



WCL/SEC/2023

July 28, 2023

To,

<b>BSE Ltd.</b> Department of Listing, P. J. Towers, Dalal Street, Mumbai - 400 001.  (Scrip Code: Equity - 532144), (NCD - 960468, 960491 and 973309)	<b>National Stock Exchange of India Ltd.</b> Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051.  (Symbol: WELCORP, Series EQ)
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Dear Sir/ Madam,

**Subject - Disclosure of information pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Please note that the Company's wholly owned subsidiary Sintex BAPL Ltd. ("SBAPL") {recently acquired by the Company by way of a resolution plan ("**Resolution Plan**") in the corporate insolvency resolution process ("**CIRP**") of SBAPL under the provisions of the Insolvency & Bankruptcy Code ("**IBC**") pursuant to the order of the Hon'ble NCLT, Ahmedabad Bench dated March 17, 2023} has received an Intimation cum Demand Notice vide section 143(1) of the Income Tax Act, 1961 ("**the Act**") on July 26, 2023 from the Centralized Processing Centre ("**CPC**"), Department of Income Tax, Bengaluru ("**IT Department**") pertaining to the AY 2022-23 for Rs. 104.22 crores.

SBAPL's Return of Income for the AY 2022-23 has been processed as per provision of section 143(1) of the Income Tax Act, 1961. In the said intimation order, the IT Department has raised a demand of Rs.104.22 crore on SBAPL and the said demand is raised in respect of addition of Rs. 278.61 crore towards "*Increase in the profit or decrease in loss because of deviation, if any, from the method of valuation specified under section 145A*".

Under section 143(1) of the Act, CPC / IT Department has only considered "increase in profit" of Rs. 278.61 crore due to inclusion of GST in sales and closing stock, but not considered "decrease in profit" of Rs. 278.61 crore due to inclusion of GST in cost of goods. Consequently, there is a demand on SBAPL of Rs. 104.22 crore, inclusive of interest. The net impact on the Profit of SBAPL for the AY2022-23 due to above adjustments required under section 145A on account of GST is Nil.

**Welspun Corp Limited**

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

T : +91 2836 662222 F : +91 2836 279060

Corporate Identity Number: L27100GJ1995PLC025609



In any case, it is pertinent to note that under section 31(1) of IBC, the Resolution Plan is binding on all creditors, such as all government/statutory authorities including the IT Department. Further, as per legal advice received, the liabilities of an entity emerging from CIRP under a resolution plan approved by Hon'ble NCLT including liabilities relating to a prior period, stand extinguished and therefore SBAPL will not be liable for such liabilities.

SBAPL is in the process of filing rectification application / appeal before the IT Department in the above matter on the basis of legal advice received and is hopeful of a favourable outcome.

Please take the above information on record.

Thanking You.

Yours faithfully,  
For **Welspun Corp Limited**

**Pradeep Joshi**  
**Company Secretary**  
**FCS-4959**

*PS:*

**Investor Relations:** Mr. Gaurav Ajjan at Gaurav\_Ajjan@welspun.com / +91 22 6613 5748, Mr. Goutam Chakraborty at Goutam\_Chakraborty@welspun.com/ +91 9867361765

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