventory at the end of the year	6,429.95	5,325.40
	30,318.09	**27,617.10**
Packing material consumed		
Opening inventory	180.83	175.61
Add: Purchases (net)	2,950.59	2,620.34
Less : Inventory at the end of the year	231.53	180.83
	2,899.89	**2,615.12**
Total	**33,217.98**	**30,232.22**

Note 18 : Changes in inventory of finished goods, work-in-progress and stock-in-trade

	As at March 31, 2021 (₹ million)	As at March 31, 2020 (₹ million)
(Increase)/ Decrease in Stocks		
Stock at the end of the year:		
Finished Goods and Traded Goods	7,017.52	5,536.39
Work-in-Process	3,707.79	3,426.50
Total A	**10,725.31**	**8,962.89**
Less : Stock at the beginning of the year:		
Finished Goods and Traded Goods	5,727.70	5,313.59
Work-in-Process	3,426.50	2,768.33
Total B	**9,154.20**	**8,081.92**
(Increase)/ decrease in Stocks (A-B)	**(1,571.11)**	**(880.97)**

Note 19 : Employee Benefits Expense

(₹ million)

	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, Wages, Allowances and Other Benefits	7,560.95	7,082.13
Contribution to Provident and Other Funds	482.62	501.04
Staff and Labour Welfare	184.12	198.19
Total	**8,227.69**	**7,781.36**

The amount of Employee cost capitalised during the year ended March 31, 2021 was ₹34.62 million (March 31,2020 : ₹185.50 million)

I. Defined Contribution Plans

(₹ million)

During the year, the Group has recognised the following amounts in the Statement of Profit and Loss:	Year ended March 31, 2021	Year ended March 31, 2020
Employers' Contribution to Provident Fund & Pension Scheme	394.27	409.42
Employers' Contribution to Employees' State Insurance	40.44	42.58
Employers' Contribution to Superannuation Scheme	10.31	13.10
Other social security funds	37.60	35.94
Total	**482.62**	**501.04**

Notes

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II. Defined Benefit Plan

Contribution to Gratuity Fund (Funded Defined Benefit Plan)

Certain Companies operate gratuity plan through the Employees Trusts. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier.

Risk exposure

These defined benefit plans expose the Group to actuarial risk such as longitivity risks, interest rate risks, market (investment) risks.

a.	Major Assumptions	As at March 31, 2021	As at March 31, 2020
		% p.a.	% p.a.
	Discount Rate	6.80 - 6.90	6.84 - 7.76
	Salary Escalation Rate @	5.00 to 6.50	5.00 to 7.00

@ The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

(₹ million)

b.	Change in the Present Value of Obligation	As at March 31, 2021	As at March 31, 2020
	Opening Present Value of Obligation	620.31	512.16
	Current Service Cost	112.75	94.01
	Past Service Cost	-	-
	Interest Cost	42.55	39.79
	Total amount recognised in profit or loss	**155.30**	**133.80**
	Remeasurement		
	Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic assumptions	(3.00)	(13.84)
	Actuarial (Gains)/Losses on Obligations - Due to Change in Financial assumptions	(2.81)	55.53
	Actuarial (Gains)/Losses on Obligations - Due to Experience assumptions	(50.27)	(28.20)
	Total amount recognised in other comprehensive income	**(56.08)**	**13.49**
	Benefit Paid Directly by the Employer	(4.39)	-
	Benefit/ Exgratia paid	(72.45)	(39.14)
	Liability transferred out / divestment	(4.16)	-
	Closing Present Value of Obligation	**638.53**	**620.31**

(₹ million)

c.	Change in Fair Value of Plan Assets	As at March 31, 2021	As at March 31, 2020
	Opening Fair Value of Plan Assets	479.94	479.44
	Interest Income	32.91	37.25
	Total amount recognised in profit or loss	**32.91**	**37.25**
	Remeasurement		
	Return on Plan Assets, Excluding amounts included in Interest Income	(0.80)	2.39
	Total amount recognised in other comprehensive income	**(0.80)**	**2.39**
	Contributions	-	-
	Benefits paid	(63.59)	(39.14)
	Closing Fair Value of Plan Assets	**448.46**	**479.94**

(₹ million)

d.	Balance Sheet Reconciliation	As at March 31, 2021	As at March 31, 2020
	Opening Net Liability	(140.38)	(32.73)
	Income Recognized in Statement of Profit or Loss*	(122.36)	(96.55)
	Expenses/(Income) Recognized in OCI	55.23	(11.10)
	Benefit Paid Directly by the Employer	4.39	-
	Liability transferred out / divestment	4.15	-
	Employer's Contribution	8.90	-
	Net Liability Recognised in the Balance Sheet	**(190.07)**	**(140.38)**

e.	Amount recognised in the Balance sheet	As at March 31, 2021	As at March 31, 2020
	Present value of Obligation	638.53	620.31
	Fair Value of Plan Assets	448.46	479.94
	Funded Status Deficit	**(190.07)**	**(140.37)**
	Expense recognised in statement of profit or loss	-	-
	Net Liability Recognised in the Balance Sheet	**(190.07)**	**(140.37)**

(₹ million)

f.	Expenses Recognised in the Statement of Profit and Loss	Year ended March 31, 2021	Year ended March 31, 2020
	Current Service Cost	112.75	94.01
	Net Interest Cost	9.63	2.54
	Past Service Cost	-	-
	Interest Income	-	-
	Total Expenses recognized in the statement of profit and loss*	**122.38**	**96.55**

* Included in Employee Benefits Expense for year ended March 31, 2021 Nil (March 31,2020 : ₹ 6.19 million) in capital work in progress

(₹ million)

g.	Expenses recognized in the Other Comprehensive Income	Year ended March 31, 2021	Year ended March 31, 2020
	Re-measurement		
	Return on Plan Assets	0.80	(2.39)
	Net Actuarial (Gain)/Loss recognised in the year	(56.08)	13.49
	Net (Income)/Expenses for the Period Recognized in OCI	**(55.28)**	**11.10**

(₹ million)

h.	Sensitivity Analysis	Year ended March 31, 2021	Year ended March 31, 2020
	Projected Benefit Obligation on Current Assumptions	638.53	620.31
	Delta Effect of +1% Change in Rate of Discounting	(61.61)	(59.40)
	Delta Effect of -1% Change in Rate of Discounting	73.69	71.07
	Delta Effect of +1% Change in Rate of Salary Increase	73.98	71.32
	Delta Effect of -1% Change in Rate of Salary Increase	(62.87)	(60.60)
	Delta Effect of +1% Change in Rate of Employee Turnover	12.34	11.64
	Delta Effect of -1% Change in Rate of Employee Turnover	(14.37)	(13.57)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability / asset recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Notes

To the Financial Statements for the year ended March 31, 2021

i. The major categories of plans assets are as follows:

	As at March 31, 2021		As at March 31, 2020	
	(₹ million)	%	(₹ million)	%
Insurer Managed funds	448.46	100.00	479.93	100.00

j. Defined benefit liability and employer contributions

Funding is done only for employees more than 5 years in the group, for less than 5 years employees are paid separately.

Expected contributions to post-employment benefit plans for the year ending March 31, 2021 are ₹ 249.98 million.

The weighted average duration of the defined benefit obligation is 8-13 years (March 31, 2020: 10-13 years). The expected maturity analysis of gratuity is as follows:

(₹ million)

Particulars	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Between 6 - 10 years	11 Years & Above	Total
March 31, 2021						
Defined benefit obligation (gratuity)	43.52	57.65	96.70	212.78	1,228.08	1,638.72
Total	**43.52**	**57.65**	**96.70**	**212.78**	**1,228.08**	**1,638.72**
March 31, 2020						
Defined benefit obligation (gratuity)	38.70	34.04	137.53	195.25	1,171.52	1,577.04
Total	**38.70**	**34.04**	**137.53**	**195.25**	**1,171.52**	**1,577.04**

III Other Employee Benefit

The liability for leave entitlement and compensated absences as at year end is ₹272.78 million (March 31, 2020: ₹264.23 million).

Note 20 : Depreciation and Amortisation Expense

	Year ended March 31, 2021	Year ended March 31, 2020
	(₹ million)	(₹ million)
Depreciation of property, plant and equipment	4,124.67	4,350.86
Amortisation of intangible assets	149.05	146.18
Impairment of Goodwill	-	28.11
Depreciation on right-of-use assets	262.72	285.70
Total depreciation and amortization expense	**4,536.44**	**4,810.85**

Note 21 : Other Expenses

	Year ended March 31, 2021	Year ended March 31, 2020
	(₹ million)	(₹ million)
Stores and Spares Consumed	1,253.11	1,002.25
Dyes and Chemicals Consumed	2,507.94	2,342.22
Contract Labour Charges	1,234.67	1,072.42
Job Work Expenses	981.87	603.66
Power, Fuel and Water Charges	2,094.61	2,221.02
Repairs and Maintenance:		
Plant and Machinery	346.94	196.11
Factory Building	213.47	171.32
Others	390.57	361.56
Brokerage and Commission	354.31	353.76

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Freight, Forwarding and Coolie Charges	2,395.05	1,575.78
Directors' Sitting Fees	10.39	7.57
Rent	210.67	247.95
Rates and Taxes	51.75	82.78
Printing and Stationery	15.00	20.79
Travelling and Conveyance	258.55	571.27
Legal and Professional Charges	790.41	706.89
Security Expenses	57.38	51.49
Insurance	411.05	361.84
Communication	95.33	78.98
Postage and Courier	99.57	90.24
Provision for Doubtful Debts/Advances	79.48	22.52
Loss on Cancellation/ Settlement of Forward Contracts (Net)	-	84.08
Exchange Loss (Net)	69.18	-
Bad Debts Written off	3.81	74.80
Advances Written off [Net of allowance for doubtful advance written back of ₹ 43.50 million (March 31, 2020 ₹ Nil)]	8.34	61.51
Design and Development Expenses	179.52	124.22
Royalty	387.63	260.11
Advertising and Sales Promotion	738.74	1,116.01
Donations	7.89	3.29
Corporate Social Responsibility Expenses	112.15	95.90
Payments to auditors	30.07	28.02
Net loss on financial assets measured at fair value through profit or loss	-	256.07
Miscellaneous	391.31	273.50
Total Other Expenses	**15,780.76**	**14,519.93**

Note 22 : Finance costs

	Year ended March 31, 2021 (₹ million)	Year ended March 31, 2020 (₹ million)
Interest and finance charges on financial liabilities not at fair value through profit or loss	715.16	421.86
(net of interest subsidy of ₹ 779.14 million, Previous Year : ₹ 1,299.62 million)		
Interest on short term borrowings	599.70	746.13
Interest on Debentures	-	14.66
Excess of face value over carrying value of preference shares (Refer note 10 (aa))	161.29	-
Interest to Others	20.67	27.28
Interest on lease liability	54.29	58.53
Discounting and Bank Charges	423.95	508.53
Total	**1,975.06**	**1,776.99**

Note 23 : Exceptional items

The Company received final approval from trial court dated October 28, 2019 for its settlement agreement which was intended to resolve all pending legal claims in the United States concerning past marketing and labeling of the Company's premium cotton home textile products. Accordingly, the management based on expert advice had reversed the unutilized provision aggregating ₹434.18 million during the previous year.

Notes

To the Financial Statements for the year ended March 31, 2021

Note 24 : Income tax expense

This note provides an analysis of the Group's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Group's tax positions.

(a) Statement of Profit and Loss

(₹ million)

	Year Ended March 31, 2021	Year Ended March 31, 2020
Current Tax		
Current Tax on profits for the year.	2,163.28	1,425.57
Adjustment for current tax of prior periods	(137.13)	193.50
Total current tax expense	**2,026.15**	**1,619.07**
Deferred Tax		
Relating to originating and reversal of temporary differences	152.94	81.29
Total deferred income tax expense/(benefit)	**152.94**	**81.29**
Income tax expense	**2,179.09**	**1,700.36**

(b) Other Comprehensive Income (OCI)

(₹ million)

	Year Ended March 31, 2021	Year Ended March 31, 2020
Deferred loss/(gain) on cash flow hedges	(442.03)	723.59
Net loss/(gain) on remeasurement of defined benefit plans	(13.67)	1.40
Total	**(455.70)**	**724.99**

(c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

(₹ million)

	Year Ended March 31, 2021	Year Ended March 31, 2020
Profit for the year before income tax expense	7,687.02	6,943.91
Tax at the Indian tax rate @ 34.94% (previous year 34.94 %)	**2,685.84**	**2,426.20**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Impact on account of change in tax rate	-	(1,035.25)
Donation and Corporate social responsibility expenditure	24.82	18.94
Research and Development Expenditure	-	(22.93)
Deduction under section 80IA (Previous year : 80IA)	(584.65)	(334.62)
Adjustment of tax related to earlier years	(137.13)	193.50
Interest on loan given to subsidiary	6.74	(6.39)
Redemption of Preference Shares	34.76	-
Deferred tax not created	184.98	295.03
Other Items	4.16	136.23
Difference in Overseas tax rate and tax payable at lower rates	(40.43)	29.65
Income Tax Expenses	**2,179.09**	**1,700.36**

Note 25 : Fair value measurements

Financial instruments by category

	March 31, 2021			March 31, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	-	17.17	-	-	4.59	-
- Bonds and debentures	877.70	-	-	81.47	-	-
- Mutual funds	215.03	-	-	2,354.95	-	-
- Others	1.31	-	-	2.92	-	-
Trade receivables	-	-	11,817.03	-	-	10,861.58
Loans	-	-	9.47	-	-	7.08
Cash and cash equivalents	-	-	2,994.19	-	-	2,051.08
Bank balance other than Cash and cash equivalents	-	-	996.72	-	-	253.39
Security deposits	-	-	417.10	-	-	331.51
Government Grants Receivable	-	-	3,682.64	-	-	3,654.93
Mark-to-Market gain (Net) on Forward/ Swap Contracts		726.89	-	150.52	-	-
Other financial assets	275.90	-	87.43	-	-	319.19
Total financial assets	**1,369.94**	**744.06**	**20,004.58**	**2,589.86**	**4.59**	**17,478.76**
Financial liabilities						
Borrowings including interest there on	-	-	28,442.54	-	-	34,570.64
Trade payables	-	-	10,915.49	-	-	8,978.51
Security Deposits	-	-	178.70	-	-	211.36
Creditors for Capital Purchases	-	-	369.33	-	-	443.49
Mark-to-market loss on Forward Contracts	0.67	-	-	-	1,389.63	-
Lease Liability	-	-	988.78	-	-	787.74
Other financial liabilities	-	-	64.52	-	-	155.29
Total financial liabilities	**0.67**	**-**	**40,959.36**	**-**	**1,389.63**	**45,147.03**

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

	March 31, 2021		March 31, 2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Trade receivables	11,817.03	11,817.03	10,861.58	10,861.58
Loans	9.47	9.47	7.08	7.08
Cash and cash equivalents	2,994.19	2,994.19	2,051.08	2,051.08
Bank balance other than Cash and cash equivalents	996.72	996.72	253.39	253.39
Security deposits	417.10	417.10	331.51	331.51
Government Grants Receivable	3,682.64	3,682.64	3,654.93	3,654.93
Other financial assets	87.43	87.43	319.19	319.19
Total	**20,004.58**	**20,004.58**	**17,478.76**	**17,478.76**
Financial liabilities				
Borrowings including interest there on	28,442.54	28,442.54	34,570.64	34,590.10
Trade payables	10,915.49	10,915.49	8,978.51	8,978.51
Security Deposits	178.70	178.70	211.36	211.36
Creditors for Capital Purchases	369.33	369.33	443.49	443.49
Lease Liability	988.78	988.78	787.74	787.74
Other financial liabilities	64.52	64.52	155.29	155.29
Total	**40,959.36**	**40,959.36**	**45,147.03**	**45,166.49**

Notes

To the Financial Statements for the year ended March 31, 2021

The carrying amount of trade receivable, current loans, current portion of interest accrued on fixed deposit, bonds and certificates, cash and cash equivalents, bank balances other than cash and cash equivalents, government grants, TUF and incentive, trade payable, capital creditors, current security deposits (liability) and other current financial liabilities are considered to be approximately same as their fair value, due to their short-term nature and have been classified as level 3 in the fair value hierarchy.

The fair value for loans, security deposits, advance recoverable in cash, fixed deposit with bank, interest accrued on fixed deposit and investments in preference shares is calculated based on cash flows discounted using a current lending rates. Further, security deposits, advance recoverable in cash and investments in preference share 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 value for long term security deposits 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.

The carrying amount of long term borrowings is approximately equal to it's fair value since the borrowings are at floating rate of interest. Also, the carrying amount of short term borrowing is considered to be approximately same as it's fair value due to it's short term nature.

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

(ii) Fair value hierarchy

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

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2021	**Notes**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets:					
Financial Investments at FVPL					
Bonds and debentures	5 (a)	-	-	877.70	877.70
Mutual funds	5 (a)	-	215.03	-	215.03
Others	5 (a)	-	-	1.31	1.31
Derivatives designated as hedges					
Mark-to-Market Gain on Forward Contracts	5 (c)	-	726.89	-	726.89
Financial Investments at FVOCI					
Listed Equity Investment	5 (c)	17.17	-	-	17.17
Total financial assets		**17.17**	**941.92**	**879.01**	**1,838.10**
Financial liabilities					
Derivatives not designated as hedges					
Mark-to-market loss on Forward Contracts	10 (b)	-	0.67	-	0.67
Total financial liabilities		**-**	**0.67**	**-**	**0.67**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed At March 31, 2021	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Trade receivables	5 (d)	-	-	11,817.03	11,817.03
Loans	5 (b)	-	-	9.47	9.47
Cash and cash equivalents	5 (e)	-	-	2,994.19	2,994.19
Bank balance other than Cash and cash equivalents	5 (f)	-	-	996.72	996.72
Security deposits	5 (c)	-	-	417.10	417.10
Government Grants Receivable	5 (c)	-	-	3,682.64	3,682.64
Other financial assets	5 (c)	-	-	87.43	87.43
Total financial assets		**-**	**-**	**20,004.58**	**20,004.58**
Financial Liabilities					
Borrowings	10 (a)	-	-	28,442.54	28,442.54
Trade payables	10 (c)	-	-	10,915.49	10,915.49
Security Deposits	10 (b)	-	-	178.70	178.70
Creditors for Capital Purchases	10 (b)	-	-	369.33	369.33
Lease Liability		-	-	988.78	988.78
Other financial liabilities	10 (b)	-	-	64.52	64.52
Total financial liabilities		**-**	**-**	**40,959.36**	**40,959.36**

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2020	Notes	Level 1	Level 2	Level 3	Total
Financial assets:					
Financial Investments at FVPL					
Bonds and debentures	5 (a)	-	-	81.47	81.47
Mutual funds	5 (a)	-	2,354.95	-	2,354.95
Others	5 (a)	-	-	2.92	2.92
Mark-to-Market gain (Net) on Forward/ Swap Contracts	5 (c)	-	150.52	-	150.52
Financial Investments at FVOCI					
Listed Equity Investment	5 (a)	4.59	-	-	4.59
Total financial assets		**4.59**	**2,505.47**	**84.39**	**2,594.45**
Financial liabilities					
Mark-to-market loss on Forward Contracts	10 (b)	-	1,389.63	-	1,389.63
Total financial liabilities		**-**	**1,389.63**	**-**	**1,389.63**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed At March 31, 2020	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Trade receivables	5 (d)	-	-	10,861.58	10,861.58
Loans	5 (b)	-	-	7.08	7.08
Cash and cash equivalents	5 (e)	-	-	2,051.08	2,051.08
Bank balance other than Cash and cash equivalents	5 (f)	-	-	253.39	253.39
Security deposits	5 (c)	-	-	331.51	331.51
Government Grants Receivable	5 (c)	-	-	3,654.93	3,654.93
Other financial assets	5 (c)	-	-	319.19	319.19
Total financial assets		**-**	**-**	**17,478.76**	**17,478.76**
Financial Liabilities					
Borrowings including interest there on	10 (a)	-	-	34,590.10	34,590.10
Trade payables	10 (c)	-	-	8,978.51	8,978.51
Security Deposits	10 (b)	-	-	211.36	211.36
Creditors for Capital Purchases	10 (b)	-	-	443.49	443.49
Lease Liability	34	-	-	787.74	787.74
Other financial liabilities	10 (b)	-	-	155.29	155.29
Total financial liabilities		**-**	**-**	**45,166.49**	**45,166.49**

Notes

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The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below.

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (such as traded bonds, debentures, government securities and commercial papers) is determined using Fixed Income Money Market and Derivatives. Association of India (FIMMDA) inputs and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. Considering that all significant inputs required to fair value such instruments are observable, these are included in level 2. The mutual funds, bonds and debentures are valued using the closing Net Assets Value (NAV). NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.

Valuations of Level 2 instruments can be verified to recent trading activity for identical or similar instruments, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. Consideration is given to the nature of the quotations (e.g., indicative or firm) and the relationship of recent market activity to the prices provided from alternative pricing sources.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the period. The group's policy is to recognise transfers into and transfers out of fair value hierarchy level as at the end of reporting period. and transfers out of fair value hierarchy level as at the end of reporting period.

(iii) Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- NAV quoted by mutual funds
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(iv) Fair value measurements using significant unobservable inputs (level 3) for FVPL instruments

The following table presents the changes in level 3 items for the periods ended March 31, 2021 and March 31, 2020:

(₹ million)

Particulars	Equity Share	Preference shares
As at April1, 2019	**258.53**	**-**
Loss recognised in Statement of Profit and Loss	(258.53)	-
Amount Received on redemption	-	-
Investment made during the year	-	-
As at March 31, 2020	**-**	**-**
Gains/ Loss) recognised in Statement of Profit and Loss	-	-
Amount Received on redemption	-	-
Investment made during the year	0.02	-
As at March 31, 2021	**0.02**	**-**

(v) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (ii) above for the valuation techniques adopted

Particulars	Fair Value (₹ million) March 31, 2021	Fair Value (₹ million) March 31, 2020	Significant unobservable inputs	Probability-weighted range March 31, 2021	Probability-weighted range March 31, 2020	Sensitivity
Equity Shares	0.02	-	March 31, 2021: Proportionate net worth of the investee entities March 31, 2020: Proportionate net worth of the investee entities	NA	NA	March 31, 2021: NA as the value is Nil March 31, 2020: NA as the value is Nil

(vi) 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, including level 3 fair values. This team reports directly to the chief financial officer (CFO).

Discussions of valuation processes and results are held between the CFO, and the valuation team at least once every three months, in line with the Group's quarterly reporting periods.

The main level 3 inputs for preference shares used by the Group are derived and evaluated as follows:

- Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk grading determined by the Group's internal credit risk management team.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the quarterly valuation discussion between the CFO and the valuation team. As part of this discussion the team presents a report that explains the reason for the fair value movements.

Note 26 - Financial risk management

The Group's activities expose it to market risk, liquidity risk and credit risk. In order to minimize any adverse effects of the financial performance of the Group, derivative financial instruments, such as foreign exchange contracts, foreign currency swap contracts are entered to hedge certain foreign currency risk exposure and interest rate swap to hedge variable interest rate exposures. Derivatives are used exclusively for hedging purpose and not as trading or speculative instruments.

This note explain the sources of risk which the Group is exposed to and how the Group manages the risk and impact of hedge accounting 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	Diversification of bank deposits, credit limits, letters of credit and insurance for certain trade receivables
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts, plain Vanilla Foreign currency options
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	The Group achieves the optimum interest rate profile by benchmarking, borrowing rates that represent economic variabilities in which the Group operates. Further, the Group is eligible for interest subsidy of upto 8% p.a. on the certain term loans as a result the Group does not hedge these loans.
Market risk - security prices	Investments in Bonds	Sensitivity analysis	Portfolio diversification

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The Group's risk management is carried out by the Risk Management committee, under policies approved by the Board of Directors. Group Risk Management committee identifies, evaluates and hedge financial risk in close cooperation with Group companies. The Board provides policy 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 is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with bank and financial institution, foreign exchange transactions and other financial instruments.

The Group determines default by considering the business environment in which the Group operates and other macro-economic factors. The group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward -looking information such as:

i) Actual or expected significant adverse changes in business;

ii) Actual or expected significant changes in the operating results of the counterparty;

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;

iv) Significant increase in credit risk on other financial instruments of the same counterparty;

v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group.

Trade Receivable

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables.

Concentrations of credit risk with respect to trade receivables are limited, due to the Group's customer base being large and diverse. The following table gives details in respect of percentage of revenue generated (sale of products) from the top ten customers.

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from top ten customers	64.22%	65.74%

Expected credit loss for trade receivables as at March 31, 2021 is ₹87.10 million (March 31, 2020: ₹60.16 million)

As at March 31, 2021 (₹ million)

Ageing of Trade receivables Gross Carrying Amount	Less than 3 months	3 months to 6 months	Above 6 months	Total
Gross Carrying Amount	10,682.71	795.22	426.20	11,904.13
Expected Loss Rate	0.03%	0.41%	18.80%	0.73%
Allowance for Doubtful	3.72	3.25	80.13	87.10
Carrying amount of trade receivables (net of impairment)	**10,678.99**	**791.97**	**346.07**	**11,817.03**

As at March 31, 2020 (₹ million)

Ageing of Trade receivables Gross Carrying Amount	Less than 3 months	3 months to 6 months	Above 6 months	Total
Gross Carrying Amount	9,645.06	773.32	503.36	10,921.74
Expected Loss Rate	0.00%	0.00%	11.95%	0.55%
Allowance for Doubtful	-	-	60.16	60.16
Carrying amount of trade receivables (net of impairment)	**9,645.06**	**773.32**	**443.20**	**10,861.58**

Reconciliation of loss allowance provision - Trade receivables

	Amount (₹ million)
Allowance for doubtful debts on March 31, 2019	38.94
Expected Credit loss recognised	25.97
Written off during the year	4.75
Allowance for doubtful debts on March 31, 2020	**60.16**
Expected Credit loss recognised	44.56
Written off during the year	17.62
Allowance for doubtful debts on March 31, 2021	**87.10**

Other financial assets

The Group maintains exposure in cash and cash equivalents, term deposits with banks, Derivative financial instruments, investments in government securities and bonds, and investments in mutual funds. The Group has diversified portfolio of investment with various number of counter-parties which have good credit ratings, good reputation, good past track records and reviews and hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Group.

B. Liquidity risk

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

(i) Financing arrangements

The group had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ million)

As at	March 31, 2021 Fund based	March 31, 2021 Non Fund based	March 31, 2020 Fund based	March 31, 2020 Non Fund based
Expiring with one year (Export bills discounting, Packing Credit, Bank overdraft etc.)	14,338.52	2,160.63	10,026.22	3,209.81
Expiring beyond one year (bank loans)	1,183.16	-	1,724.11	-
TOTAL	**15,521.68**	**2,160.63**	**11,750.33**	**3,209.81**

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

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(ii) Maturities of Financial liabilities

The tables below analyse the Group'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.

As at March 31, 2021 (₹ million)

Contractual maturities of Non derivatives 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
Non derivatives							
Borrowings	13,762.72	4,813.20	1,014.66	2,196.96	4,852.64	5,229.20	31,869.38
Trade payables	10,915.49	-	-	-	-	-	10,915.49
Other financial liabilities	554.72	4.92	1.10	52.48	-	-	613.22
Lease Liabilities	72.12	70.69	118.95	213.29	372.97	308.12	1,156.14
Total	**25,305.05**	**4,888.81**	**1,134.71**	**2,462.73**	**5,225.61**	**5,537.32**	**44,554.23**

As at March 31, 2021 (₹ million)

Derivative Financial Instruments for highly probable forecast sales (based on contracted rate)	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
Forward contracts USD-INR	8,134.31	9,298.88	18,376.48	-	-	-	35,809.67
Forward contracts EUR-INR	163.62	146.66	-	-	-	-	310.28
Forward contracts GBP-INR	61.41	61.94	-	-	-	-	123.35
Total	**8,359.34**	**9,507.48**	**18,376.48**	**-**	**-**	**-**	**36,243.30**

As at March 31, 2021 (₹ million)

Derivative Financial Instruments for firm commitments/highly probable forecast purchases (based on contracted rate)	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
Forward contracts USD-INR	-	105.44	-	-	-	-	105.44
Forward contracts EUR-INR	-	-	-	-	-	-	-
Forward contracts CHF-INR	-	-	-	-	-	-	-
Total	**-**	**105.44**	**-**	**-**	**-**	**-**	**105.44**

As at March 31, 2020 (₹ million)

Contractual maturities of Non derivatives 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
Non derivatives							
Borrowings	13,740.98	6,518.85	1,745.33	4,195.69	8,381.78	5,798.76	40,381.39
Trade payables	8,804.94	173.57	-	-	-	-	8,978.51
Other financial liabilities	459.37	108.91	78.76	89.33	73.76	-	810.13
Lease Liabilities	80.23	75.92	149.93	270.58	286.48	50.06	913.20
Total	**23,085.52**	**6,877.24**	**1,974.02**	**4,555.60**	**8,742.02**	**5,848.82**	**51,083.22**

As at March 31, 2020 (₹million)

Derivative Financial Instruments for highly probable forecast sales (based on contracted rate)	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
Forward contracts USD-INR	7,907.18	9,088.18	13,726.78	-	-	-	30,722.14
Forward contracts EUR-INR	97.90	48.88	-	-	-	-	146.78
Forward contracts GBP-INR	71.09	33.29	-	-	-	-	104.38
Total	**8,076.17**	**9,170.35**	**13,726.78**	**-**	**-**	**-**	**30,973.30**

As at March 31, 2020							(₹ million)
Derivative Financial Instruments for firm commitments/highly probable forecast purchases (based on contracted rate)	**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**
Forward contracts USD-INR	1,463.04	3,134.09	-	-	-	-	4,597.13
Forward contracts EUR-INR	125.85	-	34.53	-	-	-	160.38
Forward contracts CHF-INR	-	96.61	-	-	-	-	96.61
Total	**1,588.89**	**3,230.70**	**34.53**	**-**	**-**	**-**	**4,854.12**

C. Market risk

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (revenue and expenses).

This foreign currency risk is hedged by using foreign currency forward contracts. The Group manages its foreign currency risk by designating forward contracts as hedging instruments against:

In case of foreign currency sales and pool of trade receivables in foreign currency-

- Highly probable forecasted sales in foreign currency i.e. towards future sales where corresponding exposure is yet to be recorded in the books (for an initial part of the tenure of the contract),
- Pool of trade receivables in foreign currency (for balance part of the tenure of contract), and

Further, the Group settles these forward contracts with banks by utilising it against the realisations for pool of trade receivables in foreign currency.

In case of imports and corresponding trade payables-

- Firm commitments and settlement of certain foreign currency trade payables.

(a) Foreign currency risk exposure

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows. Translation related risks are not included in the assessment of group's exposure to currency risk. Translation exposures arise from financial and non financial items held by subsidiary companies with a functional currency different from the group's presentation currency. However, foreign currency denominated inter-company receivables and parables which do not form part of net investment in a foreign operation are considered as exposure, accordingly included below.

(₹million)

As at	March 31, 2021			March 31, 2020		
Foreign Currency	**USD**	**EUR**	**Others***	**USD**	**EUR**	**Others***
Financial Assets						
Trade Receivables	11,838.76	93.87	100.69	10,883.03	52.14	31.04
Other Receivables	7.18	12.72	0.02	-	-	19.41
Foreign exchange forward contracts	(7,803.05)	-	-	-	-	-
Net exposure to foreign currency risk (assets)	**4,042.89**	**106.59**	**100.71**	**10,883.03**	**52.14**	**50.45**
Financial liabilities						
Borrowings	5,056.17	-	-	3,830.51	-	-
Trade payables and provision	4,069.82	95.76	69.02	4,085.78	81.03	53.04
Other financial liabilities	36.26	49.89	-	47.65	82.56	2.92
Less: Hedged through derivatives						
Foreign exchange forward contracts	(103.46)	-	-	(2,843.69)	(61.75)	-
Net Net exposure to foreign currency risk (liabilities)	**9,058.79**	**145.65**	**69.02**	**5,120.25**	**101.84**	**55.96**
Net open exposures (assets-liabilities) - assets / (liabilities)	**(5,015.89)**	**(39.06)**	**31.69**	**5,762.78**	**(49.70)**	**(5.51)**

*Others consists of GBP, JPY, CNY, AED, HKD and CHF foreign currencies.

Notes

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Amount of financial hedge, as mentioned above do not include outstanding forward contracts of ₹ Nil (March 31, 2020: ₹ 2,051.74 million) that are towards firm commitment / highly probable forecast transactions to purchase where corresponding exposure is yet to be recorded in the books.

Cross Currency Interest Rate Swap

Group has enetered into INR-USD swap during FY 2020-21, details of which are mentioned hereunder-

INR Notional (Million)	USD Notional (Million)	Maturity	Os notional as on 31.03.21 (USD Million)	MTM as on 31.03.21 (INR Million)
1,750	23.78	31-Aug-25	23.54	14.01

(b) Foreign currency sensitivity

The sensitivity of other component of equity arises from foreign forward exchange contracts.

(₹million)

	Impact on profit before tax	
	March 31, 2021	March 31, 2020
USD sensitivity		
USD-INR - Increase by 5% (March 31, 2020 - 5%)*	(250.79)	288.14
USD - INR - Decrease by 5% (March 31, 2020 - 5%)*	250.79	(288.14)
EURO sensitivity		
EURO - INR - Increase by 4% (March 31, 2020 - 4%)*	(1.56)	(1.99)
EURO - INR - Decrease by 4% (March 31, 2020 - 4%)*	1.56	1.99

* Holding all other variables constant

(c) Hedge accounting

(i) Cash Flow Hedge

The Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions (forecasted sales). The use of foreign currency forward contracts is governed by the Group's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Group's risk management policy and procedures. Mark-to-Market Gain/(Loss) on Forward Contracts which are assessed as effective under Cash Flow hedge are recognized through Other Comprehensive Income and ineffective hedges are transferred to Statement of Profit and Loss account.

(ii) fair Value Hedge

The Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to firm commitments/highly probable forecast transactions to purchase raw materials and foreign currency required at the settlement date of certain payables for these purchases and at the settlement date of pool of trade receivables in foreign currency. Hedging the forecast purchases and pool of foreign currency trade receivables is in accordance with the risk management strategy outlined by the Board of Directors. Mark-to-Market Gain/(Loss) on Forward Contracts under Fair Value hedged are recognized through statement of Profit and Loss account.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange and forward contracts match the terms of the expected highly probable forecast transactions (i.e., notional amount and expected payment date).

The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange and forward contracts are identical to the hedged risk components. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

The hedge ineffectiveness can arise from:

i) Differences in the timing of the cash flows of the hedged items and the hedging instruments

ii) The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items

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As at March 31, 2021

Following tables discloses profile of timing of the nominal amount of foreign exchange forward contracts:

Particulars	Less than 3 months		3 to 6 Months		6 months to 1 year		Total
Foreign Currency Forward Contracts for Highly probable forecast sales	**Amount in Million**	**Average Rate (₹)**	**Amount in Million**	**Average Rate (₹)**	**Amount in Million**	**Average Rate (₹)**	**Amount in Million**
Forward contracts (in USD)	0.25	73.90	121.39	76.60	239.75	76.65	361.39
Forward contracts (in EURO)	1.85	88.45	1.65	88.88	-	-	3.50
Forward contracts (in GBP)	0.60	102.34	0.60	103.24	-	-	1.20

Following tables discloses profile of timing of the nominal amount of foreign exchange forward contracts:

Particulars	Less than 3 months		3 to 6 Months		6 months to 1 year		Total
Foreign Currency Forward Contracts for Firm Commitments/ Highly probable forecast purchases	**Amount in Million**	**Average Rate (₹)**	**Amount in Million**	**Average Rate (₹)**	**Amount in Million**	**Average Rate (₹)**	**Amount in Million**
Forward contracts (in USD)	-		1.42	74.51	-	-	1.42

As at March 31, 2020

Following tables discloses profile of timing of the nominal amount of foreign exchange forward contracts:

Particulars	Less than 3 months		3 to 6 Months		6 months to 1 year		Total
Foreign Currency Forward Contracts for Highly probable forecast Sales	**Amount in Million**	**Average Rate (₹)**	**Amount in Million**	**Average Rate (₹)**	**Amount in Million**	**Average Rate (₹)**	**Amount in Million**
Forward contracts (in USD)	109.45	72.25	123.31	73.70	184.60	74.36	417.36
Forward contracts (in EURO)	1.20	81.58	0.60	81.47	-	-	1.80
Forward contracts (in GBP)	0.75	94.79	0.35	95.10	-	-	1.10

Following tables discloses profile of timing of the nominal amount of foreign exchange forward contracts:

Particulars	Less than 3 months		3 to 6 Months		6 months to 1 year		Total
Foreign Currency Forward Contracts for Firm Commitments/ Highly probable forecast purchases	**Amount in Million**	**Average Rate (₹)**	**Amount in Million**	**Average Rate (₹)**	**Amount in Million**	**Average Rate (₹)**	**Amount in Million**
Forward contracts (in USD)	20.14	72.64	41.88	74.84	-	-	62.02
Forward contracts (in EURO)	1.56	80.68	-	-	0.40	85.68	1.96
Forward contracts (in CHF)	-	-	1.19	81.19	-	-	1.19

Notes

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Impact of hedging activities

Disclosure of effects of hedge accounting on financial positions:

(₹ million)

March 31, 2021	Nominal value (Foreign Currency in Million)	Carrying amount of hedging instrument		Hedging Ratio	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognizing effectiveness
		Assets	Liabilities			
Cash flow hedge						
Foreign exchange risk						
Forward contracts (USD-INR)	361.39	444.29	-	1:1		
Forward contracts (EURO-INR)	3.50	5.49	-	1:1	1,584.61	(1,584.61)
Forward contracts (GBP-INR)	1.20	0.79	-	1:1		
Fair Value hedge						
Foreign exchange risk						
Forward contracts (USD-INR)	108.15	262.31	(0.48)	1:1		

(₹ million)

March 31, 2020	Nominal value (Foreign Currency in Million)	Carrying amount of hedging instrument		Hedging Ratio	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognizing effectiveness
		Assets	Liabilities			
Cash flow hedge						
Foreign exchange risk						
Forward contracts (USD-INR)	417.36	-	(1,386.21)	1:1		
Forward contracts (EURO-INR)	1.80	-	(3.92)	1:1	(1,231.16)	1,231.16
Forward contracts (GBP-INR)	1.10	-	0.50	1:1		
Fair Value hedge						
Foreign exchange risk						
Forward contracts (USD-INR)	62.02	149.88	-	1:1		
Forward contracts (EURO-INR)	1.97	3.81	-	1:1	151.95	(151.95)
Forward contracts (GBP-INR)	-	-	-	1:1		
Forward contracts (CHF-INR)	1.19	-	(1.74)	1:1		

Disclosure of effects of hedge accounting on financial performance

(₹ million)

March 31, 2021 Type of hedge	Change in the value of the hedging instrument recognized in OCI	Hedge ineffectiveness recognized in profit and loss	Amount reclassified from cash flow hedging reserve to profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Highly probable forecast sales	1,584.61	-	136.91	Revenue
Highly probable forecast sales	-	29.16	-	Other income

(₹ million)

March 31, 2020 Type of hedge	Change in the value of the hedging instrument recognized in OCI	Hedge ineffectiveness recognized in profit and loss	Amount reclassified from cash flow hedging reserve to profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Highly probable forecast sales	(1,231.16)	-	1,158.87	Revenue
Highly probable forecast sales	-	84.08	-	Other Expenses

The Group's hedging policy allows for effective hedge relationship to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between hedge item and hedging instrument. The Group uses hypothetical derivative method to assess effectiveness.

Movement in cash flow hedging reserve

(₹ million)

Derivative instruments	Forward contracts
(i) Cash flow hedging reserve	
As at March 31, 2019	**722.98**
Add: Gain recognised in other comprehensive income during the year	(1,231.16)
Less: Amounts reclassified to profit or loss	(1,158.87)
Less: Deferred Tax	709.34
As at March 31, 2020	**(957.71)**
Add: Loss recognised in other comprehensive income during the year	1,584.61
Add: Amounts reclassified to profit or loss	136.91
Less: Deferred Tax	(433.32)
As at March 31, 2021	**330.49**

(ii) Cash flow and fair value interest rate risk

The Group 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 Group 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 Group by maintaining an appropriate mix between fixed and floating rate borrowings.

(a) Interest rate risk exposure

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

(₹ million)

Particulars	As at March 31, 2021	As at March 31, 2020
Fixed rate borrowings	13,972.62	14,590.08
Floating rate borrowings	14,441.28	19,879.02
Total	**28,413.90**	**34,469.10**

As at the end of the reporting period, the Group had the following variable rate borrowings outstanding:

(₹ million)

	March 31, 2021			March 31, 2020		
Particulars	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Borrowings -Term Loan	6.20%	14,441.28	51%	8.45%	19,879.02	58%
Net exposure to cash flow interest rate risk	-	14,441.28	-	-	19,879.02	-

Notes

To the Financial Statements for the year ended March 31, 2021

b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ million)

	Impact on profit before tax	
	March 31, 2021	March 31, 2020
Increase by 50 basis points (March 31, 2020 - 50 basis points)*	(72.21)	(89.47)
Decrease by 50 basis points (March 31, 2020 - 50 basis points)*	72.21	89.47

* Holding all other variables constant including change in interest subsidy

(iii) Price risk

(a) Exposure

The Group is mainly exposed to the price risk due to its investment in mutual funds and bonds. The price risk arises due to uncertainties about the future market values of these investments. In order to manage its price risk arising from investments in mutual funds, the Group diversifies its portfolio in accordance with the limits set by the risk management policies.

(b) Sensitivity

The table below summarises the impact of increases/decreases of 0.75% increase in price of Mutual Fund / Bond.

(₹ million)

	Impact on profit before tax	
	March 31, 2021	March 31, 2020
Increase in price 0.75% (March 31, 2020 - 0.75%)*	8.20	18.27
Decrease in price 0.75% (March 31, 2020 - 0.75%)*	(8.20)	(18.27)

* Holding all other variables constant

Note 27 : Capital management

(a) Risk Management

The Group's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Group's overall strategy remains unchanged from previous year.

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

The funding requirements are met through a mixture of equity, internal fund generation and other long term borrowings. The Group's policy is to use short-term and long-term borrowings to meet anticipated funding requirements.

The Group monitors capital on the basis of the net debt to equity ratio. The Group is not subject to any externally imposed capital requirements.

Net debt are long term and short term debts as reduced by cash and cash equivalents. Equity comprises all components excluding other components of equity (which comprises the cash flow hedges, translation of foreign operations and available-for-sale financial investments).

For Impact of COVID-19 on capital management, refer Note 39.

The Group's strategy is to maintain a gearing ratio within 2:1. The gearing ratios were as follows:

The following table summarizes the capital of the Group:

	March 31, 2021	March 31, 2020
Non current borrowings	9,704.77	14,069.54
Current borrowings	17,452.02	17,717.34
Current maturities of long term debt	1,257.11	2,634.22
Less: cash and cash equivalent	2,994.19	2,051.08
Net debt	25,419.71	32,370.02
Total equity	37,432.27	30,569.08
Gearing ratio	0.68	1.06

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants, in certain cases, may permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020.

(b) Dividend

	March 31, 2021	March 31, 2020
Equity Share		
Final dividend for the year ended March 31, 2020 of ₹ Nil (March 31, 2019 of ₹ 0.30) per fully paid share (Dividend distribution tax for the year ended March 31, 2020 : ₹ Nil, March 31, 2019 : ₹ 61.97 million)	-	301.42
Interim dividend for the year ended March 31, 2021 of ₹ Nil (March 31, 2020 of ₹1) per fully paid share. (Dividend distribution tax for the year ended March 31, 2021 : Nil, March 31, 2020 : ₹ 206.56 million March 31, 2019 : Nil)	-	1,004.73
Dividend not recognised at the end of the reporting period		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 0.15/- per fully paid equity share (March 31, 2020 of ₹ Nil). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	-	-

Note 28 : Segment Information

i) Information about Primary Business Segment

Identification of Segments:

The Group is engaged in the business of Home Textiles (which includes towels, bath robes, bath rugs/ mats, area rugs, carpet, bedsheets, utility bedding and fashion bedding), generation of Power and Flooring (which includes tiles,Grass tiles).

The Chief Operating Decision Makers monitor operating results under two operating segment viz., "Home Textiles" and "Flooring" for the purpose of making decision about profit or loss in the financial statements.

Segment Information for the year ended March 31, 2021

(₹ million)

Sr. No.	Particulars	Home Textiles	Flooring	Unallocable	Total
1	**Segment Revenue**				
	External Revenue	71,282.79	3,187.38	-	74,470.17
	Inter Segment Revenue	28.59	1,039.82	-	1,068.41
	Net Revenue from Operation	**71,254.20**	**2,147.56**	**-**	**73,401.76**
2	**Profit before interest, depreciation, exceptional items and tax**	14,862.83	(996.31)	331.38	14,197.90
	Less: Depreciation and amortization expense	4,019.32	517.12		4,536.44
	Less: Finance costs	1,605.36	369.70	-	1,975.06
	(Add)/Less: Exceptional Item	-		-	-
	Share of Associates' Net Profit			0.62	0.62
	Profit before Tax	**9,238.16**	**(1,883.14)**	**332.00**	**7,687.02**
	Tax Expenses	-	-	2,179.09	2,179.09
	Profit after Tax (before adjustment for Non controlling Interest)	**9,238.16**	**(1,883.14)**	**(1,847.09)**	**5,507.93**
	Less : Share of Profit / Loss transferred to Non controlling entities	126.40	(15.20)	-	111.20
	Profit after Tax (after adjustment for Non controlling Interest)	**9,111.76**	**(1,867.94)**	**(1,847.09)**	**5,396.73**
3	**Segment Assets**	69,312.45	13,620.32	3,845.06	86,777.83
	Segment Liabilities	34,573.56	9,982.48	4,789.52	49,345.56

Notes
To the Financial Statements for the year ended March 31, 2021

Segment Information for the year ended March 31, 2020

(₹ million)

Sr. No.	Particulars	Home Textiles	Flooring	Unallocable	Total
1	**Segment Revenue**				
	External Revenue	66,633.29	872.31	-	67,505.60
	Inter Segment Revenue	7.02	87.66	-	94.68
	Net Revenue from Operation	**66,626.27**	**784.65**	**-**	**67,410.92**
2	**Profit before interest, depreciation, exceptional items and tax**	14,692.17	(1,422.67)	(171.93)	13,097.57
	Less: Depreciation and amortization expense	4,579.79	231.06	-	4,810.85
	Less: Finance costs	1,571.13	205.86	-	1,776.99
	(Add)/Less: Exceptional Item	(434.18)	-	-	(434.18)
	Profit before Tax	8,975.43	(1,859.59)	(171.93)	6,943.91
	Tax Expenses	-	-	1,700.36	1,700.36
	Profit after Tax (before adjustment for Non controlling Interest)	**8,975.43**	**(1,859.59)**	**(1,872.29)**	**5,243.55**
	Less : Share of Profit / Loss transferred to Non controlling entities	184.63	(14.81)		169.82
	Profit after Tax (after adjustment for Non controlling Interest)	**8,790.80**	**(1,844.78)**	**(1,872.29)**	**5,073.73**
3	**Segment Assets**	67,535.90	10,825.00	4,742.00	83,102.90
	Segment Liabilities	40,829.30	8,208.00	3,496.52	52,533.82

ii) Information about Secondary Geographical Segments:

(₹ million)

	India		Outside India		Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
External Revenue	11,459.38	9,513.77	61,942.38	57,897.15	73,401.76	67,410.92
Carrying Amount of Segment Assets*	38,404.50	38,950.50	2,093.95	1,379.20	40,498.45	40,329.70

* Carrying Amount of Segment Assets are Non-Current assets excluding the Tax Assets, Deferred Tax Assets and Financial Assets

Notes:

(a) The segment revenue in the geographical segments considered for disclosure as follows:

- Revenue within India includes sales to customers located within India and earnings in India.
- Revenue outside India includes sales to customers located outside India, earnings outside India and rebate / drawback of taxes and duties on sales made to customers located outside India.

(b) Segment Revenue and assets include the respective amounts identified to country of domicile viz India and other countries viz out side India and amounts allocated on a reasonable basis.

(c) Information about major customers - Refer Note 26

Note 29 : Interests in other entities

(a) Subsidiaries

The list of group's subsidiaries is stated below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business

Name of entity	Place of business/ Country of Incorporation	Ownership interest held by the Group		Ownership interest held by non-controlling interests		Principal activities
		March 31, 2021 %	March 31, 2020 %	March 31, 2021 %	March 31, 2020 %	
Anjar Integrated Textile Park Developers Private Limited (AITP)	India	100.00	100.00	-	-	Development of Textile Park
Welspun Anjar SEZ Limited (WASEZ)	India	100.00	100.00	-	-	Development of Industrial Park
Besa Developers and Infrastructure Private Limited (BESA)	India	100.00	100.00	-	-	Real Estate
Welspun Global Brands Limited (WGBL)	India	98.03	98.03	1.97	1.97	Trading in Home Textile Product
Welspun USA Inc. (WUSA)	U.S.A.	98.68	98.68	1.32	1.32	Trading in Home Textile Product
Welspun Captive Power Generation Limited (WCPGL)	India	77.00	77.00	23.00	23.00	Power Generation
Welspun Holdings Private Limited (WHPL)	Cyprus	98.11	98.11	1.89	1.89	Investment
Welspun Home Textiles UK Limited (WHTUKL) (Held through WHPL)	U.K.	98.11	98.11	1.89	1.89	Investment
CHT Holdings Limited (CHTHL) (Held through WHTUKL)	U.K.	98.11	98.11	1.89	1.89	Investment
Christy Home Textiles Limited (CHTL) (Held through CHTHL)	U.K.	98.11	98.11	1.89	1.89	Investment
Christy Welspun GmbH (CWG) (Held through WUKL)	Germany	98.11	98.11	1.89	1.89	Trading in Home Textile Product
Welspun UK Limited (WUKL) (Held through CHTL)	U.K.	98.11	98.11	1.89	1.89	Trading in Home Textile Product
Christy 2004 Limited (Held through WUKL)	U.K.	98.11	98.11	1.89	1.89	Investment
Christy Lifestyle LLC (Held through WUKL)	U.S.A.	98.11	98.11	1.89	1.89	Trading in Home Textile Product
Christy UK Limited (CUKL) (Held through CHTL)	U.K.	98.11	98.11	1.89	1.89	Investment
ER Kingsley (Textiles) Limited (Held through CHTL)	U.K.	98.11	98.11	1.89	1.89	Investment
Welspun Mauritius Enterprises Limited (WMEL)	Mauritius	98.03	98.03	1.97	1.97	Investment
Novelty Home Textiles S A DE C V (Held through WMEL)	Mexico	98.03	98.03	1.97	1.97	Investment
Welspun Zucchi Textiles Limited (WZTL)	India	100.00	100.00	-	-	Manufacturing of bathrobes
Welspun Flooring Limited (WFL)	India	100.00	100.00	-	-	Manufacturing of Tiles and Flooring Solutions
Welspun Innovative Products Limited (WIPL)* (Previously known as Welspun Advanced Materials Limited)	India	100.00	100.00	-	-	Investment
Welspun Advanced Materials (India) Limited (WAMIL)**	India	100.00	100.00	-	-	Manufacturing of advanced textile products

Notes

To the Financial Statements for the year ended March 31, 2021

Name of entity	Place of business/ Country of Incorporation	Ownership interest held by the Group		Ownership interest held by non-controlling interests		Principal activities
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	
		%	%	%	%	
Welspun Nexgen Inc. (WNI)	U.S.A.	100.00	100.00	-	-	Investment
TILT Innovations Inc. (TII) (Held through WUSA)	U.S.A.	98.68	98.68	1.32	1.32	Trading in Innovative Home Textile Product
TMG (Americas) LLC, (Held through WUSA)****	U.S.A.	98.68	-	1.32	100.00	Real Estate
Pure Sens Organics Myanmar Limited. (PSOM) ***	Myanmar	51.00	51.00	49.00	49.00	Farming of Organic Cotton

* On November 07, 2019, Name of Welspun Advanced Materials Limited (WAML) was changed to Welspun Innovative Products Limited (WIPL).

** On December 03, 2019, Welspun Advanced Materials (India) Limited (WAMIL) was Incorporated as 100% Subsidiary Company.

*** On July 22, 2019, Pure Sens Organics Myanmar Limited. (PSOM) became 51% Subsidiary of Welspun India limited (WIL).

**** On April 18, 2020, Group acquired TMG (Americas) LLC

(b) Non-controlling interests (NCI)

Set out below is summarised financial information for Welspun Captive Power Generation Limited that has non-controlling interests that is material to the Group. The amounts disclosed for subsidiary is before inter-company eliminations.

(₹ million)

Summarised Balance Sheet	Welspun Captive Power Generation Limited	
	As At March 31, 2021	As At March 31, 2020
Current assets	1,603.05	1,589.89
Current liabilities	231.60	326.60
Net current assets	**1,371.44**	**1,263.29**
Non-current assets	2,558.33	2,531.69
Non-current liabilities	11.35	277.64
Net non-current assets	**2,546.98**	**2,254.05**
Net assets	**3,918.42**	**3,517.34**
Accumulated NCI	901.24	808.99

(₹ million)

Summarised statement of profit and loss	Welspun Captive Power Generation Limited	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Revenue	4,104.08	3,911.78
Profit for the year	400.18	734.83
Other comprehensive income (Loss)	0.90	(0.05)
Total comprehensive income	**401.07**	**734.78**
Profit allocated to NCI	92.04	169.00
Dividends paid to NCI	-	-

(₹ million)

Summarised cash flows	Welspun Captive Power Generation Limited	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Cash flows from operating activities	1,506.55	998.04
Cash flows from investing activities	(553.50)	(102.36)
Cash flows from financing activities	(991.77)	(909.23)
Net increase/ (decrease) in cash and cash equivalents	**(38.72)**	**(13.55)**

(c) Investmet in Associate

The Group has a 48% interest in Welassure Private Limited (wef September 17, 2020), which is primary in the business of supply manpower to corporate for their various activities. Welassure Private Limited is a private entity that is not listed on any public exchange. The Group's interest in Welassure Private Limited is accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the Group's investment in Welassure Private Limited:

(₹ million)

Summarised Balance Sheet	As At March 31, 2021
Current assets	41.97
Current liabilities	38.19
Net current assets	**3.78**
Non-current assets	4.77
Non-current liabilities	0.00
Net non-current assets	**4.77**
Net assets	**8.55**

(₹ million)

Summarised statement of profit and loss	From September 17, 2020 to March 31, 2021
Revenue	115.39
Profit for the year	1.37
Other comprehensive income (Loss)	-
Total comprehensive income	**1.37**
	0.66
Less - Elimination	0.04
Group's Share of profit for the year	0.62

Notes

To the Financial Statements for the year ended March 31, 2021

Note 30: Related Party Disclosures

(i). Relationships

(a)	**Enterprises where Control Exists**		
	Ultimate Parent	Prasert Multiventure Private Limited (till May 20, 2019)	
		Welspun Group Master Trust (WGMT) (with effect from May 21, 2019)	
(b)	Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year	Welspun Corp Limited (WCL)	
		AYM Syntex Limited (AYMSL)	
		Welspun Enterprises Limited (WENL)	
		Welspun Realty Private Limited (WRPL)	
		Welspun Speciality Solutions Limited (WSSL) (Formerly known as RMG Alloy Steel Ltd) (RMGL)	
		Welspun Steel Limited (WSL)	
		Welspun Tradings Limited (WTR)	
		Welspun Multiventure LLP (WML)	
		Wel-treat Enviro Management Organisation (WEMO)	
		Koolkanya Private Limited (KPL)	
		Veremente Enterprises Private Limited (VEPL)	
		MGN Agro Properties Private Limited (MGN)	
		Welspun Tradewel Limited (WTL)	
		Aryabhat Vyapar Private Limited (AVPL)	
		Welspun Foundation for Health and Knowledge (WFHK)	
		Welspun Metallics Limited (WMAL)	
		Welspun Wasco Coatings Private Limited (WASCO)	
		Welspun Tubular LLC (WTLLC)	
		Welspun Global Services Limited (WGSL)	
		Welspun Developers and Infrastructure Limited (WDI)	
		Welspun Global Brand Limited Employees Gratuity Fund (WGBLGF)	
		Welspun India Limited Employees Gratuity Fund (WILGF)	
(c)	Associate Company	Welassure Private Limited (WPL) (with effect from September 17, 2020)	
(d)	Key Management Personnel	**Name**	**Nature of relationship**
		Balkrishan Goenka (BKG)	Director & Chairman
		Rajesh R. Mandawewala (RRM)	Managing Director
		Dipali Goenka (DBG)	CEO & Joint Managing Director
		Arun Todarwal (AT)	Independent Director
		Arvind Singhal (AS)	Independent Director
		Pradeep Poddar (PP)	Independent Director
		Anisha Motwani (AM)	Independent Director
		Shalil Awale (SA)	Nominee Director (till May 28, 2020)
		Altaf Jiwani (AJ)	Chief Financial Officer (till July 01, 2020)
		Sanjeev Sancheti (SS)	Chief Financial Officer (w.e.f. July 02, 2020)
		Shashikant Thorat (ST)	Company Secretary
(e)	Relatives of Key Management Personnel	Radhika Goenka (RBG)	
		Vanshika Goenka (VBG)	

(ii). Terms and conditions

- All outstanding balances are unsecured and repayable in cash.

Note 30 : Related Party disclosures

₹ Million

Particulars	Ultimate Parent	Associate Company	Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year												
	WGMT	WPL***	WCL	AYMSL	WENL	WRPL	WSSL	WSL	WTR	WML	WEMO	KPL	VEPL	MGN	Total c/f
Transactions during the year															
Loans, Advances and Deposits given	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	(31.50)	-	-	-	-	-	-	-	-	(31.50)
Loan Advance & Deposits Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	(66.76)	-	-	-	-	-	-	-	-	-	-	-	(66.76)
Repayment of Loans, Advances and Deposits given	-	-	-	-	-	28.83	-	-	-	-	-	-	-	-	28.83
	-	-	-	-	-	(44.02)	-	-	-	-	-	-	-	-	(44.02)
Loans, Advances and Deposits Written off	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	(56.00)	-	-	-	(56.00)
Purchase of Goods (Including Taxes)	-	1.75	2.61	797.52	-	-	-	479.58	-	-	-	-	-	-	1,281.46
	-	(0.89)	(70.25)	(115.14)	-	-	-	(762.19)	-	-	-	-	-	-	(948.47)
Purchase of Services/ Expenses incurred	-	171.38	25.80	-	-	31.36	-	8.61	-	-	-	-	-	-	237.15
	-	-	(19.40)	-	-	(62.04)	-	(8.71)	-	-	-	-	-	(0.25)	(90.40)
Sale of Goods/ DEPB Licenses *	-	-	389.46	695.19	0.40	-	0.95	684.35	-	-	-	-	-	-	1,770.35
	-	-	(625.40)	(250.77)	(8.82)	-	(0.55)	(673.46)	(0.02)	-	-	(0.03)	(0.01)	-	(1,559.06)
Sale of Services/ Expenses incurred	-	2.59	9.43	-	-	-	-	0.38	-	-	-	-	-	-	12.40
	(0.94)	-	(7.87)	(14.67)	-	-	(0.80)	(0.36)	-	-	-	-	-	-	(24.64)
Sale of Fixed Assets	-	-	38.36	-	-	-	-	-	-	-	-	-	-	-	38.36
	-	-	(258.38)	-	-	-	-	-	-	-	-	-	-	-	(258.38)
Purchase of Fixed Assets / Capital Goods	-	-	105.21	-	-	-	0.21	-	-	-	-	-	-	-	105.42
	-	-	(715.15)	-	-	-	-	-	-	-	-	-	-	-	(715.15)
Remuneration and Commission +	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Director Sitting Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment made during the year	-	2.94	-	-	-	-	-	-	-	-	-	-	-	-	2.94
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Dividend Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(203.75)	-	-	-	-	-	-	-	-	-	-	-	-	-	(203.75)
Interim Equity Dividend Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(679.17)	-	-	-	-	-	-	-	-	-	-	-	-	-	(679.17)
Corporate Social Responsibility Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance															
Loans, Advances and Deposits received (including interest accrued but not due)	-	-	30.80	-	-	-	-	-	-	-	-	-	-	-	30.80
	-	-	(69.16)	-	-	-	-	-	-	-	-	-	-	-	(69.16)
Loans, Advances and Deposits given (including interest accrued on loan)	-	#	33.19	-	-	157.57	-	-	-	0.70	19.00	-	-	-	210.46
	-	-	(0.02)	(13.42)	-	(178.57)	(0.80)	-	-	(0.70)	(19.00)	-	-	-	(212.51)
Trade Receivables (Net of Bills Discounted with Banks)	-	0.08	139.86	35.96	3.20	-	0.01	293.72	-	-	-	-	-	-	472.83
	-	-	(152.72)	(87.89)	(3.82)	-	-	(319.70)	-	-	-	(0.03)	-	-	(564.16)
Trade and Other Payables	-	14.99	10.23	75.38	-	-	-	35.11	-	-	-	-	-	-	135.71
	-	(0.16)	(1.74)	(61.94)	-	-	(0.02)	(42.00)	-	-	-	-	-	(0.01)	(105.87)
Investments	-	2.94	-	13.14	-	-	-	-	-	-	-	-	-	-	16.08
	-	-	-	(4.59)	-	-	-	-	-	-	-	-	-	-	(4.59)

Note:
Year 2019-20 figures are given in round brackets.
* Amount is inclusive of taxes
** As the liabilities for defined benefit plans and compensated absences are provided on actuarial basis for the Company as a whole the amount pertaining to KMP's are not included in the above table.
*** Associate w.e.f. September 17, 2020
\+ Commission applicable to Balkrishan Goenka, Rajesh Mandawewala and Dipali Goenka
\# Amount is below the rounding norms adopted by the Company

Notes
To the Financial Statements for the year ended March 31, 2021

Note 30 : Related Party disclosures

₹ Million

Particulars	Total b/f	Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year								Key Management Personnel **											Relatives of Key Management Personnel		Post-employment Benefit Plan		Total
		WTL	AVPL	WFHK	WASCO	WMAL	WDI	WGSL	WTLLC	BKG	RRM	DBG	AT	AS	PP	AM	AJ	SS	ST	RBG	VBG	WGBLGF	WILGF	
Transactions during the year																								
Loans, Advances and Deposits given	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(31.50)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(31.50)
Loan Advance & Deposits Received	-	-	-	-	-	19.80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19.80
	(66.76)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(66.76)
Repayment of Loans, Advances and Deposits given	28.83	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28.83
	(44.02)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(44.02)
Loans, Advances and Deposits Written off	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(56.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(56.00)
Purchase of Goods (Including Taxes)	1,281.46	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,281.46
	(948.47)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(948.47)
Purchase of Services/ Expenses incurred	237.15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	237.15
	(90.40)	-	-	-	-	-	-	-	(19.38)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(109.78)
Sale of Goods/ DEPB Licenses*	1,770.35	-	-	7.34	1.73	0.77	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,780.19
	(1,559.06)	-	-	-	(2.56)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,561.62)
Sale of Services/ Expenses incurred	12.40	-	-	-	-	-	1.57	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13.97
	(24.64)	-	-	-	(1.93)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(26.57)
Sale of Fixed Assets	38.36	-	-	19.77	-	159.39	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	217.52
	(258.38)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(258.38)
Purchase of Fixed Assets / Capital Goods	105.42	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	105.42
	(715.15)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(715.15)
Remuneration and Commission +	-	-	-	-	-	-	-	-	-	74.10	91.15	138.96	-	-	-	-	5.19	14.62	3.95	-	3.00	-	-	330.97
	-	-	-	-	-	-	-	-	-	(61.29)	(78.43)	(116.51)	-	-	-	-	(32.75)	-	(4.98)	-	(3.00)	-	-	(296.96)
Director Sitting Fees	-	-	-	-	-	-	-	-	-	-	-	-	2.68	1.26	2.23	1.37	-	-	-	-	-	-	-	7.54
	-	-	-	-	-	-	-	-	-	-	-	-	(2.20)	(0.45)	(1.64)	(0.50)	-	-	-	-	-	-	-	(4.79)
Investment made during the year	2.94	-	-	-	-	-	-	0.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.96
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Dividend Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(203.75)	(1.63)	(5.42)	-	-	-	-	-	-	(0.21)	(#)	(0.23)	-	-	-	-	-	-	-	(0.60)	-	-	-	(211.84)
Interim Equity Dividend Paid ++	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(679.17)	-	-	-	-	-	-	-	-	(0.68)	(#)	(0.75)	-	-	-	-	-	-	-	(2.01)	-	-	-	(682.61)
Corporate Social Responsibility Expenses	-	-	-	112.28	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	112.28
	-	-	-	(95.02)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(95.02)
Closing Balance																								
Loans, Advances and Deposits received (including interest accrued but not due)	30.80	-	-	-	-	19.80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50.60
	(69.16)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(69.16)
Loans, Advances and Deposits given (including interest accrued on loan)	210.46	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	210.46
	(212.51)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(212.51)
Trade Receivables (Net of Bills Discounted with Banks)	472.83	-	-	0.04	0.08	0.77	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	473.72
	(564.16)	-	-	-	(0.14)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(564.30)
Trade and Other Payables	135.71	-	-	-	-	-	-	-	-	68.54	74.10	84.79	0.04	0.04	0.04	0.04	-	-	-	-	-	-	-	363.30
	(105.87)	-	-	(0.01)	-	-	-	-	(19.38)	(61.29)	(61.29)	(62.75)	-	-	-	-	-	-	-	-	-	-	-	(310.59)
Investments	16.08	-	-	-	-	-	-	0.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16.10
	(4.59)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4.59)

Note:

Year 2019-20 figures are given in round brackets.

* Amount is inclusive of taxes

** As the liabilities for defined benefit plans and compensated absences are provided on actuarial basis for the Company as a whole the amount pertaining to KMP's are not included in the above table.

*** Associate w.e.f. September 17, 2020

\+ Commission applicable to Balkrishan Goenka, Rajesh Mandawewala and Dipali Goenka

\# Amount is below the rounding norms adopted by the Company

Note 31: Capital & Other Commitments

(a) Capital commitments:

(₹ million)

Description	As at March 31, 2021	As at March 31, 2020
Estimated value of Contracts in Capital Account remaining to be executed (Net of Capital Advances)	3,075.04	651.47

(b) Other Commitments

Description	As at March 31, 2021	As at March 31, 2020
Amount of Export Commitments / Obligation in accordance with the EPCG Scheme. Duty saved ₹1,271.21 million (2020 : ₹1,043.76 million)	7,789.93	6,262.57
Future commitments towards Minimum royalties, image fund fees, and merchandise coordinator fees against trademark licensing agreements	896.40	1,037.89

Note 32: During the previous year ended March 31, 2020 based on the provisional assessment by the insurance surveyor appointed by the insurance company, the Company's subsidiary viz. Welspun Captive Power Generations Limited (WCPGL) had recorded insurance claim receivables (with corresponding credit in Misc. income) aggregating to ₹ 180 million towards Loss of Profit (LOP) claim for the interruption period for 80 MW power plant. Further, WCPGL had also recorded insurance claim receivable of ₹ 21.90 million for machinery breakdown, with corresponding credit being netted off against expenses of equivalent amount in Repairs and Maintenance expenses grouped under other expenses.

During the current year, the insurance surveyor in their report dated March 02, 2021 has assessed and approved LOP claim of ₹ 43.21 million. Pursuant to the LOP claim as assessed by the insurance surveyor, WCPGL on prudent basis has written off ₹ 136.79 million and grouped under other expenses. Further, during the current year, the insurance surveyor had finalized / approved the machinery break down claim of ₹ 12.61 million, and accordingly WGPGL has written off balance amount of ₹ 9.31 million under Repairs and Maintenance grouped under other expenses

Note 33: Earnings per Share

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Profit available for Equity Shareholders (A) (₹ million)	5,396.73	5,073.73
Number of Equity Shares for Basic Earnings Per Share		
- Weighted Number of equity shares outstanding during the year (B)	1,004,725,150	1,004,725,150
- Weighted Number of diluted equity shares outstanding during the year (C)	1,004,725,150	1,004,725,150
Basic Earnings per share (A/B) (₹)	5.37	5.05
Diluted Earnings per share (A/C) (₹)	5.37	5.05
Nominal value of an equity share (₹)	1.00	1.00

Note 34: Leases

Group as Lessee

The Group has lease contracts for various items of property, plant and machinery, vehicles and other equipment used in its operations. Leases of property generally have lease term between 1 and 12 years and leases of plant and machinery have lease term of 13 years, while motor vehicles and other equipment generally have lease terms between 1 and 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Group also has certain leases with lease terms of 12 months or less and leases with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Notes

To the Financial Statements for the year ended March 31, 2021

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

(₹ million)

	Right to use assets				
Particulars	**Commercial Property**	**Plant & Machinery**	**Motor Vehicles**	**Other equipments**	**Total**
As at 1st April 2019	**858.72**	**62.70**	**1.58**	**64.53**	**987.53**
Additions	24.00	-	5.49	23.80	53.29
Lease modifications / adjustments	(10.77)	(20.26)	(0.35)	(2.20)	(33.58)
Depreciation expense	(258.24)	(3.39)	(1.49)	(22.58)	(285.70)
As at 31 March 2020	**613.71**	**39.05**	**5.23**	**63.55**	**721.54**
Additions	597.81	-	-	-	597.81
Lease modifications / adjustments	(107.81)	(39.05)	0.38	0.33	(146.15)
Depreciation expense	(234.62)	-	(3.06)	(25.04)	(262.72)
As at 31 March 2021	**869.09**	**-**	**2.55**	**38.84**	**910.48**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

(₹ million)

Particulars	**Amount**
As at 1st April 2019	**987.53**
Additions	53.29
Lease modifications / adjustments	24.92
Accretion of interest	58.53
Payments	(336.53)
As at 31 March 2020	**787.74**
Additions	597.80
Lease modifications / adjustments	(149.63)
Accretion of interest	54.29
Payments	(301.42)
As at 31 March 2021	**988.78**
Current	212.21
Non-current	776.57

The maturity analysis of lease liabilities are disclosed in Note 26

The effective interest rate for lease liabilities is between 4% and 11%.

The following are the amounts recognised in profit or loss:

(₹ million)

Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Depreciation expense of right-of-use assets	262.72	285.70
Interest expense on lease liabilities	54.29	58.53
Expense relating to short-term leases and low value assets (included in other expenses)	80.17	162.81
Variable lease payments (included in other expenses)	78.81	62.72
Total amount recognised in profit or loss	**475.99**	**569.76**

The Group had total cash outflows for leases of INR 460.40 millions in March 31, 2021 (₹562.06 million in March 31, 2020). There are no non-cash additions to right-of-use assets and lease liabilities. There are no future cash outflows relating to leases that have not yet commenced.

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Note 35: Contingent Liabilities:

a) Description on matters considered as contingent liabilities:

(₹ million)

Description	As at March 31, 2021	As at March 31, 2020
Excise, Customs and Service Tax Matters	58.23	23.39
Stamp Duty Matter	4.46	4.46
Sales Tax Matters	17.99	18.15
Income Tax Matters	384.29	263.11
Claims against the group not acknowledged as debts	48.51	51.25

(i) It is not practicable to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

(ii) The Group does not expect any reimbursements in respect of the above contingent liabilities.

b) There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated February 28, 2019. As a matter of caution, the Group has made a provision on a prospective basis from the date of the SC order. The Group will update its provision, on receiving further clarity on the subject.

Note 36: Details of Research and Development expenses incurred during the year, debited under various heads of Statement of Profit and Loss are given below:

(₹ million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Material Consumption	106.06	143.37
Employee benefits expenses	75.88	110.07
Others	56.87	54.86
Total	**238.81**	**308.30**

Details of Capital Expenditure incurred during the year for Research and Development is given below:

(₹ million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Plant and Machinery*	10.45	122.45
Total	**10.45**	**122.45**

*Includes other direct costs like employee benefit expenses and others of ₹ Nil million (2020: ₹ 16.97 million) capitalised during the year in accordance with Indian accounting Standard.

Notes

To the Financial Statements for the year ended March 31, 2021

Note 37 : Additional information mandated by Schedule III of the Companies Act, 2013 regarding Subsidiary companies considered in the consolidated financial statements:

Name of Entity	Net assets / (liabilities) i.e., total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets / (liabilities)	Amount (₹ million)	As a % of consolidated profit / (loss)	Amount (₹ million)	As a % of consolidated other comprehensive income	Amount (₹ million)	As a % of consolidated total comprehensive income	Amount (₹ million)
Parent								
Welspun India Limited								
31 March, 2021	89.19%	33,386.37	95.62%	5,266.70	3.65%	49.39	77.46%	5,316.09
31 March, 2020	91.83%	28,070.28	90.57%	4,748.92	-0.01%	0.09	130.42%	4,749.01
Subsidiaries								
Indian								
Welspun Global Brands Limited								
31 March, 2021	11.04%	4,133.90	8.64%	475.87	96.87%	1,312.45	26.06%	1,788.32
31 March, 2020	7.67%	2,345.59	7.90%	414.45	107.47%	(1,721.96)	-35.91%	(1,307.51)
Welspun Zucchi Textiles Limited								
31 March, 2021	0.30%	112.94	0.05%	2.98	0.00%	-	0.04%	2.98
31 March, 2020	0.36%	109.96	0.07%	3.49	0.00%	-	0.10%	3.49
Welspun Flooring Limited								
31 March, 2021	11.60%	4,343.66	-13.34%	(735.00)	0.11%	1.47	-10.69%	(733.53)
31 March, 2020	7.51%	2,295.16	-16.12%	(845.24)	0.36%	(5.72)	-23.37%	(850.96)
Welspun Innovative Products Limited								
31 March, 2021	0.00%	0.22	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
31 March, 2020	0.00%	0.25	-0.04%	(1.85)	0.00%	-	-0.05%	(1.85)
Besa Developers and Infrastructure Private Limited								
31 March, 2021	-0.04%	(14.34)	0.00%	0.04	0.00%	-	0.00%	0.04
31 March, 2020	-0.05%	(14.37)	0.01%	0.05	0.00%	-	0.00%	0.05
Anjar Integrated Textile Park Private Limited								
31 March, 2021	0.00%	(0.24)	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
31 March, 2020	0.00%	(0.21)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Welspun Anjar SEZ Private Limited								
31 March, 2021	6.40%	2,396.39	0.54%	29.96	0.00%	-	0.44%	29.96
31 March, 2020	7.74%	2,366.42	0.89%	46.76	0.00%	-	1.28%	46.76
Welspun Captive Power Generation Limited								
31 March, 2021	10.47%	3,918.43	7.27%	400.18	0.07%	0.90	5.84%	401.08
31 March, 2020	11.51%	3,517.34	14.01%	734.83	0.00%	(0.05)	20.18%	734.78
Welspun Advance Materials (India) Limited								
31 March, 2021	1.92%	720.31	-0.17%	(9.18)	0.00%	-	-0.13%	(9.18)
31 March, 2020	0.00%	(0.51)	-0.01%	(0.61)	0.00%	-	-0.02%	(0.61)
Foreign								
Welspun Holdings Private Limited								
31 March, 2021	1.56%	582.08	-0.04%	(2.14)	0.00%	-	-0.03%	(2.14)
31 March, 2020	1.91%	584.22	-3.50%	(183.33)	0.00%	0.02	-5.03%	(183.31)
Welspun Home Textiles UK Limited								
31 March, 2021	1.17%	436.28	0.00%	(0.09)	-1.57%	(21.25)	-0.31%	(21.34)

Name of Entity	Net assets / (liabilities) i.e., total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets / (liabilities)	Amount (₹ million)	As a % of consolidated profit / (loss)	Amount (₹ million)	As a % of consolidated other comprehensive income	Amount (₹ million)	As a % of consolidated total comprehensive income	Amount (₹ million)
31 March, 2020	1.50%	457.63	-3.46%	(181.38)	0.71%	(11.44)	-5.30%	(192.82)
Welspun Mauritius Enterprises Limited								
31 March, 2021	0.14%	53.67	0.02%	0.85	0.00%	-	0.01%	0.85
31 March, 2020	0.17%	52.82	-0.02%	(0.79)	0.00%	(0.01)	-0.02%	(0.80)
Novelty Home Textiles S A DE C V								
31 March, 2021	0.00%	-	0.00%	-	0.00%	-	0.00%	-
31 March, 2020	0.00%	-	0.00%	-	0.00%	-	0.00%	-
CHT Holdings Limited*								
31 March, 2021	0.83%	310.38	0.48%	26.58	3.93%	53.20	1.16%	79.78
31 March, 2020	0.75%	230.60	1.09%	57.26	0.49%	(7.83)	1.36%	49.43
Welspun USA Inc.*								
31 March, 2021	4.00%	1,495.50	3.63%	199.98	-3.73%	(50.48)	2.18%	149.50
31 March, 2020	4.40%	1,345.99	1.04%	54.55	-7.81%	125.14	4.93%	179.69
Welspun Nexgen Inc.								
31 March, 2021	0.03%	12.98	-0.01%	(0.31)	-0.03%	(0.44)	-0.01%	(0.75)
31 March, 2020	0.04%	13.74	-4.94%	(258.93)	-0.07%	1.17	-7.08%	(257.76)
Pure Sens Organics Myanmar Limited								
31 March, 2021	-0.01%	(4.59)	-0.23%	(12.94)	-0.02%	(0.25)	-0.19%	(13.19)
31 March, 2020	0.01%	0.41	-0.09%	(4.51)	0.00%	0.05	-0.12%	(4.46)
Inter-company Elimination and Consolidation Adjustments								
31 March, 2021	-41.23%	(15,437.13)	-4.48%	(246.68)	-1.18%	(15.90)	-3.82%	(262.58)
31 March, 2020	-38.13%	(11,654.80)	9.36%	490.09	-3.04%	48.76	14.80%	538.85
Non-controlling Interest in all subsidiaries								
31 March, 2021	2.63%	985.46	2.02%	111.20	1.90%	25.70	1.99%	136.90
31 March, 2020	2.78%	848.56	3.24%	169.82	1.90%	(30.43)	3.83%	139.39
Total								
31 March, 2021	**100.00%**	**37,432.27**	**100.00%**	**5,507.93**	**100.00%**	**1,354.79**	**100.00%**	**6,862.72**
31 March, 2020	**100.00%**	**30,569.08**	**100.00%**	**5,243.55**	**100.00%**	**(1,602.21)**	**100.00%**	**3,641.34**

*Amounts after consolidation with their subsidiaries

Note 38 : Estimation uncertainty relating to the global health pandemic on COVID-19

The Group has adopted measures to curb the spread of infection of COVID-19 in order to protect the health of its employees and ensure business continuity with minimal disruption including remote working, maintaining social distancing, sanitization of work spaces etc. The Group's operations, revenue and consequently profit during the year ended March 31, 2021 were impacted due to COVID-19. The Group has considered the possible effects that may result from outbreak of COVID-19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets and liquidity assessment based on future cash flow projections. 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 Group 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.

Notes

To the Financial Statements for the year ended March 31, 2021

Note 39 : The Company's subsidiary viz. Welspun USA Inc had entered into an agreement to acquire TMG (Americas) LLC, USA in the previous year and upon fulfillment of conditions precedent the acquisition was completed during the year against purchase consideration of ₹683.40 million. The acquisition has been treated as an asset acquisition and accordingly, the purchase consideration has been primarily allocated over the property, plant and equipment acquired.

Note 40 : Government of India vide press release dated December 31, 2020 introduced the benefit of the Scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) to all export goods with effect from January 01, 2021. With the introduction of the RoDTEP scheme, the benefit of ROSCTL scheme stood withdrawn wef January 01, 2021. Considering that the rates of RoDTEP are yet to be notified, the Group has not accrued income relating to benefits of RoDTEP scheme for the period January 01, 2021 to March 31, 2021.

Note 41: The Board of Directors in its meeting held on May 14, 2021, has approved the buy-back of fully paid -up equity shares of face value of ₹ 1/- each of the Company, at a price ₹120 per equity share (maximum buy-back price) and for an amount of ₹2,000 millions (maximum buy-back size) by way of tender offer in accordance with the provisions contained in the SEBI (Buy-back of Securities) Regulations, 2018 and the Companies Act, 2013 and rules made thereunder.

Note 42 : The figures for the previous year are re-arranged/ re-grouped, wherever necessary.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No: 324982E/E300003

per Vikas Kumar Pansari
Partner
Membership No. 093649

Place: Mumbai
Date: May 14, 2021

For and on behalf of the Board of Directors

Balkrishan Goenka
Chairman
DIN: 00270175

Rajesh Mandawewala
Managing Director
DIN: 00007179

Dipali Goenka
CEO and Jt. MD
DIN: 00007199

Sanjeev Sancheti
Chief Financial Officer

Shashikant Thorat
Company Secretary

Place: Mumbai
Date: May 14, 2021

Corporate Information

Board of Directors
Balkrishan Goenka
Chairman

Arun Todarwal
Independent Director

Arvind Kumar Singhal
Independent Director

Pradeep Poddar
Independent Director

Anisha Motwani
Independent Director

Rajesh Mandawewala
Managing Director

Dipali Goenka
CEO & Joint Managing Director

Audit Committee
Arun Todarwal
Pradeep Poddar
Anisha Motwani

Nomination and Remuneration Committee
Arun Todarwal
Pradeep Poddar
Anisha Motwani

The Stakeholders' Relationship, Share Transfer and Investor Grievance Committee
Pradeep Poddar
Balkrishan Goenka
Rajesh Mandawewala

ESG & CSR Committee
Arun Todarwal
Anisha Motwani
Dipali Goenka

Risk Management Committee
Arun Todarwal
Pradeep Poddar
Rajesh Mandawewala
Sanjay Gupta
Shreeram Phanse

Chief Financial Officer
Sanjay Gupta

Company Secretary
Shashikant Thorat

Auditors
S R B C & CO LLP

Corporate Office
Welspun House, 6th Floor,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai - 400 013, India
Tel: 022-66136000/2490 8000
Fax: 022-24908020
Email: Companysecretary_WIL@welspun.com
Website: http:/ www.welspunindia.com

Stock Exchanges where the Company's securities are listed
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai – 400 051

Works
Welspun City, Village Versamedi Tal. Anjar,
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Tel: (02836) 661111
Fax: (02836) 279010

Survey No. 76, Village Morai, Vapi,
Dist. Valsad, Gujarat – 396 191, India
Tel: (0260) 2437437
Fax: (0260) 2437088

Bankers
Axis Bank Ltd.
Bank of Baroda
EXIM Bank of India
HDFC Bank Ltd.
ICICI Bank Ltd.
IDBI Bank Ltd.
State Bank of India
Union Bank of India
Yes Bank Ltd.

Registered Office
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