

WEL /SEC/2023

May 19, 2023

To,
BSE Limited
1st Floor, Rotunda Bldg,
Dalal Street, Fort,
Mumbai – 400 001.
Script Code: (Equity: 532553)
(NCD-959560, 959529)

Dear Sir/Madam,

Sub:- Quarterly Security Cover Certificate in terms of Regulation 54 read with Regulation 56(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 54 read with Regulation 56(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find the enclosed quarterly security certificate as at March 31, 2023 received from statutory auditors for the quarter ended March 31, 2023.

This is for your information and record.

For **Welspun Enterprises Limited**

Nidhi Tanna
Company Secretary
ACS- 30465

Welspun Enterprises Limited

Welspun House, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, India.

T : +91 22 6613 6000 / 2490 8000 F : +91 22 2490 8020

E-mail : companysecretary_wel@welspun.com Website : www.welspunenterprises.com

Registered Address: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370 110, India.

T : +91 28 3666 2222 F : +91 28 3627 9010

Corporate Identity Number: L45201GJ1994PLC023920

To,
The Board of Directors
Welspun Enterprises Limited
C/8, BKT House, Trade World,
Kamala Mills Compound,
Senapati Bapat Marg,
Lower Parel (West), Mumbai 400013

Auditor's Certificate on book values of assets included in the statement of security cover as per Debenture Trust Deeds as on 31 March 2023 in respect of listed Non-Convertible Debentures (Rs. 175 crores, ISIN number: INE625G07010 and Rs. 100 crores, ISIN number: INE625G07028) as per the standalone audited financial statements as on 31 March 2023.

1. We, **MGB & Co LLP**, Chartered Accountants, are the Statutory Auditors of **Welspun Enterprises Limited** (the "Company") having its registered office at Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370110.
2. The accompanying Statement of Security Cover as mentioned in the Debenture Trust Deeds (collectively the "Agreement") dated 22 July 2020 (the "Statement") has been prepared by the management of the Company as at 31 March 2023 pursuant to Regulation 56(1) (d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended) read with Circular SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated 19 May 2022 (together referred to as the "Listing Regulations, 2015"), which has been initialed by us for the purposes of identification only.

Management's Responsibility for the statement

3. The preparation of the Statement is the responsibility of the Management of the Company including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation.
4. The Management is also responsible for ensuring that the Company complies with the requirements of the Listing Regulations, 2015 and the Agreement, and it provides all relevant, complete and accurate information as required therein.

Auditor's Responsibility

5. Pursuant to the Listing Regulations, 2015, it is our responsibility to examine the Statement and to certify based on our procedures performed as described in paragraph 9 below, whether anything has come to our attention that causes us to believe that the book values of the assets specified in columns C to J in the Statement prepared by the Company are not in agreement with the underlying books and relevant records of the Company as at 31 March 2023, as produced to us by the Management during the course of our examination.
6. We have audited the financial statements of the Company for the year ended 31 March 2023 and issued an unmodified audit opinion vide our report dated 19 May 2023. Our audit of such financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Those standard require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.





7. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India (the "Guidance Note") and Standards on Auditing specified under Section 143(10) of the Act, in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. In carrying out our examination as described in paragraph 5 above, we have carried out the following procedures:
 - Obtained audited financial statements of the Company for the year ended 31 March 2023.
 - Obtained and read the Debenture Trust Deed in respect of secured debentures and noted the asset security cover required to be maintained by the Company in respect of such Debentures, as indicated in the Statement;
 - We have traced the financial information contained in Columns C to Columns J of Statement with audited financial statements of the Company as at 31 March 2023 as provided by the Management.
 - Obtained and read the particulars of asset cover in respect of listed non-convertible debt securities outstanding as per the Statement. Traced the value of assets from the Statement to the audited financial statements.
 - Obtained the list and value of assets placed under lien or encumbrance for the purpose of obtaining any other loan and determined that such assets are not included in the calculation of Asset Cover in respect of listed non-convertible debt security.
 - Verified the arithmetical accuracy of the Statement;
 - Performed necessary inquiries with the Management and obtained necessary representations.
10. For the avoidance of doubt, we clarify that we were not required to, and have not performed any procedures on the information included in columns K to O of the accompanying statement and the same is furnished by the management of the Company.
11. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Conclusion

12. Based on our examination as described in paragraph 7 and procedures performed as described in paragraph 9 above, and according to the information and explanations given to us, we certify that nothing has come to our attention that causes us to believe that the book values of the assets specified in columns C to J in the Statement prepared by the Company are not in agreement with the underlying books and relevant records of the Company as at 31 March 2023 as produced to us by the Management during the course of our examination.





Restriction on use

13. Our work was performed solely to assist you in meeting the requirements of the Listing Regulations, 2015 to enable the Company to meet the conditions of Regulation 56(1)(d) of the Listing Regulations, 2015. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have as auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.
14. Our certificate has been prepared pursuant to the requirements of the Listing Regulations solely to enable the Company (i) to submit Statement along with our Deliverable to the Debenture Trustees and (ii) to publish the Statement with Deliverable on the website of the Company and for onward submission to the Stock Exchange. This shall not be used for any other purpose. This certificate has been issued solely at the request of the Board of Directors of the Company to whom it is addressed. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For **MGB & Co LLP**
Chartered Accountants
Firm Registration Number 101169W/W-100035

A handwritten signature in blue ink that reads 'Amit Kumar Kothari'.



Amit Kumar Kothari

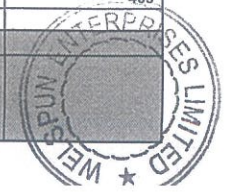
Partner

Membership Number
Mumbai, 19 May 2023

UDIN: 23222726BGWLRH2888

Statement of Security Cover as at 31 March 2023
(Rs. In crores)

Column A	Column B	Column C	Column D	Column E ⁱⁱⁱ	Column F ^{iv}	Column G ^v	Column H ^{vi}	Column I ^{vii}	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security/ Unsecured Liabilities	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate to be issued	Other Secured Debt	Debt for which this certificate to be issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in Column F)	Debt amount considered more than once (due to exclusive plus pari passu charge)	Market Value for Assets charged on Exclusive basis	Carrying / book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets ^{viii}	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+ N)		
		Book Value	Book Value	Yes/ No	Book Value	Book Value						Relating to Column F		
ASSETS														
Property, Plant and Equipment		-	-	Yes	10	-	1	-	11	-	-	10	-	10
Capital Work-in- Progress		-	-	-	-	-	-	-	-	-	-	-	-	-
Right of Use Assets		-	-	-	-	-	9	-	9	-	-	-	-	-
Goodwill		-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets under Development		-	-	-	-	-	-	-	-	-	-	-	-	-
Investments		-	-	Yes	1,290	-	733.83	-	2,024	-	-	-	1,290	1,290
Loans		-	-	Yes	84	-	-	-	84	-	-	-	84	84
Inventories		-	-	Yes	86	-	-	-	86	-	-	86	-	86
Trade Receivables		-	-	Yes	569	-	-	-	569	-	-	-	569	569
Cash and Cash Equivalents		-	-	Yes	221	-	39	-	260	-	-	-	221	221
Bank Balances other than Cash and Cash Equivalents		-	-	Yes	152	-	58	-	210	-	-	-	152	152
Others		-	-	Yes	888	-	232	-	1,120	-	-	-	888	888
Total		-	-	-	3,301	-	1,072	-	4,373	-	-	96	3,205	3,301
LIABILITIES														
Debt securities to which this certificate pertains		-	-	-	292	-	-	-	292	-	-	-	292	292
Other debt sharing pari-passu charge with above debt		-	-	-	-	-	-	-	-	-	-	-	-	-
Other Debt		-	-	-	172	-	10	-	181	-	-	-	172	172
Subordinated debt		-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings		-	-	-	-	-	-	-	-	-	-	-	-	-
Bank		-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Securities		-	-	-	-	-	-	-	-	-	-	-	-	-
Others		-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Payables		-	-	-	-	-	579	-	579	-	-	-	-	-
Lease Liabilities		-	-	-	-	-	10	-	10	-	-	-	-	-
Provisions		-	-	-	-	-	11	-	11	-	-	-	-	-
Others		-	-	-	-	-	834	-	834	-	-	-	-	-
Total		-	-	-	463	-	1,444	-	1,908	-	-	-	463	463
Cover on Book Value					7.13									
Cover on Market Value ^x														
		Exclusive Security Cover Ratio	-	-	Pari-Passu Security Cover Ratio	7.13								



- i. This column shall include book value of assets having exclusive charge and outstanding book value of debt for which this certificate is issued
- ii. This column shall include book value of assets having exclusive charge and outstanding book value of all corresponding debt other than column C.
- iii. This column shall include debt for which this certificate is issued having any pari passu charge - Mention Yes, else No.
- iv. This column shall include a) book value of assets having pari-passu charge b) outstanding book value of debt for which this certificate is issued and c). other debt sharing pari- passu charge along with debt for which certificate is issued.
- v. This column shall include book value of all other assets having pari passu charge and outstanding book value of corresponding debt.
- vi. This column shall include all those assets which are not charged and shall include all unsecured borrowings including subordinated debt and shall include only those assets which are paid-for.
- vii. In order to match the liability amount with financials, it is necessary to eliminate the debt which has been counted more than once (included under exclusive charge column as also under pari passu). On the assets side, there shall not be elimination as there is no overlap.
- viii. Assets which are considered at Market Value like Land, Building, Residential/ Commercial Real Estate to be stated at Market Value. Other assets having charge to be stated at book value/Carrying Value.
- ix. The market value shall be calculated as per the total value of assets mentioned in Column O.

Notes :

1. The book value as mentioned in above table are as per standalone financials information of the Company prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other recognised accounting practices and policies to the extent applicable.
2. Current assets includes certain investments and bank deposits which are subjected to lien to banks/ financial institutions and for specific purpose. Hence, not considered for security cover.

For Welspun Enterprises Limited



Lalit Jain
Authorised Signatory

Date : 19 May 2023
Place : Mumbai

For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Amit Kumar Kothari

Amit Kumar Kothari
Partner
Membership Number 222726
Date : 19 May 2023
Place : Mumbai

