

# WELSPUN TRADINGS LIMITED

## 23<sup>rd</sup> ANNUAL REPORT 2023-2024

**Welspun Tradings Limited**

Welspun House, 5th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, India.

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

E-mail: [companysecretary\\_wtsl@welspun.com](mailto:companysecretary_wtsl@welspun.com) | Website : [www.welspuncorp.com](http://www.welspuncorp.com)

Registered Address: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370110, India

T: +91 28 3666 2079 | F : +91 28 3627 9060

Corporate Identity Number: U72200GJ2001PLC039513

## Company Information

Company Identification Number	:	U72200GJ2001PLC039513
Date of Incorporation	:	May 09, 2001
Registered Office	:	Welspun City, Village Versamedi, Taluka-Anjar, Dist. Kutch, Gujarat-370110. Tel 02836-662079; Email: <a href="mailto:Companysecretary_WTSL@welspun.com">Companysecretary_WTSL@welspun.com</a>
Authorized Capital	:	Rs. 50,500,000/- divided into 50,50,000 Equity Share of Rs. 10/- each
Paid-up Capital	:	Rs. 50,100,000/- divided into 50,10,000 Equity Share of Rs. 10/- each
Securities Registrar & Transfer Agent	:	M/s. Purva Share Registry 9, Shiv Shakti Industrial Estate, Lower Parel, Mumbai - 400 011
Board of Directors	:	Mr. Godfrey John- Non-Executive Director Mr. Percy Birdy - Non-Executive Director Mr. Rupak Ghosh- Non-Executive Director
Auditors	:	Price Waterhouse Chartered Accountants LLP

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**DIRECTORS' REPORT**

To,  
The Members,  
Welspun Tradings Limited

Your directors take pleasure in presenting their 23<sup>rd</sup> Annual Report on the business and operations of your Company, together with the audited financial statements for the financial year ended March 31, 2024.

**FINANCIAL HIGHLIGHTS**

(Rs.in Crore)

Particulars	For the year ended	
	31.03.2024	31.03.2023
Income	226.56	375.64
Expense	223.24	356.92
Profit /(Loss) before tax	3.32	18.72
Less: Provision for tax Current Tax and Deferred Tax	0.96	4.67
Profit /(Loss) After Tax	2.36	14.05

**HIGHLIGHTS FOR THE YEAR**

Performance highlights for the year under Report are as under:

Traded Products	(Sales in MT)	
	FY 2023-24	FY 2022-23
Pipes / H. R. Plates & Coils	33,116	28,231

**RESERVES AND DIVIDEND**

Your Directors do not recommend any dividend for the year ended March 31, 2024.

**DETAILS OF SUBSIDIARY**

The Company does not have any subsidiary.

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## PUBLIC DEPOSITS

During the year under Report, the Company has not accepted any deposit within the meaning of the Chapter V to Companies Act 2013. Further, no amount on account of principal or interest on deposit was outstanding as at the end of the year under Report.

## SHARE CAPITAL

The Company does not have any equity shares with differential rights and hence disclosures as required in Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 are not required. The Company has not issued any sweat equity or stock options.

## AUDITORS

### i) Statutory Auditors:

The second term of your Company's Auditors M/s Price Waterhouse Chartered Accountant LLP., Chartered Accountants (ICAI Firm Registration No. 012754N/N500016), who were appointed as Statutory Auditors of the Company to hold the office from the conclusion of 18<sup>th</sup> Annual General Meeting held for FY 2019-20 until the conclusion of 23<sup>rd</sup> Annual General Meeting to be held for FY 2023-24, is expiring at the forthcoming 23<sup>rd</sup> Annual General Meeting for FY 2023-24.

Pursuant to Section 139 of the Companies Act, 2013 and at the recommendation of the Board has recommended to appoint M/s B S R & Co. LLP (Firm Registration No.101248W/W-100022), Chartered Accountants as the statutory auditor for the first term of appointment with effect from the conclusion of the ensuing 23<sup>rd</sup> Annual General Meeting for FY 2023-24 till the conclusion of the 28<sup>th</sup> Annual General Meeting for FY 2028-29 subject to approval of the members at the forthcoming Annual General Meeting.

The Company received peer review certificate and eligibility cum consent letter from M/s B S R & Co. LLP (Firm Registration No.101248W/W-100022, Chartered Accountants confirming their eligibility when appointed as the statutory auditors.

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The proposed remuneration for M/s B S R and Co. LLP for the financial year 2024-25 is Rs. 10 Lakh p.a. plus travelling and out-of-pocket expenses.

**ii) Secretarial Auditors:**

M/s. MNB & Co. LLP, Practicing Company Secretary have been appointed as the Secretarial Auditors of the Company for the Financial Year 2024-25.

**iii) Internal Auditors:**

M/s. Deloitte Touche Tohmatsu India Limited Liability, Chartered Accountants, have been appointed as the Internal Auditors of the Company for the financial year 2024-25.

**AUDITORS' REPORT**

**(a) Statutory Auditors' Report**

The notes on account referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further comments.

**(b) Secretarial Audit Report**

Secretarial Audit Report given by MNB & Co. LLP, Company Secretaries is annexed with the Report as **Annexure 1**, read with annexure thereto, is self-explanatory and therefore, do not call for any further comments.

**(c) Reporting of Frauds by Auditors**

During the year under review, the Statutory Auditors, the Internal Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees under section 143(12) of the Companies Act, 2013.

**CORPORATE SOCIAL RESPONSIBILITY**

Disclosures as required under Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are annexed to this report as **Annexure 2**.

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## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Since the last report, no change took place in the Board of Directors and Key Managerial Personnel:-

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Godfrey John is retiring by rotation at the forthcoming Annual General Meeting and being eligible, has been recommended for re-appointment by the Board.

Details about the director(s) being (re)-appointed are given in the Notice of the forthcoming Annual General Meeting which is being sent to the members along with the Annual Report.

## **DECLARATION BY INDEPENDENT DIRECTOR(S)**

The Company is not required to comply with the provisions of appointment of Independent Director on the Board. Hence, the declaration by Independent Directors is not applicable.

## **FORMAL ANNUAL EVALUATION**

The performance evaluation of the Directors was conducted by the entire Board (excluding the Director being evaluated) on the basis of a structured questionnaire which was prepared after taking into consideration inputs received from the Directors covering various aspects of the Board's functioning viz. adequacy of the composition of the Board, time spent by each of the directors; accomplishment of specific responsibilities and expertise; conflict of interest; integrity of the Director; active participation and contribution during discussions and governance.

For the financial year 2023-24, the annual performance evaluation was carried out by the Board, which included evaluation of the Board, Non-independent Directors, Quantity, Quality and Timeliness of Information to the Board. All the results were satisfactory.

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**NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

During the reporting year, the Company’s Board comprised directors with considerable experience in diverse fields such as finance, accounts and general management and business strategy. All directors are liable to retire by rotation as per the provisions of the Companies Act, 2013.

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

S No	Name of the Director	Age (completed years)	Category	Meetings Attended during the Year 2023-24	Attendance at the Last AGM	No. of other Directorship (as last declared to the Company)
1	Mr. Percy Birdy	56	NE, NI	4/4	Yes	7
2	Mr. Rupak Ghosh	54	NE, NI	4/4	Yes	-
3	Mr. Godfrey John	58	NE, NI	2/4	No	1

Abbreviations:

NI = Non Independent, NE = Non-executive Director.

4 meetings of the Board of Directors were held during the year under report on the following dates: 18/05/2023, 25/07/2023, 25/10/2023 and 23/01/2024.

It is confirmed that there is no relationship between the directors inter-se.

**DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES.**

The Company has a Whistle Blower Policy and Vigil Mechanism for employees of the Company; former employees, trainees and contractual employees of the Company; employees of other agencies deployed for the Company’s activities, whether working from any of the Company’s offices or any other location; existing / prospective contractors, vendors, suppliers or agencies (or any of their employees) providing any material or service to the Company; customers, bankers of the Company; and any other person having an association with the Company, and no persons had been denied access to the Board. The Policy provide adequate safeguard against victimization and even the disclosures expressed anonymously may be considered.

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## PARTICULARS OF EMPLOYEES

- a) Details of the top ten employees in terms of remuneration drawn and the name of every other employee as required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under:

Name	Designation	DOB	Age (completed years)	Joining Date	Remuneration FY 23-24 (p.a.)	Previous Experience in years	Qualification	Nature of Employment	% Of Equity Shares held in the Company	Relative of any Director/ Manager of the Company
Rama Desai	Officer	01-05-1982	42	16-07-2018	4.13 L	13	BA	Full time	0%	No
Shalin Agrawal	Vice President	01-07-1976	48	17-05-2010	77.05 L	9	BE + MBA	Full time	0%	No
Jasmine Motorwala	Senior Officer	18-03-1989	35	20-07-2015	5.83 L	6	BCOM + MBA (Fin)- part time	Full time	0%	No
Sonakshi Bais	Manager	05-02-1997	27	21-03-2023	18L	1.9	LLM	Full time	0%	No
Ashlesha Sawant	Officer	31-07-1999	24	27-03-2023	3.10L	1.2	B.Com, M.com	Full time	0%	No
Kamlesh Pilke	Associate Manager	12-04-989	35	31-10-2018	8.89 L	7	B.Com/Dip in SCM	Full time	0%	No

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- b) Since the Company is not required to appoint the Whole-time Director, disclosure as required under Rule 5(2) pertaining to the remuneration/ commission to the Whole-time Director are not applicable to the Company.

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- c) Particulars of remuneration to the executive directors including the details of remuneration paid/payable to the executive directors for the financial year 2023-24: Not applicable.

No remuneration or perquisite was paid to, and no service contract was entered into with, nor the sitting fees was paid to any directors for attending meetings of the Board.

**PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OUTSTANDING AS AT MARCH 31, 2024 ARE AS UNDER:**

During the year under review, the Company has not made any investments or granted any loans or provided any guarantees to the parties covered under Section 186 of the Companies Act, 2013. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Companies Act, 2013.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All the transactions with the related parties that were entered into during the year under report were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors or other designated persons which may have a potential conflict with the interest of the Company.

Save and except as disclosed in the financial statements, none of the Directors had any pecuniary relationships or transactions vis-à-vis the Company.

Disclosures as required under the Companies Act, 2013 are given in Form AOC-2 annexed as Annexure 3 to this Report

Details of related party transactions entered into by the Company, in terms of Ind AS-24 have been disclosed in the Note No. 32 of the financial statements.

**ANNUAL RETURN**

As the Company does not have its own website, the Annual Return in Form MGT-7 of the Companies (Management and Administration) Rules, 2014 is not being hosted.

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**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Since the Company is a not a manufacturing unit, the particulars relating to Conservation of Energy, Research and Development and Technology Absorption are not applicable.

Total foreign exchange used and earned:

Used - Rs. NIL

Earned- Rs. NIL

**INTERNAL CONTROLS & RISK MANAGEMENT**

Your Company has adequate systems for risk management and internal control, which are commensurate with the size, scale and complexity of its operations.

The controls were tested during the year under Report and no reportable material weaknesses either in their design or operations were observed. In other observations, appropriate corrective actions were taken as advised by the Board.

At the beginning of each financial year, a risk-based annual audit plan is rolled out after it is approved by the Board. The audit plan aims to evaluate the efficacy and adequacy of the internal control system(s) and compliance(s) thereof, robustness of internal processes, policies and accounting procedures, compliance with laws and regulations.

The Internal Audit is carried by independent external audit firm consisting of qualified accountants, domain & industry experts, fraud risk and information technology specialists.

Based on the reports of internal auditor, corrective actions are taken, wherever required. Significant audit observations and corrective actions thereon are presented to the Board.

Broad categories of Risks which may threaten the existence of the company are Commodity Price Risk, Government Policy, Policy shift globally towards Environment and Green Energy, Geopolitical, Natural Disasters, Compliances etc.

**MISCELLANEOUS DISCLOSURES**

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During the year under report, there was no change in the general nature of business of your Company.

No material change has occurred or commitment made which would have affected the financial position of your Company between the end of the financial year of your Company 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.

There are no proceedings, either filed by the Company or filed against the Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before the National Company Tribunal or other Courts as at the end of the financial year 2023-24.

Your Company has not made any provision of money for the purchase of, or subscription for, shares in 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.

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India (SS1 and SS2) respectively relating to Meetings of the Board and its Committees which have mandatory application.

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. The ICC comprises of internal as well external members.

Disclosure of number of complaints filed, disposed of and pending in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as on the end of the financial year under Report are as under:

- number of complaints filed during the financial year Nil
- number of complaints disposed of during the financial year : N/A
- number of complaints pending as on end of the financial year Nil

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**DIRECTORS' RESPONSIBILITY STATEMENT**

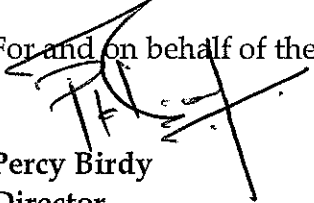
Pursuant to Section 134(3) (c) & 134(5) of the Companies Act, 2013, your directors hereby confirm that:


- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had 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 that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;
- e. the directors had 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 had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**ACKNOWLEDGEMENT**

Your directors would like to thank all stakeholder, customers, bankers, employees, government authorities, contractors, suppliers and associates of your Company for the support received from them during the year.

For and on behalf of the Board of Directors

  
**Percy Birdy**  
Director  
DIN: 07634795

  
**Rupak Ghosh**  
Director  
DIN: 09603929

**Mumbai**  
**July 22, 2024**

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**SECRETARIAL AUDIT REPORT**

Form No. MR-3

For the financial year ended on March 31, 2024

[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]

To,  
The Members,  
**WELSPUN TRADINGS LIMITED**

Registered Office: Welspun City, Village Versamedi, Taluka Anjar-370110, Gujarat, India.

CIN: U72200GJ2001PLC039513

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **WELSPUN TRADINGS LIMITED** (hereinafter called the Company) for the Financial Year 2023-2024. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 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.

We 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, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under: - *(to the extent applicable during the period under review)*
- (iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under; *(to the extent applicable during the period under review)*
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; *(to the extent applicable during the period under review)*

MNB & Co. LLP, Company Secretaries  
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Mob: +91 9833955225, Email: [maithili@mnapcs.com](mailto:maithili@mnapcs.com)  
Website: [www.mnbcs.com](http://www.mnbcs.com)  
LLPIN: AAT-3409



- (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 (*not applicable during the period under review*);
  - (b) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (*not applicable during the period under review*);
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (*not applicable during the period under review*);
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (*not applicable during the period under review*);
  - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (*not applicable during the period under review*);
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (*not applicable during the period under review*);
  - (g) 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; (*not applicable during the period under review*);
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the Audit Period); (*not applicable during the period under review*);
  - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (*not applicable during the period under review*);
  - (j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (*not applicable during the period under review*);
- (vi) We have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

As per management representation in writing received by us stating that during audit period, the Company has adequate and proper compliance mechanism system in place for compliance of laws applicable, as mentioned herein below:

- Labour laws and other incidental laws related to wages, gratuity, provident fund, Employees State Insurance Corporation, compensation, etc.
- Direct and indirect taxes.
- Factories Act, 1948 along with local factories Act and rules
- MSME Act
- Industrial Disputes Act

We have also examined compliance with the applicable Clauses of the following:

- (i) The Company has complied with Secretarial Standards pursuant to Section 118(10) of the Companies Act, 2013 with regard to Members Meeting and Board of Directors Meetings.

MNB & Co. LLP, Company Secretaries  
1316, 13<sup>th</sup> Floor, Dalamal Towers, Free Press Journal Marg, Nariman Point, Mumbai 400021.  
Mob: +91 9833955225, Email: [maithili@mnapcs.com](mailto:maithili@mnapcs.com)  
Website: [www.mnbcs.com](http://www.mnbcs.com)  
LLPIN: AAT-3409



**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review, if any were carried out in compliance with the provisions of the Act.

During the year under consideration, following are the changes in the composition:

1. The Company at its Annual General Meeting held on September 21, 2023 re-appointed Mr. Percy Birdy as Director of the Company, liable to retire by rotation.

Adequate notice is given to all the Directors to schedule the Board Meetings and Committee Meetings agenda and detailed notes on agenda were sent at least seven days in advance or with due consents for shorter notice from the Directors and adequate system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

**We 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.

**For MNB & Co. LLP  
Company Secretaries**

MAITHILI AMOL  
NANDEDKAR  
Digitally signed by  
MAITHILI AMOL  
NANDEDKAR  
Date: 2024.04.25  
11:34:19 +05'30'

**CS Maithili Nandedkar  
Partner**

FCS: 8242, C P No. 9307  
UDIN: F008242F000231091  
Peer Reviewed Firm No. 1259/2021

**Place: Mumbai  
Date: 25/04/2024**

*Note: This report is to be read with our letter of even date which is annexed as Annexure herewith and forms and integral part of this report.*

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LLPIN: AAT-3409





**ANNEXURE TO SECRETARIAL AUDIT REPORT**

To,  
The Members,  
**WELSPUN TRADINGS LIMITED**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representations about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations and Standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For MNB & Co. LLP  
Company Secretaries**

MAITHILI AMOL NANDEDKAR  
Digitally signed by  
MAITHILI AMOL  
NANDEDKAR  
Date: 2024.04.25  
11:34:43 +05'30'

**CS Maithili Nandedkar  
Partner  
FCS: 8242, CP No. 9307**

**Place: Mumbai  
Date: 25/04/2024**

**MNB & Co. LLP, Company Secretaries**  
1316, 13<sup>th</sup> Floor, Dalamal Towers, Free Press Journal Marg, Nariman Point, Mumbai 400021.  
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# Corporate Social Responsibility Policy

[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 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	Ms. Percy Birdy	Director	1	1
2	Mr. Rupak Ghosh	Director	1	1

The role of the 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).

## 3) Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company-

### Welspun Tradings Limited

Welspun House, 5th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, India.

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E-mail: companysecretary\_wtsl@welspun.com | Website : www.welspuncorp.com

Registered Address: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370110. India

T: +91 28 3666 2079 | F : +91 28 3627 9060

Corporate Identity Number: U72200GJ2001PLC039513

The CSR Policy is disclosed on the website of the Parent Company:

- 4) Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. – Not applicable.
- 5) a) Average net profit / (loss) of the Company sub-section (5) of section 135: Rs. 814.64 lakhs
  - b) Two per cent of average net profit of the Company sub-section (5) of section 135: Rs. 16.29 lakhs
  - c) Surplus arising out of the CSR Projects or programs or activities of the previous financial years – Nil
  - d) Amount required to be set-off for the financial year, if any – N/A.
  - e) Total CSR Obligation for the financial year [(b) + (c) – (d)] = Rs.16.29 lakhs
- 6) a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)- Rs.16.29 lakhs
  - b) Amount spent in Administrative Overheads: Rs. Nil
  - c) Amount spent on Impact Assessment, if applicable: Not applicable
  - d) Total amount spent for the Financial Year [(a)+(b)+(c)] - Rs.16.29 lakhs
  - e) CSR amount spent or unspent for the Financial Year : Spent Rs.16.29 lakhs

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (In Rs.)				
	Total Amount transferred to Unspent CSR Account sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
<b>Rs.16.29 lakhs</b>	Nil	N/A	N/A	Nil	N/A

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

Sr. No.	Particulars	Amount (in Rs.)
(i)	Two Percent of average net profits of the Company as per Sub-Section 5 of Section 135	Rs.16.29 lakhs
(ii)	Total amount spent for the Financial Year	Rs.16.29 lakhs
(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

7) Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sr. No.	Preceding Financial Years	Amount Transferred to Unspent CSR Account under Sub-Section (6) of Section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs.)	Date of Transfer		
1	2022-23	Nil	Nil	Nil	NA	NA	NA	NA
2	2021-22	Nil	Nil	Nil	NA	NA	NA	NA
3	2020-21	Nil	Nil	Nil	NA	NA	NA	NA
	<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	NA	NA	NA	NA

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8) Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes / No : NO

If Yes, enter the number of Capital assets created/ acquired: NA

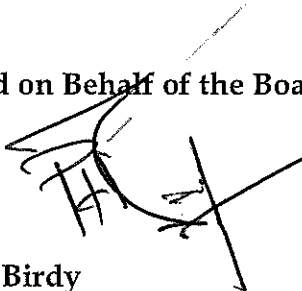
Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **Not Applicable**

Sr. No.	Short particulars of the property or asset(s)	Pin-code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
	[including complete address and location of the property]						
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135 : Not Applicable

For and on Behalf of the Board



**Percy Birdy**  
Director  
DIN: 07634795



**Rupak Ghosh**  
Director  
DIN: 09603929

**Date: July 22, 2024**  
**Place: Mumbai**

**Welspun Tradings Limited**

Welspun House, 5th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013, India.

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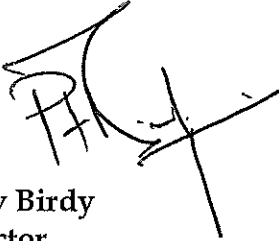
**Form No. AOC-2**


(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 Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. **Details of contracts or arrangements or transactions not at arm's length basis.**  
Not applicable
2. **Details of material contracts or arrangement or transactions at arm's length basis which are more than 10% of the total transactions with the same party:**

Name(s) of the related party and nature of relationship	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances , if any	Amount (Rs. Crs)
1) Purchase of goods and services					
Welspun Corp Limited (Holding)	Ongoing	Based on transfer pricing guidelines	06.08.2014	Yes	214.75
2) Advance					
Welspun Corp Limited (Holding)	Ongoing	Based on transfer pricing guidelines		Yes	38.56

  
Percy Birdy  
Director  
DIN: 07634795

  
Rupak Ghosh  
Director  
DIN: 09603929

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Corporate Identity Number: U72200GJ2001PLC039513

# Price Waterhouse Chartered Accountants LLP

## Independent Auditor's Report

To the Members of Welspun Tradings Limited

### Report on the Audit of the Financial Statements

#### Opinion

1. We have audited the accompanying financial statements of Welspun Tradings Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) 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 Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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.



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T: +91 (22) 66691500, F: +91 (22) 66547804 / 07

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

# Price Waterhouse Chartered Accountants LLP

Independent Auditor's Report  
 To the Members of Welspun Tradings Limited  
 Report on the Audit of the Financial Statements  
 Page 2 of 12

## Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the 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 Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's responsibilities for the audit of the financial statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
8. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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**





# Price Waterhouse Chartered Accountants LLP

Independent Auditor's Report  
To the Members of Welspun Tradings Limited  
Report on the Audit of the Financial Statements  
Page 3 of 12

ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. 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.

## Report on other legal and regulatory requirements

10. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
11. 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 except for the matters stated in paragraph 11(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 11(b) above on reporting under Section 143(3)(b) and paragraph 11(h)(vi) below on reporting under Rule 11(g) of the Rules.
  - (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".



# Price Waterhouse Chartered Accountants LLP

Independent Auditor's Report  
To the Members of Welspun Tradings Limited  
Report on the Audit of the Financial Statements  
Page 4 of 12

- (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, 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 financial statements – Refer Note 36 to the financial statements.
  - ii. The Company was not required to recognise a provision as at March 31, 2024 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2024.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 39(xiii) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 39(xiii) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the year.
  - vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except for changes made through specific access and for direct database changes. Further, during the course of performing our procedures, except the aforesaid instances, we did not notice any instance of audit trail feature being tampered with.



**Price Waterhouse Chartered Accountants LLP**

Independent Auditor's Report  
To the Members of Welspun Tradings Limited  
Report on the Audit of the Financial Statements  
Page 5 of 12

12. The Company has not paid / provided for managerial remuneration during the year. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Ali Akbar  
Partner  
Membership Number: 117839  
UDIN: 24117839BKEKVC6880

Place: Mumbai  
Date: April 25, 2024

# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditor's Report

Referred to in paragraph 11(g) of the Independent Auditor's Report of even date to the members of Welspun Tradings Limited on the financial statements for the year ended March 31, 2024

Page 6 of 12

## Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Welspun Tradings Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

## Management's Responsibility for Internal Financial Controls

2. 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). 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 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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

## Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to 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 controls with reference to 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



# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditor's Report

Referred to in paragraph 11(g) of the Independent Auditor's Report of even date to the members of Welspun Tradings Limited on the financial statements for the year ended March 31, 2024

Page 7 of 12

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 with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, 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 issued by ICAI.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Ali Akbar  
Partner

Membership Number: 117839  
UDIN: 24117839BKEKVC6880

Place: Mumbai  
Date: April 25, 2024

# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditor's Report

Referred to in paragraph 10 of the Independent Auditor's Report of even date to the members of Welspun Tradings Limited on the financial statements for the year ended March 31, 2024  
Page 8 of 12

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment.  
(B) The Company is maintaining proper records showing full particulars of intangible assets.  
(b) The property, plant and equipment of the Company have been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.  
(c) The Company does not own any immovable properties (Refer Note 3 to the financial statements). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.  
(d) The Company has not revalued its property, plant and equipment or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a registered valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of property, plant and equipment or intangible assets does not arise.  
(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory. Further, there are no inventory balance as at March 31, 2024.  
(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. (a) The Company has made investments in one mutual fund scheme. The Company has not granted secured / unsecured loans / advances in nature of loans, or stood guarantees, or provided security to any parties.  
(b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.



# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditor's Report

Referred to in paragraph 10 of the Independent Auditor's Report of even date to the members of Welspun Tradings Limited on the financial statements for the year ended March 31, 2024  
Page 9 of 12

- (c) The Company has not granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, to this extent, the reporting under clause 3(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order is not applicable to the Company.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Therefore, the reporting under clause 3(iv) of the Order is not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.
- vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Also, refer Note 28 to the financial statements regarding management's assessment on certain matters relating to provident fund.
- (b) There are no statutory dues of goods and services tax, provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax, cess which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2024 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (in Rs. crores) #	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	1.66	FY 2013-2014	Commissioner of Income Tax (Appeals)
The Service Tax under the Finance Act, 1994	Service Tax	0.02	FY 2014-2015	Assistant Commissioner Central GST & CX

# Net of amounts paid under protest Rs. 0.41 crores in respect of Income Tax

- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.



## Price Waterhouse Chartered Accountants LLP

### Annexure B to Independent Auditor's Report

Referred to in paragraph 10 of the Independent Auditor's Report of even date to the members of Welspun  
Tradings Limited on the financial statements for the year ended March 31, 2024  
Page 10 of 12

- (c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short-term basis.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, the reporting under clauses 3(ix)(e) and 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.





# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditor's Report

Referred to in paragraph 10 of the Independent Auditor's Report of even date to the members of Welspun Tradings Limited on the financial statements for the year ended March 31, 2024

Page 11 of 12

- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has three CICs as part of the Group as detailed in Note 42 to the financial statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3 (xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.



## Price Waterhouse Chartered Accountants LLP

### Annexure B to Independent Auditor's Report

Referred to in paragraph 10 of the Independent Auditor's Report of even date to the members of Welspun Tradings Limited on the financial statements for the year ended March 31, 2024  
Page 12 of 12

- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Ali Akbar  
Partner

Membership Number: 117839  
UDIN: 24117839BKEKVC6880

Place: Mumbai  
Date: April 25, 2024

**Welspun Tradings Limited**  
**Financial statements - March 31, 2024**

**Financial statements**

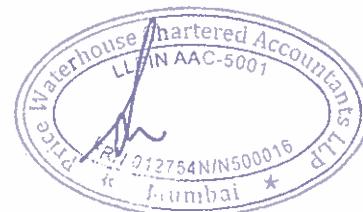
- Balance sheet as at March 31, 2024
- Statement of profit and loss for the year ended March 31, 2024
- Statement of changes in equity for the year ended March 31, 2024
- Statement of cash flows for the year ended March 31, 2024
- Notes comprising material accounting policies and other explanatory information

**Welspun Tradings Limited**

**Balance sheet**

(All amounts in Rupees (Rs.) Crore. unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	0.02	0.02
Intangible assets	4	-	-
Financial assets			
Other financial assets	6(a)	0.01	0.01
Deferred tax assets (net)	13	0.11	-
Income tax assets (net)	16	0.06	0.15
Other non-current assets	7(a)	0.74	0.96
<b>Total non-current assets</b>		<b>0.94</b>	<b>1.14</b>
<b>Current assets</b>			
Financial assets			
Investments	5	3.07	26.14
Trade receivables	8	92.04	-
Cash and cash equivalents	9	40.13	18.81
Bank balances other than cash and cash equivalents	10	0.09	0.11
Other financial assets	6(b)	0.59	-
Other current assets	7(b)	39.12	60.85
<b>Total current assets</b>		<b>175.04</b>	<b>105.91</b>
<b>Total assets</b>		<b>175.98</b>	<b>107.05</b>



**Welspun Tradings Limited****Balance sheet***(All amounts in Rupees (Rs.) Crore, unless otherwise stated)*

	Notes	As at March 31, 2024	As at March 31, 2023
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	11(a)	5.01	5.01
<b>Other equity</b>			
Reserves and surplus	11(b)	103.02	100.67
Other reserves	11(c)	(0.19)	-
<b>Total equity</b>		<b>107.84</b>	<b>105.68</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provisions	12(a)	0.02	0.22
Deferred tax liabilities (net)	13	-	0.09
<b>Total non-current liabilities</b>		<b>0.02</b>	<b>0.31</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Trade payables			
- total outstanding dues of micro and small enterprises	15	2.34	-
- total outstanding dues other than above	15	1.01	0.91
Provisions	12(b)	0.32	0.07
Current tax liabilities (net)	16	0.45	0.01
Other current liabilities	14	64.00	0.07
<b>Total current liabilities</b>		<b>68.12</b>	<b>1.06</b>
<b>Total liabilities</b>		<b>68.14</b>	<b>1.37</b>
<b>Total equity and liabilities</b>		<b>175.98</b>	<b>107.05</b>

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

This is the balance sheet referred to in our report of even date.

\* Amount is below the rounding off norms adopted by the Company

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration No: 012754N / N500016

**Ali Akbar**

Partner

Membership No. 117839

**For and on behalf of the Board****Rupak Ghosh**

Director

DIN: 09603929

**Percy Birdy**

Director

DIN: 07634795

Place: Mumbai

Date: April 25, 2024

Place: Mumbai

Date: April 25, 2024

**Welspun Tradings Limited**  
**Statement of profit and loss**  
*(All amounts in Rupees (Rs.) Crore, unless otherwise stated)*

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations	17	225.09	369.81
Other income	18	1.47	5.83
<b>Total income</b>		<b>226.56</b>	<b>375.64</b>
<b>Expenses</b>			
Purchases of stock-in-trade	19	214.64	328.82
Employee benefit expense	20	1.19	0.98
Depreciation and amortisation expense	21	-	-
Other expenses	22	6.86	27.05
Finance costs	23	0.55	0.07
<b>Total expenses</b>		<b>223.24</b>	<b>356.92</b>
<b>Profit before tax</b>		<b>3.32</b>	<b>18.72</b>
<b>Income tax expense</b>			
Current tax	24	1.10	4.55
Deferred tax	25	(0.14)	0.12
<b>Total income tax expense</b>		<b>0.96</b>	<b>4.67</b>
<b>Profit for the year (A)</b>		<b>2.36</b>	<b>14.05</b>



**Welspun Tradings Limited**  
**Statement of profit and loss**  
*(All amounts in Rupees (Rs.) Crore, unless otherwise stated)*

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
<b>Other comprehensive income</b>			
<b>Items that may be reclassified to profit or loss</b>			
Deferred gains/ (losses) on cash flow hedges (net)	11(c)	(0.25)	-
Income tax relating to this item		0.06	-
		<u>(0.19)</u>	<u>-</u>
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of post employment benefit obligations	26	(0.01)	-
Income tax relating to this item		-	-
		<u>(0.01)</u>	<u>-</u>
<b>Other comprehensive income for the year, net of tax (B)</b>		<u>(0.20)</u>	<u>-</u>
<b>Total comprehensive income for the year (A+B)</b>		<u>2.16</u>	<u>14.05</u>
<b>Earnings per equity share</b>			
	41		
Basic earnings per share (in Rupees)		4.71	28.02
Diluted earnings per share (in Rupees)		4.71	28.02

The above statement of profit and loss should be read in conjunction with the accompanying notes.

This is the statement of profit and loss referred to in our report of even date.

\* Amount is below the rounding off norms adopted by the Company

**For Price Waterhouse Chartered Accountants LLP**

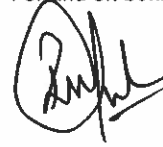
Firm Registration No: 012754N / N500016



**Ali Akbar**  
Partner

Membership No. 117839

**For and on behalf of the Board**



**Rupak Ghosh**  
Director  
DIN: 09603929



**Percy Birdy**  
Director  
DIN: 07634795

Place: Mumbai

Date: April 25, 2024

Place: Mumbai

Date: April 25, 2024

Welspun Tradings Limited  
Statement of changes in equity  
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

**A. Equity share capital**

Particulars	Notes	Amount
Balance as at April 01, 2022		5.01
Changes in equity share capital during the year	11(a)	-
<b>Balance as at March 31, 2023</b>		<b>5.01</b>
Changes in equity share capital during the year	11(a)	-
<b>Balance as at March 31, 2024</b>		<b>5.01</b>

**B. Other equity [refer note 11(b) and (c)]**

	Reserves and surplus	Other reserves	Total other equity
	Retained earnings	Cash flow hedging reserve	
<b>Balance as at April 01, 2022</b>	<b>86.62</b>	-	<b>86.62</b>
Profit for the year	14.05	-	14.05
Other comprehensive income (net of taxes)	-	-	-
<b>Total comprehensive income for the year</b>	<b>14.05</b>	-	<b>14.05</b>
<b>Balance as at March 31, 2023</b>	<b>100.67</b>	-	<b>100.67</b>
Profit for the year	2.36	-	2.36
Other comprehensive income (net of taxes)	(0.01)	(0.19)	(0.20)
<b>Total comprehensive income for the year</b>	<b>2.35</b>	<b>(0.19)</b>	<b>2.16</b>
<b>Balance as at March 31, 2024</b>	<b>103.02</b>	<b>(0.19)</b>	<b>102.83</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.  
This is the statement of changes in equity referred to in our report of even date.

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration No: 012754N / N500016



**Ali Akbar**  
Partner  
Membership No. 117839

**For and on behalf of the Board**



**Rupak Ghosh**  
Director  
DIN: 09603929



**Percy Birdy**  
Director  
DIN: 07634795

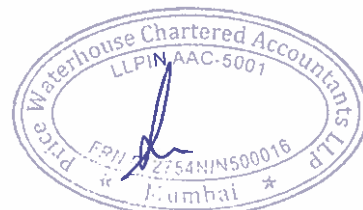
Place: Mumbai  
Date: April 25, 2024

Place: Mumbai  
Date: April 25, 2024



Welspun Tradings Limited  
Statement of cash flows  
(All amounts in Rupees (Rs.) Crore. unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>A) Cash flow (used in)/ from operating activities</b>		
Profit before tax	3.32	18.72
<b>Adjustments for:</b>		
Depreciation and amortisation expense	-	-
Net gain on sale/redemption of current investments	(1.38)	(0.75)
Fair valuation gain/(loss) on investment (net)	(0.06)	(0.53)
Interest income and commission income	(0.01)	(1.08)
Interest expenses	0.55	0.05
Liabilities/ provisions no longer required written back	(0.09)	-
Loss allowance	0.05	-
	<u>(0.94)</u>	<u>(2.32)</u>
<b>Operating profit before changes in operating assets and liabilities</b>	<b>2.38</b>	<b>16.41</b>
<b>Changes in operating assets and liabilities (bracket figures represents increase in asset and decrease in liabilities)</b>		
Movement in other non-current assets	0.22	0.41
Movement in trade receivables	(92.09)	-
Movement in other current financial assets	(0.84)	-
Movement in other current assets	21.73	111.55
Movement in trade payables	2.53	(0.28)
Movement in other current liabilities	63.93	(131.52)
Movement in non-current provisions	(0.20)	-
Movement in loans	-	0.01
Movement in current provisions	0.24	(0.02)
<b>Total changes in operating assets and liabilities</b>	<u>(4.48)</u>	<u>(19.85)</u>
<b>Cash flow from operations</b>	<u>(2.10)</u>	<u>(3.44)</u>
Income taxes paid (net of refund received)	(0.59)	(4.74)
<b>Net cash (used in)/ from operating activities (A)</b>	<u>(2.69)</u>	<u>(8.18)</u>
<b>B) Cash flow (used in)/ from investing activities</b>		
Purchase of current investments	(47.03)	(264.35)
Proceeds from sale/redemption of current investments	71.54	248.02
(Investments in)/ Proceeds from maturity of fixed deposit (net)	0.02	41.41
Interest received on deposits with banks and commission received	0.01	1.08
Repayment of loan by employees (net)	-	0.01
<b>Net cash from/ (used in) investing activities (B)</b>	<u>24.54</u>	<u>26.17</u>



Welspun Tradings Limited  
Statement of cash flows  
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>C) Cash flow from/ (used in) financing activities</b>		
Interest paid	(0.53)	(0.05)
<b>Net cash (used in)/ from financing activities (C)</b>	<u>(0.53)</u>	<u>(0.05)</u>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<u>21.32</u>	<u>17.94</u>
Cash and cash equivalents at the beginning of the year	18.81	0.87
<b>Cash and cash equivalents at the end of the year (refer note 9)</b>	<u>40.13</u>	<u>18.81</u>
<b>Net increase in cash and cash equivalents</b>	<u>21.32</u>	<u>17.94</u>
Reconciliation of cash and cash equivalents as per the cash flow statement Cash and cash equivalents as per above comprise of the following:		
	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Balances with banks		
- In current accounts	40.13	18.81
<b>Balance per statement of cash flows</b>	<u>40.13</u>	<u>18.81</u>

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

This is the statement of cash flows referred to in our report of even date.

\* Amount is below the rounding off norms adopted by the Company

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration No: 012754N / N500016



Ali Akbar  
Partner  
Membership No. 117839

**For and on behalf of the Board**



Rupak Ghosh  
Director  
DIN: 09603929



Percy Birdy  
Director  
DIN: 07634795

Place: Mumbai  
Date: April 25, 2024

Place: Mumbai  
Date: April 25, 2024

## Welspun Tradings Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) crores, unless otherwise stated)

### General Information

Welspun Tradings Limited (the "Company") is a Company limited by shares incorporated on May 09, 2001 and domiciled in India. Its registered office and principal place of business is located at Welspun City, Village Versamedi, Taluka Anjar, Anjar, Gujarat, GJ 370110, India. The Company is a wholly owned subsidiary of Welspun Corp Limited and is engaged in the business of trading and marketing of steel pipes and coils.

These financial statements are authorised for issue by the Board of Directors on April 25, 2024.

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest two decimals of Crores unless otherwise stated.

### Note 1. Material Accounting Policies

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

#### A) Basis of preparation of financial statements

##### (i) Compliance with Ind AS

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

##### (ii) Historical cost convention

The financial statements have been prepared on an accrual and going concern basis. The financial statements have been prepared on a historical cost basis, except for the following items:

Items	Measurement Basis
Certain financial assets and liabilities (including derivatives instruments)	Fair Value
Net defined benefit (asset)/ liability	Fair Value of plan assets less present value of defined benefit obligations

##### (iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (i.e 12 months) and other criteria set out in Schedule III (Division II) to the Act. Based on the time between the acquisition of assets for processing and their realisation in the form of cash or cash equivalents the company has determined its normal operating cycle as 12 months.

##### (iv) New and amended standards adopted by the company

The Ministry of Corporate Affairs had vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) amendment Rules, 2023 which amended certain accounting standards (see below), and are effective April 1, 2023.



## Welspun Tradings Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) crores, unless otherwise stated)

- Disclosure of accounting policies – amendment to Ind AS 1
- Definition of accounting estimates – amendment to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction – amendment to Ind AS 12

The other amendment to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the company accounting policy already complies with the now mandatory treatment.

### B) Revenue recognition

#### Sales of products

The Company derives revenue principally from sale of pipes.

The Company recognises revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Company has the present right to payment, all of which occurs at a point in time upon shipment or delivery of the product. The Company considers freight activities as costs to fulfil the promise to transfer the related products and the payments by the customers for freight costs are recorded as a component of revenue.

Whether the customer has obtained control over the asset depends on when the goods are made available to the carrier or the buyer takes possession of the goods, depending on the delivery terms. For the Company's pipes operations, generally the criteria to recognize revenue has been met when its products are delivered to its customers or to a carrier who will transport the goods to its customers, this is the point in time when the Company has completed its performance obligations.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

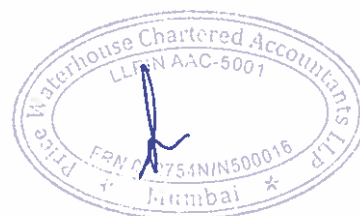
The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the Company expects to be entitled to in exchange for transferring of promised goods to the customer after deducting incentive programs, included but not limited to discounts, volume rebates, etc.

Revenue is recognized at a determined transaction price when identified performance obligations are satisfied.

The bill and hold contracts are entered at the request of the customer. Revenue from bill and hold contracts is recognised at the agreed transaction price (determined price). The price for bill and hold contracts is determined at the time of entering into the transaction and the performance obligation is satisfied when goods have been appropriated towards the sale transaction (the control of asset is transferred to the customer).

Revenue excludes any taxes and duties collected on behalf of the government.

The Company's payment terms range from 0 to 60 days from date of delivery, depending on the market and product sold.



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

**C) Income tax and deferred 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.

**(i) Current income tax**

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

Current tax assets and tax liabilities are offset at assessment year level where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**(ii) Deferred tax**

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax assets is realized or deferred tax liability is settled.

Deferred tax are recognised for all deductible temporary difference and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**D) Inventories**

Traded goods are stated at the lower of cost and net realisable value. Cost of traded goods comprises cost of purchases on moving weighted average basis. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on 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.



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

**E) 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.

**a) Financial assets**

**(i) Classification**

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

- those to be measured subsequently at fair value (either through 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 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.

**(ii) Recognition**

Regular way by purchase and sales of financial assets are recognised on trade date, being the date on which the Company commits to purchase or sale the financial assets.

**(iii) Measurement**

At initial recognition, the Company measures a financial asset (excluding trade receivables) 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. However, trade receivables do not contain significant financing component are measured at transaction price.

After initial recognition, financial assets not measured at fair value through profit & Loss are measured using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash flow through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**Equity instruments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income or other expenses (as applicable) 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.



## **Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

### **(iv) Impairment of financial assets**

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

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 based on provision matrix taking into account historical credit losses and is adjusted for forward looking information.

### **(v) 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.

### **(vi) Income recognition**

#### **Interest income**

Interest income from a financial assets is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis by reference to principal outstanding and the effective interest rate applicable which 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.

Interest on income tax and indirect tax are recognised in the year in which it is received.

#### **Dividend income**

Dividend income 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.

### **(vii) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity 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.



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

For the purposes of the statement of cash flow, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts (if any) are shown within borrowings in current liabilities.

**(viii) Trade Receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

**b) Financial liabilities**

**(i) Measurement**

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at 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.

**(ii) Derecognition**

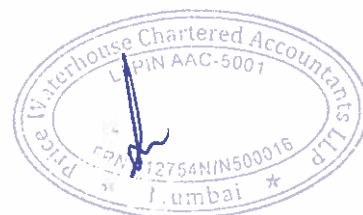
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such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

**(iii) Trade and other payable**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 to 180 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**c) 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.





**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

**F) Provisions, contingent liabilities and contingent assets**

**i) Provisions**

Provisions for legal claims 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.

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.

**ii) Contingent liabilities**

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.

**iii) Contingent Assets**

Contingent Assets are disclosed, where an inflow of economic benefits is probable.



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

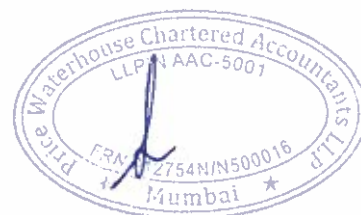
*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

**Notes 2. Critical estimates and judgments**

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 judgment in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment 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 judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

**Estimation of Provisions and Contingent Liabilities**

The Company exercises judgment 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.



## 3. Property, plant and equipment (PPE)

Carrying amounts	Office and other equipments	Computers	Vehicles	Furniture and fixtures	Total
<b>Year ended March 31, 2023</b>					
Gross carrying amount					
Balance as at April 01, 2022	0.01	- *	0.24	0.01	0.26
Additions	- *	-	-	-	- *
Disposals	- *	-	-	-	- *
Gross carrying amount as at March 31, 2023	0.01	- *	0.24	0.01	0.26
<b>Year ended March 31, 2024</b>					
Gross carrying amount					
Additions	- *	-	-	-	- *
Disposals	-	-	-	-	-
Gross carrying amount as at March 31, 2024	0.01	- *	0.24	0.01	0.26

Accumulated depreciation	Office and other equipments	Computers	Vehicles	Furniture and fixtures	Total
<b>Year ended March 31, 2023</b>					
Balance as at April 01, 2022	0.01	- *	0.22	0.01	0.24
Depreciation charge during the year	- *	- *	- *	- *	- *
Disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2023	0.01	- *	0.22	0.01	0.24
<b>Year ended March 31, 2024</b>					
Depreciation charge during the year	- *	- *	- *	- *	- *
Disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2024	0.01	- *	0.22	0.01	0.24

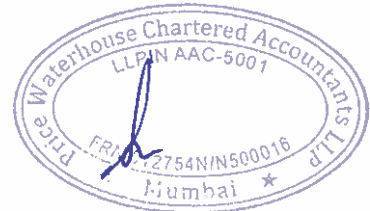
**Net carrying amount of property, plant and equipment**

As at March 31, 2023	- *	- *	0.02	-	0.02
As at March 31, 2024	- *	- *	0.02	-	0.02

\* Amount is below the rounding off norms adopted by the Company

**Notes:**

i. The Company does not own any immovable properties.



**Welspun Tradings Limited****Notes forming part of the financial statements as at and for the year ended March 31, 2024***(All amounts in Rupees (Rs.) Crore, unless otherwise stated)***4 Intangible assets**

<b>Carrying amounts</b>	<b>Intangible assets (Software)</b>
<b>Year ended March 31, 2023</b>	
<b>Gross carrying amount</b>	
Balance as at April 01, 2022	- *
Additions	-
Disposals	-
<b>Gross carrying amount as at March 31, 2023</b>	- *
<b>Year ended March 31, 2024</b>	
<b>Gross carrying amount</b>	
Additions	-
Disposals	-
<b>Gross carrying amount as at March 31, 2024</b>	- *
<b>Accumulated amortisation</b>	
<b>Intangible assets (Software)</b>	
<b>Year ended March 31, 2023</b>	
<b>Balance as at April 01, 2022</b>	- *
Amortisation charge during the year	-
Disposals	-
<b>Accumulated amortisation as at March 31, 2023</b>	- *
<b>Year ended March 31, 2024</b>	
Amortisation charge during the year	- *
Disposals	-
<b>Accumulated amortisation as at March 31, 2024</b>	- *
<b>Net carrying amount of Intangible assets</b>	
As at March 31, 2023	- *
As at March 31, 2024	- *

\* Amount is below the rounding off norms adopted by the Company



**Welspun Tradings Limited**  
**Notes forming part of the financial statements as at and for the year ended March 31, 2024**  
*(All amounts in Rupees (Rs.) Crore, unless otherwise stated)*

**5 Current investments**

	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Mutual funds	3.07	26.14
<b>Total current investments</b>	<b>3.07</b>	<b>26.14</b>

**Unquoted**  
**Investment carried at fair value through profit and loss**  
**Investments in mutual funds**

	<b>As at March 31, 2024</b>		<b>As at March 31, 2023</b>	
	<b>Units</b>	<b>Amount</b>	<b>Units</b>	<b>Amount</b>
HDFC Money Market Fund - Direct Plan Growth	-	-	46,701	22.99
Aditya Birla Sun Life Money Manager Fund -Growth-Direct Plan (formerly known as Aditya Birla Sun Life Floating Rate Fund Short Term Plan)	89,967	3.07	-	-
HDFC Liquid Fund - Growth	-	-	7,196	3.15
<b>Total investments in mutual funds</b>	<b>89,967</b>	<b>3.07</b>	<b>53,897</b>	<b>26.14</b>

Aggregate amount of unquoted investments (At net asset value)	3.07	26.14
Aggregate amount of impairment in the value of investments	-	-

Note: Investments made are approved by Board of Directors in accordance with policy of Company. The transactions are not prejudicial to shareholders of the Company.



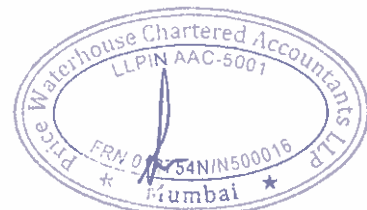
Welspun Tradings Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>6 Other financial assets</b>		
<b>6(a) Non-current</b>		
Unsecured, considered good		
Security deposits		
- Related parties (refer note 32)	-	-
- Others	0.01	0.01
<b>Total non-current other financial assets</b>	<b>0.01</b>	<b>0.01</b>
* Amount is below the rounding off norms adopted by the Company		
<b>6(b) Current</b>		
Derivatives designated as hedges		
Forward contracts	0.59	-
<b>Total current other financial assets</b>	<b>0.59</b>	<b>-</b>
<b>Total other financial assets</b>	<b>0.60</b>	<b>0.01</b>
	As at March 31, 2024	As at March 31, 2023
<b>7 Other assets</b>		
<b>7(a) Non-current</b>		
Balance with statutory authorities	0.41	0.41
Prepaid expenses	0.22	0.44
Others*	0.11	0.11
<b>Total other non-current assets</b>	<b>0.74</b>	<b>0.96</b>
*Represents amount recoverable from employees towards employees' contribution for provident fund (refer note 28)		
	As at March 31, 2024	As at March 31, 2023
<b>7(b) Current</b>		
Balance with statutory authorities	-	0.09
Advance to suppliers		
Related parties (refer note 32)	38.56	60.31
Others	0.04	0.04
Prepaid expenses	0.52	0.41
<b>Total other current assets</b>	<b>39.12</b>	<b>60.85</b>
<b>Total other assets</b>	<b>39.86</b>	<b>61.81</b>
	As at March 31, 2024	As at March 31, 2023
<b>8 Trade receivables</b>		
Trade receivables from contract with customers - Other than related party	92.09	-
Less: Loss allowance	(0.05)	-
<b>Total receivables</b>	<b>92.04</b>	<b>-</b>
<b>Break up of security details</b>		
Unsecured, considered good	92.09	-
<b>Total</b>	<b>92.09</b>	<b>-</b>
Less: Loss allowance	(0.05)	-
<b>Total trade receivables</b>	<b>92.04</b>	<b>-</b>

The company's trade receivable do not carry a significant financing element. Accordingly the company has adopted a simplified approach for measurement of expected credit loss. In determining allowance for credit losses of trade receivables, the Company has used the practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of receivables and the rates used in provision matrix.



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) Crore, unless otherwise stated)*

**Movement in loss allowance**

	As at March 31, 2024	As at March 31, 2023
Opening balance	-	-
Changes in loss allowance	(0.05)	-
Closing balance	(0.05)	-

Ageing for trade receivables as at March 31, 2024 is as follows:

Particulars	Unbilled	Not Due	Outstanding for following periods from due date					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed trade receivables</b>								
(i) considered good	-	71.90	20.19	-	-	-	-	<b>92.09</b>
(ii) considered doubtful	-	-	-	-	-	-	-	-
<b>Gross Total</b>	-	<b>71.90</b>	<b>20.19</b>	-	-	-	-	<b>92.09</b>
Expected loss rate		0.01%	0.21%	0.34%	50.00%	50.00%	100%	
Less: Loss allowance		(0.01)	(0.04)	-	-	-	-	<b>(0.05)</b>
<b>Total Trade receivables</b>		<b>71.89</b>	<b>20.15</b>	-	-	-	-	<b>92.04</b>

**Note:**

- (i) There are no trade receivables which have significant increase in credit risk or credit impaired.  
(ii) There are no trade receivables as at March 31, 2023

**9 Cash and cash equivalents**

Balances with banks  
- in current accounts

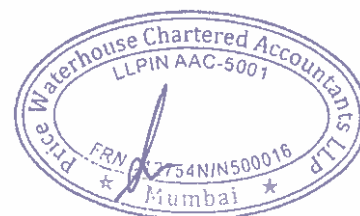
	As at March 31, 2024	As at March 31, 2023
	40.13	18.81
<b>Total cash and cash equivalents</b>	<b>40.13</b>	<b>18.81</b>

**10. Bank balances other than cash and cash equivalents**

Margin money deposits with maturity of less than twelve months (refer note below)

	As at March 31, 2024	As at March 31, 2023
	0.09	0.11
<b>Total bank balances other than cash and cash equivalents</b>	<b>0.09</b>	<b>0.11</b>

Note: Fixed deposits of Rs. 0.09 (March 31,2023: Rs. 0.11) represents earmarked balances with banks.



11 Equity share capital and other equity  
11(a) Equity Share capital

	Number of Shares	Par value	Amount
Authorised share capital			
As at April 01, 2022	5,050,000	10.00	5.05
Increase/ (decrease) during the year	-	-	-
As at March 31, 2023	5,050,000	10.00	5.05
Increase/ (decrease) during the year	-	-	-
As at March 31, 2024	5,050,000	10.00	5.05

i) Movement in equity share capital

Issued, subscribed and paid up capital

	Number of shares	Amount
As at April 01, 2022	5,013,402	5.01
Increase/ (decrease) during the year	-	-
As at March 31, 2023	5,013,402	5.01
Increase/ (decrease) during the year	-	-
As at March 31, 2024	5,013,402	5.01

ii) Terms and rights attached to shares

Equity shares

Equity shares have a par value of INR 10 each. They entitle the holder to participate in dividends, and to share in the proceeds of winding up of the Company in proportion to the number of and amounts paid on the shares held.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

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

As at March 31, 2024	No. of shares	% holding
Equity shares held by Welspun Corp Limited (the 'holding company'), including nominees	5,013,402	100%
As at March 31, 2023	No. of shares	% holding
Equity shares held by Welspun Corp Limited (the 'holding company'), including nominees	5,013,402	100%

Details of shareholding of promoters

Name of the promoter	Year ended March 31, 2024			Year ended March 31, 2023		
	Number of shares	% of total number of shares	Percentage of change during the year	Number of shares	% of total number of shares	Percentage of change during the year
Welspun Corp Limited (the 'holding company'), including nominees	5,013,402	100.00%	-	5,013,402	100.00%	-
Total	5,013,402	100.00%	-	5,013,402	100.00%	-





**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) Crore, unless otherwise stated)*

	<u>As at</u> <u>March 31, 2024</u>	<u>As at</u> <u>March 31, 2023</u>
<b>11(b) Reserves and surplus</b>		
Retained earnings	103.02	100.67
<b>Total reserves and surplus</b>	<u>103.02</u>	<u>100.67</u>

	<u>As at</u> <u>March 31, 2024</u>	<u>As at</u> <u>March 31, 2023</u>
<b>Retained earnings</b>		
Opening balance	100.67	86.62
Profit for the year	2.36	14.05
- Remeasurements of post employment benefit obligations, net of tax	(0.01)	-
<b>Closing balance</b>	<u>103.02</u>	<u>100.67</u>



Welspun Tradings Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>11(c) Other reserves</b>		
Cash flow hedging reserve	(0.19)	-
<b>Total other reserves</b>	<b>(0.19)</b>	<b>-</b>
<b>Cash flow hedging reserve</b>		
Opening balance	-	-
Add: Gain / (Loss) recognised in cash flow hedging reserve during the year (net)	(0.25)	-
Income tax on amount recognised in cash flow hedging reserve (net)	0.06	-
<b>Closing balance</b>	<b>(0.19)</b>	<b>-</b>

**Retained Earnings**

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

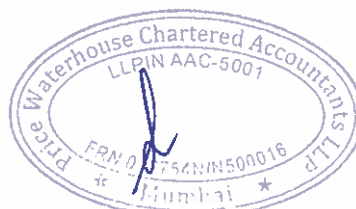
**Cash flow hedging reserve**

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flows reserve will be reclassified to statement of profit and loss only when the hedged transaction affects the profit or loss or included as a basis adjustment to the non-financial hedged item.

	As at March 31, 2024	As at March 31, 2023
<b>12 Provisions</b>		
<b>12(a) Non-current</b>		
<b>Employee benefit obligations</b>		
Gratuity (refer note 26)	0.02	-
<b>Other provisions</b>		
Provision for litigation / disputes (refer note 27)	-	0.22
<b>Total non-current provisions</b>	<b>0.02</b>	<b>0.22</b>
<b>12(b) Current</b>		
<b>Employee benefit obligations</b>		
Gratuity (refer note 26)	0.01	-
Leave obligations (refer note 26)	0.09	0.07
<b>Other provisions</b>		
Provision for litigation / disputes (refer note 27)	0.22	-
<b>Total current provisions</b>	<b>0.32</b>	<b>0.07</b>
<b>Total provisions</b>	<b>0.34</b>	<b>0.29</b>

	As at March 31, 2024	As at March 31, 2023
<b>13 Deferred tax assets / liabilities (net) (refer note 29)</b>		
<b>The balance comprises of temporary differences attributable to:</b>		
<b>Deferred tax liabilities</b>		
Fair valuation of investments (net)	0.01	0.13
	0.01	0.13
<b>Set-off of deferred tax assets pursuant to set-off provisions</b>		
<b>Deferred tax assets</b>		
Employee benefit obligations	0.03	0.02
Property, plant and equipment	0.01	0.01
Cash flow hedging reserve	0.06	-
Loss allowance	0.01	-
Others	0.01	0.01
	0.12	0.04
<b>Total deferred tax assets / (liabilities) (net)</b>	<b>0.11</b>	<b>(0.09)</b>

	As at March 31, 2024	As at March 31, 2023
<b>14 Other current liabilities</b>		
Trade advances	63.30	-
Statutory dues payable	0.64	0.06
Employee dues payable	0.06	0.01
<b>Total other current liabilities</b>	<b>64.00</b>	<b>0.07</b>



Welspun Tradings Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>15 Trade payables</b>		
<b>Current</b>		
Trade payables: dues of micro and small enterprises (refer note 33)	2.34	-
Trade payables other than above:		
Trade payable to related parties (refer note 32)	0.02	0.12
Trade payables others	0.99	0.79
	<u>1.01</u>	<u>0.91</u>
<b>Total trade payables</b>	<u><b>3.35</b></u>	<u><b>0.91</b></u>

Ageing for trade payable as at March 31, 2024 is as follows:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade Payables</b>							
(i) Micro enterprise and small enterprises	2.09	0.25	-	-	-	-	2.34
(ii) Others	0.82	0.04	0.15	-	-	-	1.01
<b>Total</b>	<b>2.91</b>	<b>0.29</b>	<b>0.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.35</b>

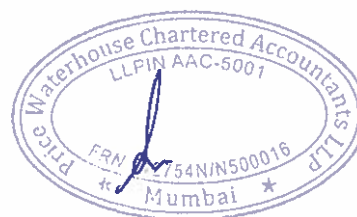
Ageing for trade payable as at March 31, 2023 is as follows:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade Payables</b>							
(i) Micro enterprise and small enterprises	-	-	-	-	-	-	-
(ii) Others	0.79	-	0.12	-	-	-	0.91
<b>Total</b>	<b>0.79</b>	<b>-</b>	<b>0.12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.91</b>

Notes:-

- i There are no disputed trade payables as at March 31, 2024 and March 31, 2023.
- ii Unbilled trade payables include accruals which are not classified as provisions under Ind AS 37.

	As at March 31, 2024	As at March 31, 2023
<b>16 Income tax assets / (Current tax liabilities)</b>		
Opening balance	0.14	(0.05)
Less: Current tax expense	(1.10)	(4.55)
Less: Interest on Income tax	(0.02)	(0.05)
Add: Taxes paid net of refunds (including tax deducted at source)	0.59	4.79
<b>Closing balance</b>	<u><b>(0.39)</b></u>	<u><b>0.14</b></u>
Income tax assets (net off provision for tax Rs. 4.08 (March 31, 2023: Rs. 0.79))	0.06	0.15
Current tax liabilities (net off advance tax/ tax deducted at source Rs. 6.02 (March 31, 2023: Rs. 8.63))	0.45	0.01



Welspun Tradings Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) Crore. unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>17 Revenue from operations</b>		
(a) <b>Sale of products</b>		
Finished goods	225.00	367.78
<b>Total sale of products</b>	<b>225.00</b>	<b>367.78</b>
	Year ended March 31, 2024	Year ended March 31, 2023
(b) <b>Other operating income</b>		
Government grants		
Export benefits	-	2.03
Liabilities/ Provision no longer required written back	0.09	-
<b>Total other operating income</b>	<b>0.09</b>	<b>2.03</b>
<b>Total revenue from operations</b>	<b>225.09</b>	<b>369.81</b>
The Company has only one major product which is pipes and revenue derived from transfer of pipes at a point in time aggregated to Rs. 225.00 for the year ended March 31, 2024 (March 31, 2023: Rs. 367.78)		
<b>Reconciliation of revenue recognised with contract price:</b>		
Contract price	225.09	369.81
<b>Total revenue from operations</b>	<b>225.09</b>	<b>369.81</b>
	Year ended March 31, 2024	Year ended March 31, 2023
<b>18 Other income</b>		
<b>Interest income</b>		
Fixed deposits	0.01	1.01
Others	-	0.31
<b>Net gain on sale/redemption of</b>		
Current investments	1.38	0.75
<b>Other non-operating income</b>		
Net exchange differences	0.02	2.36
Commission income (refer note 32)	-	0.07
Fair valuation gain on investment (net)	0.06	0.53
Miscellaneous income	-	0.80
<b>Total other income</b>	<b>1.47</b>	<b>5.83</b>
* Amount is below the rounding off norms adopted by the Company		
	Year ended March 31, 2024	Year ended March 31, 2023
<b>19 Purchases of stock-in-trade</b>		
Purchases of stock-in-trade (refer note 32)	214.64	328.82
<b>Total purchases of stock-in-trade</b>	<b>214.64</b>	<b>328.82</b>



	Year ended March 31, 2024	Year ended March 31, 2023
<b>20 Employee benefit expense</b>		
Salaries, wages and bonus	1.04	0.87
Contribution to provident and other funds (refer note below)	0.11	0.09
Gratuity expense (refer note 26)	0.02	-
Staff welfare expenses	0.02	0.02
<b>Total employee benefit expense</b>	<b>1.19</b>	<b>0.98</b>
<b>Note:</b>		
<b>Defined contribution plans</b>		
i. Employers' Contribution to Provident Fund and Employee's Pension Scheme, 1995		
ii. Superannuation fund		
During the year, the Company has recognised the following amounts in the statement of profit and loss:		
Employer's Contribution to Provident Fund	0.06	0.05
Employer's Contribution to Employee's Pension Scheme	0.03	0.02
Employer's Contribution to Superannuation fund	0.02	0.02
<b>Total expenses recognised in the statement of profit and loss</b>	<b>0.11</b>	<b>0.09</b>
	Year ended March 31, 2024	Year ended March 31, 2023
<b>21 Depreciation and amortisation expense</b>		
Depreciation of property, plant and equipment (refer note 3)	-	-
Amortisation of intangible assets (refer note 4)	-	-
<b>Total depreciation and amortisation expense</b>	<b>-</b>	<b>-</b>
* Amount is below the rounding off norms adopted by the Company		
	Year ended March 31, 2024	Year ended March 31, 2023
<b>22 Other expenses</b>		
Power, fuel and water charges	-	-
Freight, material handling and transportation	5.44	24.05
Rental charges	0.09	0.08
Rates and taxes	-	-
Travel and conveyance expenses	0.08	0.03
Communication expenses	-	-
Legal and professional fees	0.38	0.38
Insurance	0.08	0.02
Printing and stationery	-	-
Membership and fees	0.01	0.01
Payment to auditors (refer note (i) below)	0.13	0.13
Commission on sales to agents	-	1.88
Loss Allowance	0.05	-
Expenditure towards corporate social responsibility (refer notes (ii) below and 32)	0.16	0.04
Miscellaneous expenses	0.44	0.43
<b>Total other expenses</b>	<b>6.86</b>	<b>27.05</b>
	Year ended March 31, 2024	Year ended March 31, 2023
<b>Note:</b>		
<b>i) Details of payments to auditors</b>		
<b>Payment to auditors</b>		
<b>As auditor:</b>		
Audit fee	0.10	0.10
Tax audit fee	0.03	0.03
<b>In other capacities</b>		
Certification fees	-	-
Re-imbusement of expenses	-	-
<b>Total payment to auditors</b>	<b>0.13</b>	<b>0.13</b>

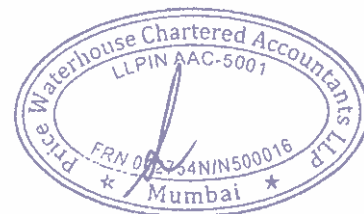


Welspun Tradings Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>ii) Corporate social responsibility expenditure</b>		
Contribution to Welspun Foundation for Health & Knowledge	0.16	0.04
<b>Total corporate social responsibility expenditure</b>	<b>0.16</b>	<b>0.04</b>
Amount required to be spent as per Section 135 of the Companies Act, 2013	0.16	0.04
<b>Amount spent during the year on:</b>		
On purposes other than construction/ acquisition of an asset	0.16	0.04
* Amount is below the rounding off norms adopted by the Company		
<b>23 Finance costs</b>		
Interest on acceptances and charges on letter of credit	0.52	-
Interest on income tax	0.02	0.05
Other finance cost	0.01	0.02
<b>Total finance cost</b>	<b>0.55</b>	<b>0.07</b>
<b>24 Income tax expense</b>		
<b>Current tax</b>		
Current tax for the year	1.00	4.55
Current tax for earlier year	0.10	-
<b>Total Current tax</b>	<b>1.10</b>	<b>4.55</b>
<b>25 Deferred tax (refer note 29)</b>		
Decrease / (Increase) in deferred tax assets	(0.08)	-
Increase / (Decrease) in deferred tax liabilities	(0.12)	0.12
<b>Total deferred tax expense/ (benefit)</b>	<b>(0.20)</b>	<b>0.12</b>
* Amount is below the rounding off norms adopted by the Company		
<b>(i) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate</b>		
	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax	3.32	18.72
Tax rate	25.17%	25.17%
<b>Tax at normal rate</b>	<b>0.84</b>	<b>4.71</b>
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income (Income) / expense on which no deferred tax was required to be recognised	0.05	(0.17)
Adjustments for current tax of prior years	0.10	-
Others	(0.09)	0.13
<b>Total Income tax expense</b>	<b>0.90</b>	<b>4.67</b>



**26 Employee benefit obligations**

**(i) Leave obligations**

The leave obligations cover the Company's liability for earned leave.

**(ii) Post-employment obligations - Gratuity**

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. The plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen day wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. This defined benefit plans exposes the Company to actuarial risks, such as interest rate risk and market (investment) risk.

**(iii) Balance sheet amounts - Gratuity**

The amounts recognised in the balance sheet and the movements in the net defined benefit obligations over the year are as follows:

	Present value of obligations	Fair value of plan assets	Net amount
<b>April 01, 2022</b>	<b>0.18</b>	<b>(0.18)</b>	<b>-</b>
Current service cost	0.01	(0.01)	-
Interest expense/ (income)	0.01	(0.01)	-
<b>Total amount recognised in profit or loss</b>	<b>0.02</b>	<b>(0.02)</b>	<b>-</b>
<b>Remeasurements</b>			
Experience gains	0.04	-	0.04
Loss from change in financial assumptions	(0.04)	-	(0.04)
<b>Total amount recognised in other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>
Benefit payment	(0.05)	0.05	-
Adjustment due to transfer out	-	-	-
<b>March 31, 2023</b>	<b>0.15</b>	<b>(0.15)</b>	<b>-</b>
	Present value of obligation	Fair value of plan assets	Net amount
<b>April 01, 2023</b>	<b>0.15</b>	<b>(0.15)</b>	<b>-</b>
Current service cost	0.02	-	0.02
Interest expense/ (income)	0.01	(0.01)	-
<b>Total amount recognised in profit or loss</b>	<b>0.03</b>	<b>(0.01)</b>	<b>0.02</b>
<b>Remeasurements</b>			
Experience gains	0.02	(0.01)	0.01
Loss from change in financial assumptions	-	-	-
<b>Total amount recognised in other comprehensive income</b>	<b>0.02</b>	<b>(0.01)</b>	<b>0.01</b>
Benefit payment	-	-	-
Adjustment due to transfer out	-	-	-
<b>March 31, 2024</b>	<b>0.20</b>	<b>(0.17)</b>	<b>0.03</b>

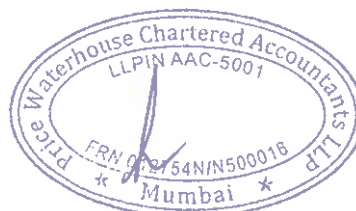
\* Amount is below the rounding off norms adopted by the Company

The net liabilities disclosed above relating to funded plans are as follows:

	As at March 31, 2024	As at March 31, 2023
Present value of funded obligations	0.20	0.15
Fair value of plan assets	(0.17)	(0.15)
<b>Deficit of funded plan</b>	<b>0.03</b>	<b>-</b>
<b>Non-current (refer note 12(a))</b>	<b>0.02</b>	<b>-</b>
<b>Current (refer note 12(b))</b>	<b>0.01</b>	<b>-</b>

**(iv) Significant actuarial assumptions are as follows:**

	As at March 31, 2024	As at March 31, 2023
Discount rate	7.28%	7.50%
Salary growth rate	6.00%	6.00%



## 26 Employee benefit obligations (Contd...)

## (v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Assumptions	Impact on defined benefit obligation							
	Change in assumption (%)		Increase in assumption (INR)				Decrease in assumption (INR)	
	As at March 31, 2024	As at March 31, 2023		As at March 31, 2024	As at March 31, 2023		As at March 31, 2024	As at March 31, 2023
Discount rate	0.50%	0.50%	Decrease by	0.01	0.01	Increase by	-	0.01
Salary growth rate	0.50%	0.50%	Increase by	0.01	0.01	Decrease by	-	0.01

## (vi) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which is asset volatility. The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The plan assets are invested by the Company in Insurer managed funds. The plan assets have been providing consistent and competitive returns over the years. The Company intends to maintain these investments in the continuing years.

## (vii) Defined benefit liability and employer contributions

Expected contribution to post-employment benefit plans for the year ended March 31, 2025 is INR 0.03 (March 31, 2024: INR 0.03).

The weighted average duration of the defined benefit obligation is 12 years (March 31, 2023 - 5 years). The expected maturity analysis of undiscounted gratuity benefits is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
<b>March 31, 2024</b>					
Defined benefit obligations- Gratuity	0.02	0.02	0.05	0.14	0.23
<b>March 31, 2023</b>					
Defined benefit obligations- Gratuity	0.01	0.01	0.04	-	0.06

## 27 Movements in provision for litigation/ disputes (Non-current and current) (refer note 12)

Movements in each class of provisions during the financial year ended March 31, 2024 are set out below:

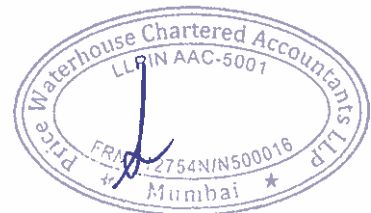
Particulars	As at March 31, 2024	
	Provident Fund (Refer note 28)	Total
Opening balance as at April 01, 2023	0.22	0.22
Provided during the year	-	-
Provision reversed during the year	-	-
<b>Closing balance as at March 31, 2024</b>	<b>0.22</b>	<b>0.22</b>

Movements in each class of provisions during the financial year ended March 31, 2023 are set out below:

Particulars	As at March 31, 2023	
	Provident Fund (Refer note 28)	Total
Opening balance as at April 01, 2022	0.22	0.22
Provided during the year	-	-
Provision reversed during the year	-	-
<b>Closing balance as at March 31, 2023</b>	<b>0.22</b>	<b>0.22</b>

Note : There are uncertainties regarding the timing and amount of the cashflows arising out of the provisions. Changes in underlying facts and circumstances for each provision could result in differences in the amounts provided for and the actual cash outflow.

28 Pursuant to the Supreme Court Judgment in the case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952, and subsequent dismissal of the review petition filed against the Judgement, the Company had assessed the impact and on conservative basis had made provision (presented under Current) of INR 0.22 (March 31, 2023: INR 0.22). The Company had also determined and discharged the provident fund liability from September 1, 2019 considering the impact of the judgement and paid the same in year 2020-21. The Company had changed its salary structure in the month of June 2020 w.e.f April 01, 2020 to comply with above judgement. The Company had borne the employee's contribution to provident fund for the period September 01, 2019 to March 31, 2020 aggregating to INR 0.01.





**Welspun Tradings Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2024  
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

**29 Movement in deferred tax liabilities and deferred tax assets (refer note 13) :**

Particulars	Deferred tax liabilities			Deferred tax assets						Net deferred tax (liabilities)/Assets
	Fair valuation of investments (net)	Total deferred tax liabilities	Employee benefit obligations	Property, plant and equipment	Cash flow hedging reserve	Loss allowance	Others	Total deferred tax assets		
As at April 01, 2022	0.01	0.01	0.02	0.02	-	-	-	0.04	0.03	
Recognised in the statement of profit and loss	0.12	0.12	-	(0.01)	-	-	0.01	-	(0.12)	
As at March 31, 2023	0.13	0.13	0.02	0.01	-	-	0.01	0.04	(0.09)	
Recognised in the statement of profit and loss other comprehensive income	(0.12)	(0.12)	0.01	-	-	0.01	-	0.02	0.14	
As at March 31, 2024	0.01	0.01	0.03	0.01	0.06	0.01	0.01	0.12	0.06	

\* Amount is below the rounding off norms adopted by the Company



30 Fair value measurements

Financial instruments by category

Particulars	As at March 31, 2024			As at March 31, 2023	
	FVPL	FVOCI	Amortised cost	FVPL	Amortised cost
<b>Financial assets</b>					
<b>Investments</b>					
Mutual fund	3.07	-	-	26.14	-
Trade receivables	-	-	92.04	-	-
Cash and cash equivalents	-	-	40.13	-	18.81
Bank balances other than cash and cash equivalents	-	-	0.09	-	0.11
<b>Other financial assets</b>					
Security deposits	-	-	0.01	-	0.01
<b>Derivatives designated as hedges</b>					
Forward contracts	-	0.59	-	-	-
<b>Total financial assets</b>	<b>3.07</b>	<b>0.59</b>	<b>132.27</b>	<b>26.14</b>	<b>18.93</b>
<b>Financial liabilities</b>					
Trade payables	-	-	3.35	-	0.91
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>3.35</b>	<b>-</b>	<b>0.91</b>

(i) 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.

Financial assets measured at fair value - recurring fair value measurements as at March 31, 2024

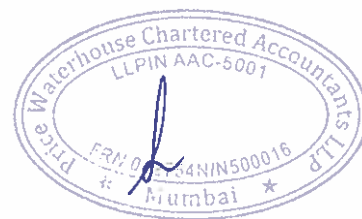
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Investments				
Mutual fund	3.07	-	-	3.07
<b>Derivatives designated as hedges</b>				
Forward contracts	-	0.59	-	0.59
<b>Total financial assets</b>	<b>3.07</b>	<b>0.59</b>	<b>-</b>	<b>3.66</b>

Assets and liabilities which are measured at amortised cost for which fair value are disclosed as at March 31, 2024

	Level 1	Level 2	Level 3	Total
<b>Other financial assets</b>				
Security deposits	-	-	0.01	0.01
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>0.01</b>	<b>0.01</b>

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2023

	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Investments				
Mutual fund	26.14	-	-	26.14
<b>Total financial assets</b>	<b>26.14</b>	<b>-</b>	<b>-</b>	<b>26.14</b>



30 Fair value measurements (Contd...)

Assets and liabilities which are measured at amortised cost for which fair value are disclosed as at March 31, 2023

	Level 1	Level 2	Level 3	Total
<b>Other financial assets</b>				
Security deposits	-	-	0.01	0.01
<b>Total financial assets</b>	-	-	0.01	0.01

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. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. The Company has derivatives which are designated as hedges for which all significant inputs required to fair value an instrument falls under level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments under level 1 include the use of Net Assets Value ('NAV') for valuation of mutual fund investment. 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.

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

	As at March 31, 2024		As at March 31, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
<b>Other financial assets</b>				
Security deposits	0.01	0.01	0.01	0.01
<b>Total financial assets</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>

The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents and trade payables are considered to be the same as their fair values, due to their short-term nature.

(iv) Classification of interest income by instrument category

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Interest income at amortised cost:</b>		
Fixed deposits	0.01	1.01
Others	-	0.31



### 31 Financial risk management

The Company's principal financial liabilities represents only trade payables and financial assets represents investments, loans, cash and cash equivalents and deposits with banks. The Company's activities exposes it to credit risk, liquidity risk, market risk- foreign currency risk and market risk- security prices.

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 minimise certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not for trading or speculative instruments.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, Cash and cash equivalents and other bank balances	Ageing analysis	Diversification of bank deposits, credit limits
Liquidity risk	Financial liabilities	Cash flow forecasts	Cashflow forecasts and maintaining positive current ratios
Market risk – foreign currency risk	Trade receivables and trade payable not denominated in Rupees	Sensitivity analysis	Forward foreign exchange contracts
Market risk – security prices risk	Investments in mutual funds	Sensitivity analysis	Portfolio diversification

The Company's risk management is carried out by treasury department under policies approved by the board of directors. Treasury department identifies, evaluates and hedges financial risks. 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. There is no change in objectives, policies and process for managing the risk and methods used to measure the risk as compared to previous year.

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. This will effectively result in recognising inventory at the fixed foreign currency rate for the hedged purchases.

#### (I) Credit risk

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, foreign exchange transactions and other financial instruments.

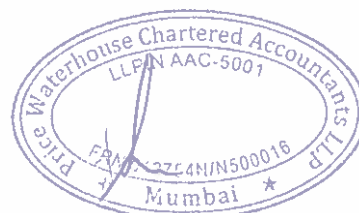
The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

#### a) Trade receivables

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 loss allowance (Refer Note 8).

#### b) Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, mutual funds and derivative financial instruments. The Company has diversified portfolio of investment with various number of counterparties which have good credit ratings, good reputation and hence the risk is reduced. Individual risk limits are set for each counterparty based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company.



**Welspun Tradings Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

**31 Financial risk management (Contd...)****(ii) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities (comprising the undrawn borrowing facilities below), by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

**Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities and derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

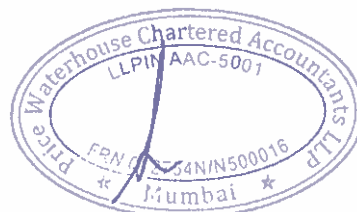
The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not material.

**As at March 31, 2024**

Contractual maturities of financial liabilities	< 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total	Carrying value
<b>Non-derivatives</b>						
Trade payables	3.35	-	-	-	3.35	3.35
<b>Total non-derivative liabilities</b>	<b>3.35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.35</b>	<b>3.35</b>

**As at March 31, 2023**

Contractual maturities of financial liabilities	< 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total	Carrying value
<b>Non-derivatives</b>						
Trade payables	0.91	-	-	-	0.91	0.91
<b>Total non-derivative liabilities</b>	<b>0.91</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.91</b>	<b>0.91</b>



## 31 Financial risk management (Contd...)

## (III) Market risk - foreign currency risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

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.

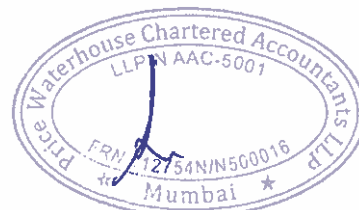
## a) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in equivalent Rupees is as follows:

	As at March 31, 2024		As at March 31, 2023	
	USD	EUR	USD	EUR
<b>Financial assets</b>				
<b>Derivatives designated as hedges</b>				
Forward contracts (Sell foreign currency)	-	(109.25)	-	-
<b>Financial liabilities</b>				
Trade payables	0.34	-	0.50	-
<b>Total Net exposure to foreign currency risk</b>	<b>(0.34)</b>	<b>-</b>	<b>(0.50)</b>	<b>-</b>
<b>Net Derivatives designated as hedges</b>	<b>-</b>	<b>(109.25)</b>	<b>-</b>	<b>-</b>

b) As at the balance sheet date, following foreign currency exposure (including non financial assets and liabilities) is not hedged by a derivative instrument or otherwise:

	Amount in Rs. crore		Equivalent amount in Foreign currency (in crores)	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Liabilities</b>				
Trade payables	0.34	0.50	0.01	0.01
	<b>0.34</b>	<b>0.50</b>	<b>0.01</b>	<b>0.01</b>
<b>Net unhedged foreign currency exposure</b>	<b>0.34</b>	<b>0.50</b>	<b>0.01</b>	<b>0.01</b>



31 Financial risk management (Contd...)

c) Foreign currency sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

	Net impact on profit before tax	
	As at March 31, 2024	As at March 31, 2023
<b>USD sensitivity</b>		
INR/USD - Increase by 1% (March 31, 2023 - 1%)#	-	(0.01)
INR/USD - Decrease by 1% (March 31, 2023 - 1%)#	-	0.01
<b>EURO sensitivity</b>		
INR/EURO - Increase by 1% (March 31, 2023 - 1%)#	(1.09)	-
INR/EURO - Decrease by 1% (March 31, 2023 - 1%)#	1.09	-

# Holding all other variables constant

(IV) Market risk - Interest rate risk exposure

The Company did not have any exposure to interest rate changes at the end of the reporting period March 31, 2024 and March 31, 2023, respectively.

(V) Market risk – security prices

a) Exposure

The Company is mainly exposed to the price risk due to its investment in mutual funds. 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 0.25% in price of mutual fund.

	Impact on profit before tax	
	As at March 31, 2024	As at March 31, 2023
Increase in rate 0.25% (March 31, 2023 - 0.25% )	0.01	0.07
Decrease in rate 0.25% (March 31, 2023 - 0.25% )	(0.01)	(0.07)

\* Amount is below the rounding off norms adopted by the Company



31. Financial risk management (Contd...)

(VI) Impact of hedging activities

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward contracts and derivative contracts

a) Disclosure of effects of hedge accounting on financial position:

As at March 31, 2024

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge ratio
	Assets	Liabilities	Assets	Liabilities		
Cash flow hedge Foreign exchange risk Forward contract	109.25	-	0.59	-	Apr 24 - Nov 24	1:1

As at March 31, 2023

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge ratio
	Assets	Liabilities	Assets	Liabilities		
Cash flow hedge Foreign exchange risk Forward contract	-	-	-	-	-	-

As at March 31, 2024

Type of hedge	Change in the Value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash Flow Hedge Foreign Exchange Risk	(0.25)	-	-	Not Applicable

As at March 31, 2023

Type of hedge	Change in the Value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash Flow Hedge Foreign Exchange Risk	-	-	-	Not Applicable

The Company uses 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 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.

The Company's hedging policy only allows for effective hedge relationships 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 the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Company uses the hypothetical derivative method to assess effectiveness. Ineffectiveness is recognised on a cash flow hedge and net investment hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In hedges of foreign currency forecast sale and purchase transactions, hedges of interest rate risk and hedges of net investment, as applicable, this may arise if:

- (i) The critical terms of the hedging instrument and the hedged item differ (i.e. nominal amounts, timing of the forecast transaction, interest resets changes from what was originally estimated), or
- (ii) Differences arise between the credit risk inherent within the hedged item and the hedging instrument. There were no ineffectiveness recognised in the statement of profit and loss during March 31, 2024 and March 31, 2023.





Welspun Tradings Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

31. Financial risk management (Contd...)

b) Movements in cash flow hedging reserve

Risk category	Foreign currency risk
Derivative instruments	Forward contracts
Cash flow hedging reserve	
As at April 01, 2022	-
Changes in fair value of forward contracts	-
Income tax on amount recognised in hedging reserve	-
As at March 31, 2023	-
Changes in fair value of forward contracts	(0.25)
Income tax on amount recognised in hedging reserve	0.06
As at March 31, 2024	(0.19)



## 32 Related party transactions

## a) Entities having significant influence

Name	Type	Effective proportion of ownership interest	
		As at March 31, 2024	As at March 31, 2023
Welspun Group Master Trust (entity has significant influence on Welspun Corp Limited, holding company)	Significant influence	44.91%	44.76%

## b) Holding Company:

Name	Place of Incorporation	Effective proportion of ownership interest (%)	
		As at March 31, 2024	As at March 31, 2023
Welspun Corp Limited	India	100.00%	100.00%

## c) Key management personnel

Name	Nature of relationship
Mr. Harish Gupta	Whole Time Director and Chief Financial Officer (upto May 14, 2022)
Mr. Godfrey John	Director (Non-executive and Non-Independent) w.e.f. May 13, 2022
Mr. Rupak Ghosh	Director (Non-executive and Non-Independent) w.e.f. May 13, 2022
Mr. Percy Birdy	Director (Non-executive and Non-Independent)
Ms. Amita Mishra	Independent, Non-Executive Director (upto May 14, 2022)
Mr. Pradeep Joshi	Company Secretary (upto May 13, 2022)

## d) List of Others over which key management personnel or relatives of such personnel exercise significant influence or control and entities which are members of same group with whom transaction have taken place during the current year and previous year:

Welspun Realty Private Limited
Welspun Living Limited (Formerly known as Welspun India Limited)
Welspun Foundation For Health & Knowledge
Welspun Global Services Limited
Welspun Specialty Solutions Limited
Welspun Global Brands Limited
Welspun Transformation Service Limited

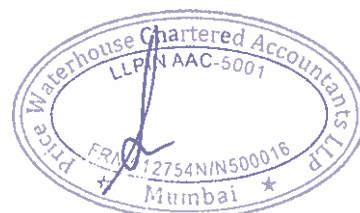
## e) Disclosure in respect of significant transactions with related parties during the year:

	Transactions	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>1) Other income</b>		
Welspun Specialty Solutions Limited	-	0.07
<b>Total other income</b>	-	0.07
<b>2) Purchase of stock-in-trade and other expenses incurred</b>		
Welspun Corp Limited	214.75	328.82
Welspun Global Services Limited	-	0.05
Welspun Living Limited (Formerly known as Welspun India Limited)	0.01	0.01
Welspun Realty Private Limited	0.08	0.08
Welspun Transformation Services Limited	0.22	0.15
<b>Total purchase of stock-in-trade and other expenses incurred</b>	<b>215.06</b>	<b>329.11</b>
<b>3) Corporate social responsibility expenses</b>		
Welspun Foundation For Health & Knowledge	0.16	0.04
<b>Total of corporate social responsibility expenses</b>	<b>0.16</b>	<b>0.04</b>
<b>4) Reimbursement of expenses (paid)/ recovered</b>		
Welspun Global Brands Limited	-	-
<b>Total reimbursement of expenses (paid)/ recovered</b>	<b>-</b>	<b>-</b>
<b>5) Security deposit given</b>		
Welspun Living Limited (Formerly known as Welspun India Limited)	-	-
<b>Total loans and deposit given</b>	<b>-</b>	<b>-</b>

\* Amount is below the rounding off norms adopted by the Company

## Notes :

(1) Directors of the company are also employed by the other group company and they have not been paid remuneration accordingly.



## 32 Related party transactions (Contd...)

## f) Disclosure of significant closing balances:

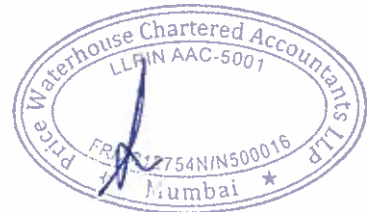
	As at March 31, 2024	As at March 31, 2023
<b>1) Trade payables</b>		
Welspun Transformation Service Limited	0.02	0.12
<b>Total trade payables</b>	<b>0.02</b>	<b>0.12</b>
<b>2) Security deposits given (Other non current financial assets)</b>		
Welspun Living Limited (Formerly known as Welspun India Limited)	-	-
<b>Total security deposits given (Other non current financial assets)</b>	<b>-</b>	<b>-</b>
<b>3) Other current assets (Advance to supplier)</b>		
Welspun Corp Limited	38.56	60.31
<b>Total current assets, advance</b>	<b>38.56</b>	<b>60.31</b>

## 33 Micro, Small and Medium Enterprises Development Act, 2016

Disclosure of amount due to suppliers under "The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)" is as under:

	As at March 31, 2024	As at March 31, 2023
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2.34	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
	2.34	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	0.25	0.01
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
Interest accrued and remaining unpaid at the end of each accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-
<b>Total outstanding dues of micro and small enterprises</b>	<b>2.34</b>	<b>-</b>

\* Amount is below the rounding off norms adopted by the Company



**Welspun Tradings Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

**34 Capital management****(I) Risk management**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves.

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce cost of capital.

The Company does not have any borrowings as at March 31, 2024 and March 31, 2023.

**Loan covenants**

The Company had no borrowings as at the end of the reporting period, hence there are no covenants.

**(II) Dividend**

The Company has not paid dividends in the current reporting year as well as in the previous year.

**35 Segment reporting****(i) Description of segments and principle activities**

The Company's chief operating decision maker consists of the Board of Directors of the Company who examines the Company's performance only from the product perspective and has accordingly, identified only one reportable segment which is trading in coated and uncoated pipes.

(ii) The chief operating decision maker primarily uses a measure of profit before tax as included in the internal management report to assess the performance of the operating segment which is measured consistently with profit or loss in the financial statements.

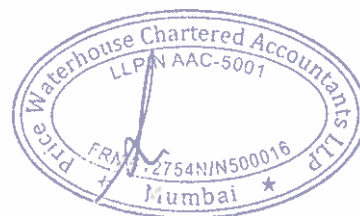
(iii) Revenue from major external customers is as follows:

For the year ended	Number of customers	Amount	% to revenue from operations
March 31, 2024	2	225.00	99.96%
March 31, 2023	1	367.78	99.45%

(iv) The Company is domiciled in India. The amount of its revenue from operations and other operating revenue from external customers broken down by location of the customers is shown in the table below:

Revenue from operations	Year ended March 31, 2024	Year ended March 31, 2023
Export	-	369.81
Domestic	225.09	-
<b>Total</b>	<b>225.09</b>	<b>369.81</b>

(v) The total of non-current assets are located only in India as at March 31, 2024 and March 31, 2023.



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) Crore, unless otherwise stated)*

**36 Contingent liabilities**

The Company has contingent liabilities as at the year end in respect of:

	As at March 31, 2024	As at March 31, 2023
Disputed direct taxes	2.07	2.07
<u>Disputed indirect taxes:</u>		
Service Tax	0.02	0.02

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of above pending resolution of the respective proceedings

The Company does not expect any re-imburements in respect of the above contingent liabilities.

**37 Capital and other commitments**

There are no capital or other commitments as at March 31, 2024 and March 31, 2023.

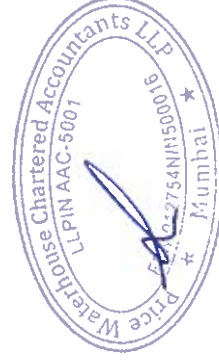


38 Key Financial Ratio with explanations

Sr.no	Ratio	Numerator	Denominator	Year ended March 31, 2024	Year ended March 31, 2023	Variance	Variance in %	Reason for variance
1	Current ratio (times)	Current assets	Current liabilities	2.57	99.91	-97.34	-97%	Decrease in current ratio mainly on account of increase in current liabilities due to advance received from customer during current year whereas current assets have not proportionately increased.
2	Return on equity (%)	Profit for the year	Average shareholders equity	2.21%	14.24%	-0.12	-84%	Mainly on account of decrease in margins during the current year. The Company had domestic sales during the current year which are generally at a lower margin.
3	Trade receivables turnover ratio (times)	Revenue from operations	Total trade receivables	2.45	-	2.45	100%	There were no Trade receivables during the previous year.
4	Trade payable turnover ratio (times)	Purchases and Other expenses	Average trade payables	101.00	337.32	-236.31	-70%	During the current year purchases have reduced in line with sales however, trade payables have increased due to higher operations in Q4.
5	Net capital turnover ratio (times)	Revenue from operations	Closing working capital	2.11	3.52	-1.41	-40%	Reduction in working capital mainly on account of increase in current liabilities due to advance received from customer during current year whereas current assets have not proportionately increased.
6	Net Profit ratio (%)	Profit for the year	Revenue from operations	1.05%	3.80%	-0.03	-72%	Mainly on account of decrease in margins during the current year. The Company had domestic sales during the current year which are generally at a lower margin.
7	Return on capital employed (%)	Earnings before interest and tax	Capital employed	3.59%	17.76%	-0.14	-80%	Mainly on account of decrease in margins during the current year. The Company had domestic sales during the current year which are generally at a lower margin.
8	Return on investment (%)	Earnings before interest and tax	Total current assets	2.20%	17.55%	-0.15	-87%	Mainly on account of decrease in margins during the current year. The Company had domestic sales during the current year which are generally at a lower margin.

Notes:

- 1 Working capital = Current assets (-) Current liabilities
- 2 Capital employed = Tangible net worth + Total debt + Deferred tax liability
- 3 The Company has no borrowing and hence the following ratios are not applicable:  
- Debt equity ratio  
- Debt service coverage ratio
- 4 The Company has no inventory and hence the following ratio is not applicable  
- Inventory turnover ratio



**39 Other regulatory requirements under Schedule III**

**(i) Details of Benami Property held**

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

**(ii) Borrowing secured against current assets**

The Company does not have any borrowings from banks and financial institutions on the basis of security of current assets.

**(iii) Wilful defaulter**

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or other lender.

**(iv) Relationship with struck off companies**

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

**(v) Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

**(vi) Compliance with approved scheme(s) of arrangements**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**(vii) Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**(viii) Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**(ix) Valuation of PP&E, intangible asset and investment property**

The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

**(x) Title deeds of immovable properties not held in name of the company**

The Company does not own any immovable properties. Hence, question on commenting on whether the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company does not arise.

**(xi) Registration of Charges or satisfaction with Registrar of Companies (ROC)**

The Company does not have any charge or satisfaction not registered with the ROC beyond the statutory period.

**(xii) Utilisation of borrowings availed from banks and financial institutions**

The Company has not availed any borrowings from any banks or financial institutions.

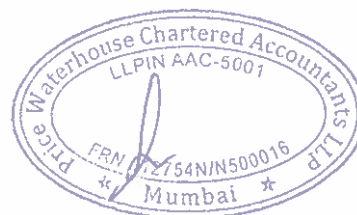
**(xiii) Utilisation of borrowed funds and share premium**

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.



**Welspun Tradings Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

*(All amounts in Rupees (Rs.) Crore, unless otherwise stated)*

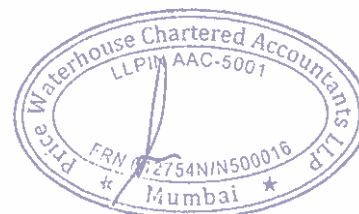
- 40 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The draft rules for the Code on Social Security, 2020 have been released by the Ministry of Labour and Employment on November 13, 2020. The Company is in the process of assessing the additional impact on Provident Fund contributions and on Gratuity liability contributions and will complete their evaluation and give appropriate impact in the standalone financial statements in the period in which the rules that are notified become effective.

**41 Earnings/ (Loss) per share**

	Year ended March 31, 2024	Year ended March 31, 2023
Nominal value of an equity share	10.00	10.00
Profit after tax attributable to the equity holders of the Company	2.36	14.05
<b>Basic earnings/ (loss) per share:</b>		
Weighted average number of equity shares used as denominator for calculating basic EPS	5,013,402	5,013,402
Basic earnings per share (Rs.)	4.71	28.02
<b>Diluted earnings/ (loss) per share:</b>		
Weighted average number of equity shares used as denominator for calculating diluted EPS	5,013,402	5,013,402
Diluted earnings per share (Rs.)	4.71	28.02
<b>Reconciliation of weighted average number of shares outstanding</b>		
Weighted Average number of equity shares used as denominator for calculating basic EPS	5,013,402	5,013,402
Total weighted average potential equity shares	-	-
Weighted average number of equity shares used as denominator for calculating diluted EPS	5,013,402	5,013,402

**42 Core Investment Companies (CIC)**

Management has assessed that there are three CIC in the Group ('Companies in the Group' is as defined in Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016, as amended).





**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

**Note 43. Summary of other accounting policies**

**A) Segment reporting**

The chief operating decision makers are the Board of directors of the Company. The directors of the Company assesses the financial performance and position of the Company and makes strategic decisions. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

**B) Foreign currency translation**

**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. 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 income/ other expenses 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 date 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) Derivatives and hedging activities**

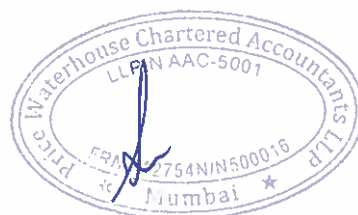
In order to hedge its exposure to foreign exchange, the Company enters into forward contract financial instruments. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently marked to market to their fair value at the end of each reporting period.

The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions.

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

**(i) Cash flow hedges that qualify for hedge accounting**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other income/ other expenses (as applicable).

When forward contracts are used to hedge forecast transactions, the Company generally designates the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

When the hedged forecast transaction results in the recognition of a non-financial asset the amounts accumulated in equity are transferred to profit or loss as follows. With respect to gain or loss relating to the effective portion of the change in fair value of forward contracts, the deferred hedging gains and losses are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss.

Where the hedged item subsequently results in the recognition of a non-financial asset (such as inventory), both the deferred hedging gains and losses and the deferred time value of the deferred forward contracts, if any are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example through cost of materials consumed).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss within other income/ other expense (as applicable). If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in statement of profit or loss at the time of the hedge relationship rebalancing.

**(ii) 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 and are included in other income or other expenses (as applicable).



**Welsfun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

**D) Property, plant and equipment**

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 costs of decommissioning.

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment (if any).

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 profit or loss during the reporting period in which they are incurred.

**Depreciation methods and estimated useful lives**

Depreciation is calculated using straight-line method over the estimated useful life of the assets as given below. These estimated useful lives are in accordance with those prescribed under Schedule II to the Companies Act, 2013 which is as stated below:

<b>Assets</b>	<b>Estimated Useful Life</b>	<b>Useful Life as per Companies Act, 2013</b>
Computers	3 years	Ranging between 3 to 6 years
Office and other equipments	3 years	5 years
Vehicles	8 years	Ranging between 6 to 10 years
Furniture and fixtures	10 years	Ranging between 8 to 10 years

The useful lives have been determined based on technical evaluation done by management's expert which may differ from those specified in Schedule II of the Companies Act, 2013 (as indicated in table above) in order to reflect the actual usage of the assets.

The estimated useful lives of plant and machinery, determined based on internal technical advice, considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, etc.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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 derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income or other expenses, as applicable.



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

**E) 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.

Intangible assets comprise of computer software which is amortised on a straight-line basis over its expected useful life of five years which is based on a technical evaluation done by the Management.

**F) Impairment of 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 that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**G) Employee benefits**

**(i) 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 obligation in the balance sheet.

**(ii) 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 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.

**(iii) Post-employment obligations**

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund and employee's pension scheme.
- superannuation funds



## **Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

### **Defined Benefit Plans**

#### **Gratuity obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan 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 actuary using the projected unit credit method.

The present value of the defined benefit obligation 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 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. Remeasurement 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**

##### **(i) Provident fund and employee pension scheme**

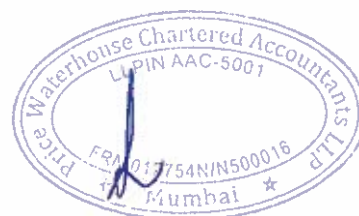
The Company pays provident fund and employee pension scheme contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

##### **(ii) Superannuation fund**

The Company contributes on a defined contribution basis towards superannuation post-employment benefits to Insurers administered superannuation fund and has no further obligation beyond making its contribution, which is expensed in the year to which it pertains.

### **H) 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.



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

**I) Earnings per share**

**(i) 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.

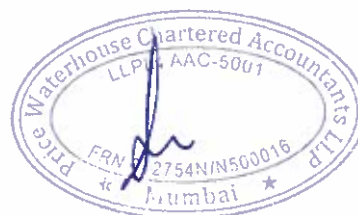
**(ii) Diluted earnings per share**

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.

**J) Cash Flow Statement**

Cash flows are reported using the indirect method set out in Ind AS 7 'Statement of Cash Flows', whereby net loss/profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and items of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) Crore, unless otherwise stated)*

44 The figures for the previous year have been regrouped wherever necessary.

**As per our attached report of even date**

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration No: 012754N / N500016



**Ali Akbar**

Partner

Membership No. 117839

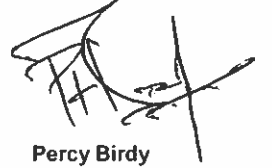
**For and on behalf of the Board**



**Rupak Ghosh**

Director

DIN: 09603929



**Percy Birdy**

Director

DIN: 07634795

Place: Mumbai

Date: April 25, 2024

Place: Mumbai

Date: April 25, 2024

**Welspun Tradings Limited**  
**Financial statements - March 31, 2024**

**Financial statements**

- Balance sheet as at March 31, 2024
- Statement of profit and loss for the year ended March 31, 2024
- Statement of changes in equity for the year ended March 31, 2024
- Statement of cash flows for the year ended March 31, 2024
- Notes comprising material accounting policies and other explanatory information



Welspun Tradings Limited

Balance sheet

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	0.02	0.02
Intangible assets	4	-	-
Financial assets			
Other financial assets	6(a)	0.01	0.01
Deferred tax assets (net)	13	0.11	-
Income tax assets (net)	16	0.06	0.15
Other non-current assets	7(a)	0.74	0.96
<b>Total non-current assets</b>		<b>0.94</b>	<b>1.14</b>
<b>Current assets</b>			
Financial assets			
Investments	5	3.07	26.14
Trade receivables	8	92.04	-
Cash and cash equivalents	9	40.13	18.81
Bank balances other than cash and cash equivalents	10	0.09	0.11
Other financial assets	6(b)	0.59	-
Other current assets	7(b)	39.12	60.85
<b>Total current assets</b>		<b>175.04</b>	<b>105.91</b>
<b>Total assets</b>		<b>175.98</b>	<b>107.05</b>



Welspun Tradings Limited

Balance sheet

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	11(a)	5.01	5.01
<b>Other equity</b>			
Reserves and surplus	11(b)	103.02	100.67
Other reserves	11(c)	(0.19)	-
<b>Total equity</b>		<b>107.84</b>	<b>105.68</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provisions	12(a)	0.02	0.22
Deferred tax liabilities (net)	13	-	0.09
<b>Total non-current liabilities</b>		<b>0.02</b>	<b>0.31</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
<b>Trade payables</b>			
- total outstanding dues of micro and small enterprises	15	2.34	-
- total outstanding dues other than above	15	1.01	0.91
<b>Provisions</b>			
Current tax liabilities (net)	12(b)	0.32	0.07
Other current liabilities	16	0.45	0.01
Other current liabilities	14	64.00	0.07
<b>Total current liabilities</b>		<b>68.12</b>	<b>1.06</b>
<b>Total liabilities</b>		<b>68.14</b>	<b>1.37</b>
<b>Total equity and liabilities</b>		<b>175.98</b>	<b>107.05</b>

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

This is the balance sheet referred to in our report of even date.

\* Amount is below the rounding off norms adopted by the Company

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N / N500016



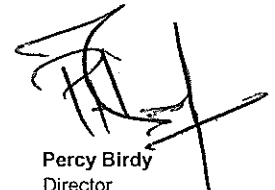
Ali Akbar  
Partner  
Membership No. 117839

Place: Mumbai  
Date: April 25, 2024

For and on behalf of the Board



Rupak Ghosh  
Director  
DIN: 09603929

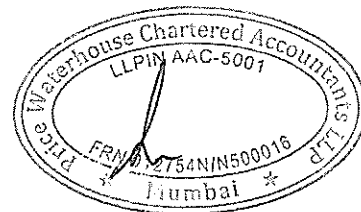


Percy Birdy  
Director  
DIN: 07634795

Place: Mumbai  
Date: April 25, 2024

Welspun Tradings Limited  
Statement of profit and loss  
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations	17	225.09	369.81
Other income	18	1.47	5.83
<b>Total income</b>		<b>226.56</b>	<b>375.64</b>
<b>Expenses</b>			
Purchases of stock-in-trade	19	214.64	328.82
Employee benefit expense	20	1.19	0.98
Depreciation and amortisation expense	21	- *	- *
Other expenses	22	6.86	27.05
Finance costs	23	0.55	0.07
<b>Total expenses</b>		<b>223.24</b>	<b>356.92</b>
<b>Profit before tax</b>		<b>3.32</b>	<b>18.72</b>
<b>Income tax expense</b>			
Current tax	24	1.10	4.55
Deferred tax	25	(0.14)	0.12
<b>Total income tax expense</b>		<b>0.96</b>	<b>4.67</b>
<b>Profit for the year (A)</b>		<b>2.36</b>	<b>14.05</b>



Welspun Tradings Limited  
Statement of profit and loss  
*(All amounts in Rupees (Rs.) Crore, unless otherwise stated)*

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
<b>Other comprehensive income</b>			
<b>Items that may be reclassified to profit or loss</b>			
Deferred gains/ (losses) on cash flow hedges (net)	11(c)	(0.25)	-
Income tax relating to this item		0.06	-
		<u>(0.19)</u>	<u>-</u>
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of post employment benefit obligations	26	(0.01)	-
Income tax relating to this item		- *	-
		<u>(0.01)</u>	<u>-</u>
<b>Other comprehensive income for the year, net of tax (B)</b>		<u>(0.20)</u>	<u>-</u>
<b>Total comprehensive income for the year (A+B)</b>		<u>2.16</u>	<u>14.05</u>
<b>Earnings per equity share</b>			
	41		
Basic earnings per share (in Rupees)		4.71	28.02
Diluted earnings per share (in Rupees)		4.71	28.02

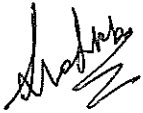
The above statement of profit and loss should be read in conjunction with the accompanying notes.

This is the statement of profit and loss referred to in our report of even date.

\* Amount is below the rounding off norms adopted by the Company

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N / N500016



Ali Akbar  
Partner  
Membership No. 117839

For and on behalf of the Board



Rupak Ghosh  
Director  
DIN: 09603929



Percy Birdy  
Director  
DIN: 07634795

Place: Mumbai  
Date: April 25, 2024

Place: Mumbai  
Date: April 25, 2024

Welspun Tradings Limited  
Statement of changes in equity  
*(All amounts in Rupees (Rs.) Crore, unless otherwise stated)*

**A. Equity share capital**

Particulars	Notes	Amount
Balance as at April 01, 2022		5.01
Changes in equity share capital during the year	11(a)	-
<b>Balance as at March 31, 2023</b>		<b>5.01</b>
Changes in equity share capital during the year	11(a)	-
<b>Balance as at March 31, 2024</b>		<b>5.01</b>

**B. Other equity [refer note 11(b) and (c)]**

	Reserves and surplus	Other reserves	Total other equity
	Retained earnings	Cash flow hedging reserve	
Balance as at April 01, 2022	86.62	-	86.62
Profit for the year	14.05	-	14.05
Other comprehensive income (net of taxes)	-	-	-
<b>Total comprehensive income for the year</b>	<b>14.05</b>	<b>-</b>	<b>14.05</b>
<b>Balance as at March 31, 2023</b>	<b>100.67</b>	<b>-</b>	<b>100.67</b>
Profit for the year	2.36	-	2.36
Other comprehensive income (net of taxes)	(0.01)	(0.19)	(0.20)
<b>Total comprehensive income for the year</b>	<b>2.35</b>	<b>(0.19)</b>	<b>2.16</b>
<b>Balance as at March 31, 2024</b>	<b>103.02</b>	<b>(0.19)</b>	<b>102.83</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.  
This is the statement of changes in equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No: 012754N / N500016



Ali Akbar  
Partner  
Membership No. 117839

For and on behalf of the Board.



Rupak Ghosh  
Director  
DIN: 09603929



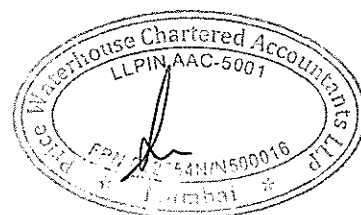
Percy Birdy  
Director  
DIN: 07634795

Place: Mumbai  
Date: April 25, 2024

Place: Mumbai  
Date: April 25, 2024

Welspun Tradings Limited  
Statement of cash flows  
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>A) Cash flow (used in)/ from operating activities</b>		
Profit before tax	3.32	18.72
<b>Adjustments for:</b>		
Depreciation and amortisation expense	-	-
Net gain on sale/redemption of current investments	(1.38)	(0.75)
Fair valuation gain/(loss) on investment (net)	(0.06)	(0.53)
Interest income and commission income	(0.01)	(1.08)
Interest expenses	0.55	0.05
Liabilities/ provisions no longer required written back	(0.09)	-
Loss allowance	0.05	-
	<u>(0.94)</u>	<u>(2.32)</u>
<b>Operating profit before changes in operating assets and liabilities</b>	<b>2.38</b>	<b>16.41</b>
<b>Changes in operating assets and liabilities (bracket figures represents increase in asset and decrease in liabilities)</b>		
Movement in other non-current assets	0.22	0.41
Movement in trade receivables	(92.09)	-
Movement in other current financial assets	(0.84)	-
Movement in other current assets	21.73	111.55
Movement in trade payables	2.53	(0.28)
Movement in other current liabilities	63.93	(131.52)
Movement in non-current provisions	(0.20)	-
Movement in loans	-	0.01
Movement in current provisions	0.24	(0.02)
<b>Total changes in operating assets and liabilities</b>	<u>(4.48)</u>	<u>(19.85)</u>
<b>Cash flow from operations</b>	<u>(2.10)</u>	<u>(3.44)</u>
Income taxes paid (net of refund received)	(0.59)	(4.74)
<b>Net cash (used in)/ from operating activities (A)</b>	<u>(2.69)</u>	<u>(8.18)</u>
<b>B) Cash flow (used in)/ from investing activities</b>		
Purchase of current investments	(47.03)	(264.35)
Proceeds from sale/redemption of current investments	71.54	248.02
(Investments in)/ Proceeds from maturity of fixed deposit (net)	0.02	41.41
Interest received on deposits with banks and commission received	0.01	1.08
Repayment of loan by employees (net)	-	0.01
<b>Net cash from/ (used in) investing activities (B)</b>	<u>24.54</u>	<u>26.17</u>



Welspun Tradings Limited  
Statement of cash flows  
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

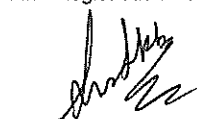
	Year ended March 31, 2024	Year ended March 31, 2023
<b>C) Cash flow from/ (used in) financing activities</b>		
Interest paid	(0.53)	(0.05)
<b>Net cash (used in)/ from financing activities (C)</b>	<u>(0.53)</u>	<u>(0.05)</u>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<u>21.32</u>	<u>17.94</u>
Cash and cash equivalents at the beginning of the year	18.81	0.87
<b>Cash and cash equivalents at the end of the year (refer note 9)</b>	<u>40.13</u>	<u>18.81</u>
<b>Net increase in cash and cash equivalents</b>	<u>21.32</u>	<u>17.94</u>
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following:		
	As at March 31, 2024	As at March 31, 2023
Balances with banks		
- In current accounts	40.13	18.81
<b>Balance per statement of cash flows</b>	<u>40.13</u>	<u>18.81</u>

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

This is the statement of cash flows referred to in our report of even date.

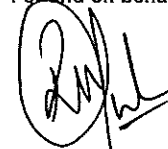
\* Amount is below the rounding off norms adopted by the Company

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No: 012754N / N500016



Ali Akbar  
Partner  
Membership No. 117839

For and on behalf of the Board



Rupak Ghosh  
Director  
DIN: 09603929



Percy Birdy  
Director  
DIN: 07634795

Place: Mumbai  
Date: April 25, 2024

Place: Mumbai  
Date: April 25, 2024

## Welspun Tradings Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) crores, unless otherwise stated)

### General Information

Welspun Tradings Limited (the "Company") is a Company limited by shares incorporated on May 09, 2001 and domiciled in India. Its registered office and principal place of business is located at Welspun City, Village Versamedi, Taluka Anjar, Anjar, Gujarat, GJ 370110, India. The Company is a wholly owned subsidiary of Welspun Corp Limited and is engaged in the business of trading and marketing of steel pipes and coils.

These financial statements are authorised for issue by the Board of Directors on April 25, 2024.

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest two decimals of Crores unless otherwise stated.

### Note 1. Material Accounting Policies

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

#### A) Basis of preparation of financial statements

##### (i) Compliance with Ind AS

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

##### (ii) Historical cost convention

The financial statements have been prepared on an accrual and going concern basis. The financial statements have been prepared on a historical cost basis, except for the following items:

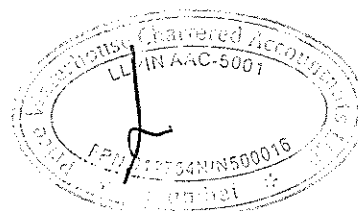
Items	Measurement Basis
Certain financial assets and liabilities (including derivatives instruments)	Fair Value
Net defined benefit (asset)/ liability	Fair Value of plan assets less present value of defined benefit obligations

##### (iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (i.e 12 months) and other criteria set out in Schedule III (Division II) to the Act. Based on the time between the acquisition of assets for processing and their realisation in the form of cash or cash equivalents the company has determined its normal operating cycle as 12 months.

##### (iv) New and amended standards adopted by the company

The Ministry of Corporate Affairs had vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) amendment Rules, 2023 which amended certain accounting standards (see below), and are effective April 1, 2023.





## Welspun Tradings Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) crores, unless otherwise stated)

- Disclosure of accounting policies – amendment to Ind AS 1
- Definition of accounting estimates – amendment to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction – amendment to Ind AS 12

The other amendment to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the company accounting policy already complies with the now mandatory treatment.

### B) Revenue recognition

#### Sales of products

The Company derives revenue principally from sale of pipes.

The Company recognises revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Company has the present right to payment, all of which occurs at a point in time upon shipment or delivery of the product. The Company considers freight activities as costs to fulfil the promise to transfer the related products and the payments by the customers for freight costs are recorded as a component of revenue.

Whether the customer has obtained control over the asset depends on when the goods are made available to the carrier or the buyer takes possession of the goods, depending on the delivery terms. For the Company's pipes operations, generally the criteria to recognize revenue has been met when its products are delivered to its customers or to a carrier who will transport the goods to its customers, this is the point in time when the Company has completed its performance obligations.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

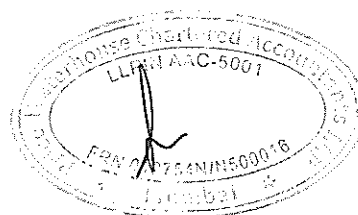
The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the Company expects to be entitled to in exchange for transferring of promised goods to the customer after deducting incentive programs, included but not limited to discounts, volume rebates, etc.

Revenue is recognized at a determined transaction price when identified performance obligations are satisfied.

The bill and hold contracts are entered at the request of the customer. Revenue from bill and hold contracts is recognised at the agreed transaction price (determined price). The price for bill and hold contracts is determined at the time of entering into the transaction and the performance obligation is satisfied when goods have been appropriated towards the sale transaction (the control of asset is transferred to the customer).

Revenue excludes any taxes and duties collected on behalf of the government.

The Company's payment terms range from 0 to 60 days from date of delivery, depending on the market and product sold.



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

**C) Income tax and deferred 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.

**(i) Current income tax**

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

Current tax assets and tax liabilities are offset at assessment year level where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**(ii) Deferred tax**

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax assets is realized or deferred tax liability is settled.

Deferred tax are recognised for all deductible temporary difference and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

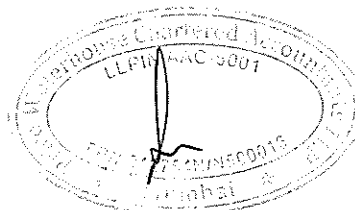
The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**D) Inventories**

Traded goods are stated at the lower of cost and net realisable value. Cost of traded goods comprises cost of purchases on moving weighted average basis. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on 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.



## **E) 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.

### **a) Financial assets**

#### **(i) Classification**

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

- those to be measured subsequently at fair value (either through 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 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.

#### **(ii) Recognition**

Regular way purchase and sales of financial assets are recognised on trade date, being the date on which the Company commits to purchase or sale the financial assets.

#### **(iii) Measurement**

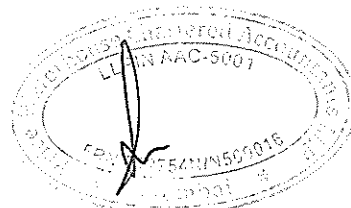
At initial recognition, the Company measures a financial asset (excluding trade receivables) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. However, trade receivables do not contain significant financing component are measured at transaction price.

After initial recognition, financial assets not measured at fair value through profit & Loss are measured using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash flow through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

### **Equity instruments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income or other expenses (as applicable) 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.



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

**(iv) Impairment of financial assets**

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

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 based on provision matrix taking into account historical credit losses and is adjusted for forward looking information.

**(v) 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.

**(vi) Income recognition**

**Interest income**

Interest income from a financial assets is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis by reference to principal outstanding and the effective interest rate applicable which 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.

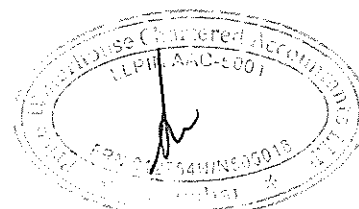
Interest on income tax and indirect tax are recognised in the year in which it is received.

**Dividend income**

Dividend income 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.

**(vii) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity 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.



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

For the purposes of the statement of cash flow, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts (if any) are shown within borrowings in current liabilities.

**(viii) Trade Receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

**b) Financial liabilities**

**(i) Measurement**

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at 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.

**(ii) Derecognition**

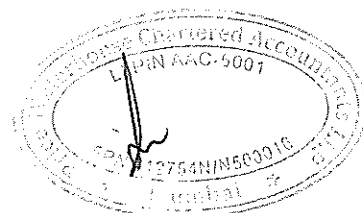
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such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

**(iii) Trade and other payable**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 to 180 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**c) 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.



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

**F) Provisions, contingent liabilities and contingent assets**

**i) Provisions**

Provisions for legal claims 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.

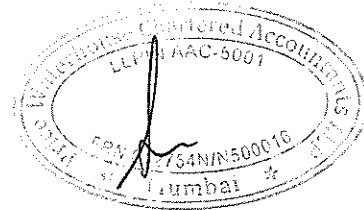
Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations 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.

**ii) Contingent liabilities**

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.

**iii) Contingent Assets**

Contingent Assets are disclosed, where an inflow of economic benefits is probable.



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

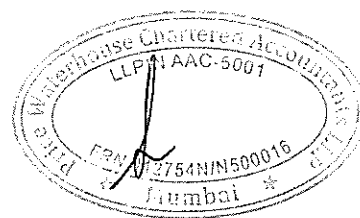
*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

**Notes 2. Critical estimates and judgments**

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 judgment in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment 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 judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

**Estimation of Provisions and Contingent Liabilities**

The Company exercises judgment 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.



## 3. Property, plant and equipment (PPE)

Carrying amounts	Office and other equipments	Computers	Vehicles	Furniture and fixtures	Total
<b>Year ended March 31, 2023</b>					
Gross carrying amount					
Balance as at April 01, 2022	0.01	- *	0.24	0.01	0.26
Additions	- *	-	-	-	- *
Disposals	- *	-	-	-	- *
<b>Gross carrying amount as at March 31, 2023</b>	<b>0.01</b>	<b>- *</b>	<b>0.24</b>	<b>0.01</b>	<b>0.26</b>
<b>Year ended March 31, 2024</b>					
Gross carrying amount					
Additions	- *	-	-	-	- *
Disposals	-	-	-	-	-
<b>Gross carrying amount as at March 31, 2024</b>	<b>0.01</b>	<b>- *</b>	<b>0.24</b>	<b>0.01</b>	<b>0.26</b>

Accumulated depreciation	Office and other equipments	Computers	Vehicles	Furniture and fixtures	Total
<b>Year ended March 31, 2023</b>					
Balance as at April 01, 2022	0.01	- *	0.22	0.01	0.24
Depreciation charge during the year	- *	- *	- *	- *	- *
Disposals	-	-	-	-	-
<b>Accumulated depreciation as at March 31, 2023</b>	<b>0.01</b>	<b>- *</b>	<b>0.22</b>	<b>0.01</b>	<b>0.24</b>
<b>Year ended March 31, 2024</b>					
Depreciation charge during the year	- *	- *	- *	- *	- *
Disposals	-	-	-	-	-
<b>Accumulated depreciation as at March 31, 2024</b>	<b>0.01</b>	<b>- *</b>	<b>0.22</b>	<b>0.01</b>	<b>0.24</b>

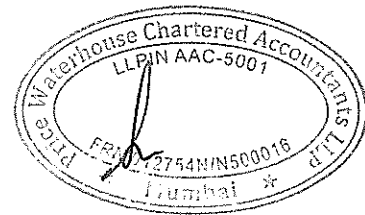
**Net carrying amount of property, plant and equipment**

As at March 31, 2023	- *	- *	0.02	-	0.02
As at March 31, 2024	- *	- *	0.02	-	0.02

\* Amount is below the rounding off norms adopted by the Company

**Notes:**

i. The Company does not own any immovable properties.





Welspun Tradings Limited

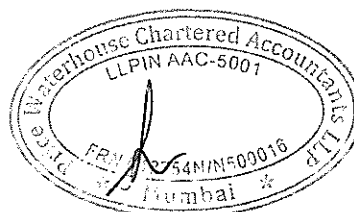
Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

4 Intangible assets

Carrying amounts	Intangible assets (Software)
<b>Year ended March 31, 2023</b>	
Gross carrying amount	
Balance as at April 01, 2022	- *
Additions	-
Disposals	-
<b>Gross carrying amount as at March 31, 2023</b>	<b>- *</b>
<b>Year ended March 31, 2024</b>	
Gross carrying amount	
Additions	-
Disposals	-
<b>Gross carrying amount as at March 31, 2024</b>	<b>- *</b>
<b>Accumulated amortisation</b>	
<b>Year ended March 31, 2023</b>	
Balance as at April 01, 2022	- *
Amortisation charge during the year	-
Disposals	-
<b>Accumulated amortisation as at March 31, 2023</b>	<b>- *</b>
<b>Year ended March 31, 2024</b>	
Amortisation charge during the year	- *
Disposals	-
<b>Accumulated amortisation as at March 31, 2024</b>	<b>- *</b>
<b>Net carrying amount of Intangible assets</b>	
As at March 31, 2023	- *
As at March 31, 2024	- *

\* Amount is below the rounding off norms adopted by the Company



5 Current investments

	As at March 31, 2024	As at March 31, 2023
Mutual funds	3.07	26.14
<b>Total current investments</b>	<b>3.07</b>	<b>26.14</b>

Unquoted

Investment carried at fair value through profit and loss

Investments in mutual funds

	As at March 31, 2024		As at March 31, 2023	
	Units	Amount	Units	Amount
HDFC Money Market Fund - Direct Plan Growth	-	-	46,701	22.99
Aditya Birla Sun Life Money Manager Fund -Growth-Direct Plan (formerly known as Aditya Birla Sun Life Floating Rate Fund Short Term Plan)	89,967	3.07	-	-
HDFC Liquid Fund - Growth	-	-	7,196	3.15
<b>Total investments in mutual funds</b>	<b>89,967</b>	<b>3.07</b>	<b>53,897</b>	<b>26.14</b>

Aggregate amount of unquoted investments (At net asset value)

3.07

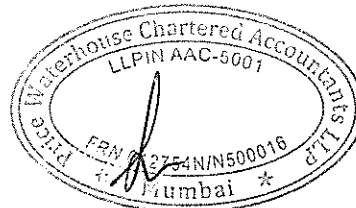
26.14

Aggregate amount of impairment in the value of investments

-

-

Note: Investments made are approved by Board of Directors in accordance with policy of Company. The transactions are not prejudicial to shareholders of the Company.



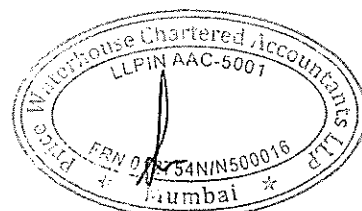
Welspun Tradings Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>6 Other financial assets</b>		
<b>6(a) Non-current</b>		
Unsecured, considered good		
Security deposits		
- Related parties (refer note 32)	-	-
- Others	0.01	0.01
<b>Total non-current other financial assets</b>	<b>0.01</b>	<b>0.01</b>
* Amount is below the rounding off norms adopted by the Company		
<b>6(b) Current</b>		
Derivatives designated as hedges		
Forward contracts	0.59	-
<b>Total current other financial assets</b>	<b>0.59</b>	<b>-</b>
<b>Total other financial assets</b>	<b>0.60</b>	<b>0.01</b>
	As at March 31, 2024	As at March 31, 2023
<b>7 Other assets</b>		
<b>7(a) Non-current</b>		
Balance with statutory authorities	0.41	0.41
Prepaid expenses	0.22	0.44
Others*	0.11	0.11
<b>Total other non-current assets</b>	<b>0.74</b>	<b>0.96</b>
*Represents amount recoverable from employees towards employees' contribution for provident fund (refer note 28)		
<b>7(b) Current</b>		
Balance with statutory authorities	-	0.09
Advance to suppliers		
Related parties (refer note 32)	38.56	60.31
Others	0.04	0.04
Prepaid expenses	0.52	0.41
<b>Total other current assets</b>	<b>39.12</b>	<b>60.85</b>
<b>Total other assets</b>	<b>39.86</b>	<b>61.81</b>
	As at March 31, 2024	As at March 31, 2023
<b>8 Trade receivables</b>		
Trade receivables from contract with customers - Other than related party	92.09	-
Less: Loss allowance	(0.05)	-
<b>Total receivables</b>	<b>92.04</b>	<b>-</b>
<b>Break up of security details</b>		
Unsecured, considered good	92.09	-
<b>Total</b>	<b>92.09</b>	<b>-</b>
Less: Loss allowance	(0.05)	-
<b>Total trade receivables</b>	<b>92.04</b>	<b>-</b>

The company's trade receivable do not carry a significant financing element. Accordingly the company has adopted a simplified approach for measurement of expected credit loss. In determining allowance for credit losses of trade receivables, the Company has used the practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of receivables and the rates used in provision matrix.



## Movement in loss allowance

	As at March 31, 2024	As at March 31, 2023
Opening balance	-	-
Changes in loss allowance	(0.05)	-
Closing balance	(0.05)	-

## Ageing for trade receivables as at March 31, 2024 is as follows:

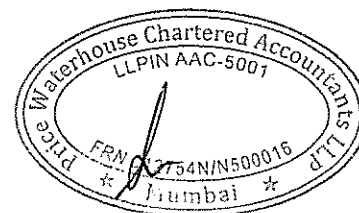
Particulars	Unbilled	Not Due	Outstanding for following periods from due date					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed trade receivables</b>								
(i) considered good	-	71.90	20.19	-	-	-	-	92.09
(ii) considered doubtful	-	-	-	-	-	-	-	-
<b>Gross Total</b>	-	<b>71.90</b>	<b>20.19</b>	-	-	-	-	<b>92.09</b>
Expected loss rate		0.01%	0.21%	0.34%	50.00%	50.00%	100%	
Less: Loss allowance		(0.01)	(0.04)	-	-	-	-	(0.05)
<b>Total Trade receivables</b>		<b>71.89</b>	<b>20.15</b>	-	-	-	-	<b>92.04</b>

## Note:

- (i) There are no trade receivables which have significant increase in credit risk or credit impaired.  
(ii) There are no trade receivables as at March 31, 2023

	As at March 31, 2024	As at March 31, 2023
<b>9 Cash and cash equivalents</b>		
Balances with banks		
- in current accounts	40.13	18.81
<b>Total cash and cash equivalents</b>	<b>40.13</b>	<b>18.81</b>
<b>10. Bank balances other than cash and cash equivalents</b>		
Margin money deposits with maturity of less than twelve months (refer note below)	0.09	0.11
<b>Total bank balances other than cash and cash equivalents</b>	<b>0.09</b>	<b>0.11</b>

Note: Fixed deposits of Rs. 0.09 (March 31, 2023: Rs. 0.11) represents earmarked balances with banks.



11 Equity share capital and other equity

11(a) Equity Share capital

	Number of Shares	Par value	Amount
Authorised share capital			
As at April 01, 2022	5,050,000	10.00	5.05
Increase/ (decrease) during the year	-	-	-
As at March 31, 2023	5,050,000	10.00	5.05
Increase/ (decrease) during the year	-	-	-
As at March 31, 2024	5,050,000	10.00	5.05

i) Movement in equity share capital

Issued, subscribed and paid up capital

As at April 01, 2022	5,013,402	5.01
Increase/ (decrease) during the year	-	-
As at March 31, 2023	5,013,402	5.01
Increase/ (decrease) during the year	-	-
As at March 31, 2024	5,013,402	5.01

	Number of shares	Amount
As at April 01, 2022	5,013,402	5.01
Increase/ (decrease) during the year	-	-
As at March 31, 2023	5,013,402	5.01
Increase/ (decrease) during the year	-	-
As at March 31, 2024	5,013,402	5.01

ii) Terms and rights attached to shares

Equity shares

Equity shares have a par value of INR 10 each. They entitle the holder to participate in dividends, and to share in the proceeds of winding up of the Company in proportion to the number of and amounts paid on the shares held.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

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

As at March 31, 2024

Equity shares held by

Welspun Corp Limited (the 'holding company'), including nominees

No. of shares	% holding
5,013,402	100%

As at March 31, 2023

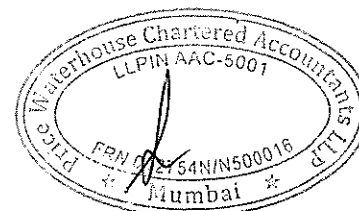
Equity shares held by

Welspun Corp Limited (the 'holding company'), including nominees

No. of shares	% holding
5,013,402	100%

Details of shareholding of promoters

Name of the promoter	Year ended March 31, 2024			Year ended March 31, 2023		
	Number of shares	% of total number of shares	Percentage of change during the year	Number of shares	% of total number of shares	Percentage of change during the year
Welspun Corp Limited (the 'holding company'), including nominees	5,013,402	100.00%	-	5,013,402	100.00%	-
Total	5,013,402	100.00%		5,013,402	100.00%	

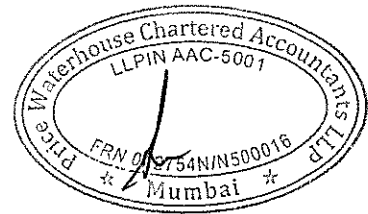


Welspun Tradings Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>11(b) Reserves and surplus</b>		
Retained earnings	103.02	100.67
<b>Total reserves and surplus</b>	<b>103.02</b>	<b>100.67</b>
	As at March 31, 2024	As at March 31, 2023
<b>Retained earnings</b>		
Opening balance	100.67	86.62
Profit for the year	2.36	14.05
- Remeasurements of post employment benefit obligations, net of tax	(0.01)	-
<b>Closing balance</b>	<b>103.02</b>	<b>100.67</b>



	As at March 31, 2024	As at March 31, 2023
<b>11(c) Other reserves</b>		
Cash flow hedging reserve	(0.19)	-
<b>Total other reserves</b>	<b>(0.19)</b>	<b>-</b>
<b>Cash flow hedging reserve</b>		
Opening balance	-	-
Add: Gain / (Loss) recognised in cash flow hedging reserve during the year (net)	(0.25)	-
Income tax on amount recognised in cash flow hedging reserve (net)	0.06	-
<b>Closing balance</b>	<b>(0.19)</b>	<b>-</b>

**Retained Earnings**

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

**Cash flow hedging reserve**

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flows reserve will be reclassified to statement of profit and loss only when the hedged transaction affects the profit or loss or included as a basis adjustment to the non-financial hedged item.

	As at March 31, 2024	As at March 31, 2023
<b>12 Provisions</b>		
<b>12(a) Non-current</b>		
Employee benefit obligations		
Gratuity (refer note 26)	0.02	-
<b>Other provisions</b>		
Provision for litigation / disputes (refer note 27)	-	0.22
<b>Total non-current provisions</b>	<b>0.02</b>	<b>0.22</b>
<b>12(b) Current</b>		
Employee benefit obligations		
Gratuity (refer note 26)	0.01	-
Leave obligations (refer note 26)	0.09	0.07
<b>Other provisions</b>		
Provision for litigation / disputes (refer note 27)	0.22	-
<b>Total current provisions</b>	<b>0.32</b>	<b>0.07</b>
<b>Total provisions</b>	<b>0.34</b>	<b>0.29</b>
	As at March 31, 2024	As at March 31, 2023

**13 Deferred tax assets / liabilities (net) (refer note 29)**

The balance comprises of temporary differences attributable to:

**Deferred tax liabilities**

Fair valuation of investments (net)

0.01	0.13
0.01	0.13

**Set-off of deferred tax assets pursuant to set-off provisions****Deferred tax assets**

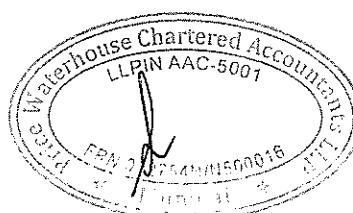
Employee benefit obligations  
Property, plant and equipment  
Cash flow hedging reserve  
Loss allowance  
Others

0.03	0.02
0.01	0.01
0.06	-
0.01	-
0.01	0.01
0.12	0.04

**Total deferred tax assets / (liabilities) (net)**

<b>0.11</b>	<b>(0.09)</b>
-------------	---------------

	As at March 31, 2024	As at March 31, 2023
<b>14 Other current liabilities</b>		
Trade advances	63.30	-
Statutory dues payable	0.64	0.06
Employee dues payable	0.06	0.01
<b>Total other current liabilities</b>	<b>64.00</b>	<b>0.07</b>



	As at March 31, 2024	As at March 31, 2023
<b>15 Trade payables</b>		
<b>Current</b>		
Trade payables: dues of micro and small enterprises (refer note 33)	2.34	-
Trade payables other than above:		
Trade payable to related parties (refer note 32)	0.02	0.12
Trade payables others	0.99	0.79
	<u>1.01</u>	<u>0.91</u>
<b>Total trade payables</b>	<u>3.35</u>	<u>0.91</u>

Ageing for trade payable as at March 31, 2024 is as follows:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade Payables</b>							
(i) Micro enterprise and small enterprises	2.09	0.25	-	-	-	-	2.34
(ii) Others	0.82	0.04	0.15	-	-	-	1.01
<b>Total</b>	<b>2.91</b>	<b>0.29</b>	<b>0.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.35</b>

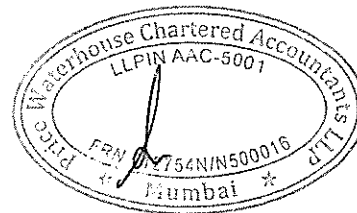
Ageing for trade payable as at March 31, 2023 is as follows:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade Payables</b>							
(i) Micro enterprise and small enterprises	-	-	-	-	-	-	-
(ii) Others	0.79	-	0.12	-	-	-	0.91
<b>Total</b>	<b>0.79</b>	<b>-</b>	<b>0.12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.91</b>

Notes:-

- There are no disputed trade payables as at March 31, 2024 and March 31, 2023.
- Unbilled trade payables include accruals which are not classified as provisions under Ind AS 37.

	As at March 31, 2024	As at March 31, 2023
<b>16 Income tax assets / (Current tax liabilities)</b>		
Opening balance	0.14	(0.05)
Less: Current tax expense	(1.10)	(4.55)
Less: Interest on Income tax	(0.02)	(0.05)
Add: Taxes paid net of refunds (including tax deducted at source)	0.59	4.79
<b>Closing balance</b>	<b>(0.39)</b>	<b>0.14</b>
Income tax assets (net off provision for tax Rs. 4.08 (March 31, 2023: Rs. 0.79))	0.06	0.15
Current tax liabilities (net off advance tax/ tax deducted at source Rs. 6.02 (March 31, 2023: Rs. 8.63))	0.45	0.01



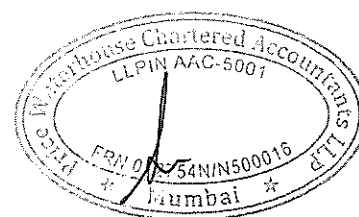


Welspun Tradings Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>17 Revenue from operations</b>		
(a) <b>Sale of products</b>		
Finished goods	225.00	367.78
<b>Total sale of products</b>	<b>225.00</b>	<b>367.78</b>
	Year ended March 31, 2024	Year ended March 31, 2023
(b) <b>Other operating income</b>		
Government grants		2.03
Export benefits	-	-
Liabilities/ Provision no longer required written back	0.09	-
<b>Total other operating income</b>	<b>0.09</b>	<b>2.03</b>
<b>Total revenue from operations</b>	<b>225.09</b>	<b>369.81</b>
The Company has only one major product which is pipes and revenue derived from transfer of pipes at a point in time aggregated to Rs. 225.00 for the year ended March 31, 2024 (March 31, 2023: Rs. 367.78)		
<b>Reconciliation of revenue recognised with contract price:</b>		
Contract price	225.09	369.81
<b>Total revenue from operations</b>	<b>225.09</b>	<b>369.81</b>
	Year ended March 31, 2024	Year ended March 31, 2023
<b>18 Other income</b>		
<b>Interest income</b>		
Fixed deposits	0.01	1.01
Others	-	0.31
<b>Net gain on sale/redemption of</b>		
Current investments	1.38	0.75
<b>Other non-operating income</b>		
Net exchange differences	0.02	2.36
Commission income (refer note 32)	-	0.07
Fair valuation gain on investment (net)	0.06	0.53
Miscellaneous income	- *	0.80
<b>Total other income</b>	<b>1.47</b>	<b>5.83</b>
* Amount is below the rounding off norms adopted by the Company		
	Year ended March 31, 2024	Year ended March 31, 2023
<b>19 Purchases of stock-in-trade</b>		
Purchases of stock-in-trade (refer note 32)	214.64	328.82
<b>Total purchases of stock-in-trade</b>	<b>214.64</b>	<b>328.82</b>



Welspun Tradings Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>20 Employee benefit expense</b>		
Salaries, wages and bonus	1.04	0.87
Contribution to provident and other funds (refer note below)	0.11	0.09
Gratuity expense (refer note 26)	0.02	-
Staff welfare expenses	0.02	0.02
<b>Total employee benefit expense</b>	<b>1.19</b>	<b>0.98</b>

**Note:**

**Defined contribution plans**

- i. Employers' Contribution to Provident Fund and Employee's Pension Scheme, 1995
- ii. Superannuation fund

During the year, the Company has recognised the following amounts in the statement of profit and loss:

Employer's Contribution to Provident Fund	0.06	0.05
Employer's Contribution to Employee's Pension Scheme	0.03	0.02
Employer's Contribution to Superannuation fund	0.02	0.02
<b>Total expenses recognised in the statement of profit and loss</b>	<b>0.11</b>	<b>0.09</b>

	Year ended March 31, 2024	Year ended March 31, 2023
<b>21 Depreciation and amortisation expense</b>		
Depreciation of property, plant and equipment (refer note 3)	-	-
Amortisation of intangible assets (refer note 4)	-	-
<b>Total depreciation and amortisation expense</b>	<b>-</b>	<b>-</b>

\* Amount is below the rounding off norms adopted by the Company

	Year ended March 31, 2024	Year ended March 31, 2023
<b>22 Other expenses</b>		
Power, fuel and water charges	-	-
Freight, material handling and transportation	5.44	24.05
Rental charges	0.09	0.08
Rates and taxes	-	-
Travel and conveyance expenses	0.08	0.03
Communication expenses	-	-
Legal and professional fees	0.38	0.38
Insurance	0.08	0.02
Printing and stationery	-	-
Membership and fees	0.01	0.01
Payment to auditors (refer note (i) below)	0.13	0.13
Commission on sales to agents	-	1.88
Loss Allowance	0.05	-
Expenditure towards corporate social responsibility (refer notes (ii) below and 32)	0.16	0.04
Miscellaneous expenses	0.44	0.43
<b>Total other expenses</b>	<b>6.86</b>	<b>27.05</b>

**Note:**

**i) Details of payments to auditors**

**Payment to auditors**

**As auditor:**

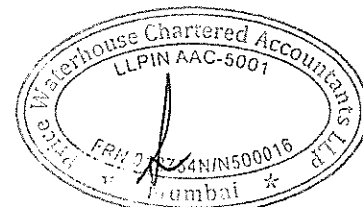
Audit fee	0.10	0.10
Tax audit fee	0.03	0.03

**In other capacities**

Certification fees	-	-
Re-imbursement of expenses	-	-

**Total payment to auditors**

<b>0.13</b>	<b>0.13</b>
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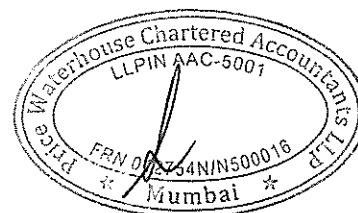


Welspun Tradings Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
<b>ii) Corporate social responsibility expenditure</b>		
Contribution to Welspun Foundation for Health & Knowledge	0.16	0.04
<b>Total corporate social responsibility expenditure</b>	<b>0.16</b>	<b>0.04</b>
Amount required to be spent as per Section 135 of the Companies Act, 2013	0.16	0.04
<b>Amount spent during the year on:</b>		
On purposes other than construction/ acquisition of an asset	0.16	0.04
* Amount is below the rounding off norms adopted by the Company		
<b>23 Finance costs</b>		
Interest on acceptances and charges on letter of credit	0.52	-
Interest on income tax	0.02	0.05
Other finance cost	0.01	0.02
<b>Total finance cost</b>	<b>0.55</b>	<b>0.07</b>
<b>24 Income tax expense</b>		
<b>Current tax</b>		
Current tax for the year	1.00	4.55
Current tax for earlier year	0.10	-
<b>Total Current tax</b>	<b>1.10</b>	<b>4.55</b>
<b>25 Deferred tax (refer note 29)</b>		
Decrease / (Increase) in deferred tax assets	(0.08)	- *
Increase / (Decrease) in deferred tax liabilities	(0.12)	0.12
<b>Total deferred tax expense/ (benefit)</b>	<b>(0.20)</b>	<b>0.12</b>
* Amount is below the rounding off norms adopted by the Company		
<b>(i) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate</b>		
	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax	3.32	18.72
Tax rate	25.17%	25.17%
<b>Tax at normal rate</b>	<b>0.84</b>	<b>4.71</b>
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income (Income) / expense on which no deferred tax was required to be recognised	0.05	(0.17)
Adjustments for current tax of prior years	0.10	-
Others	(0.09)	0.13
<b>Total Income tax expense</b>	<b>0.90</b>	<b>4.67</b>



## 26 Employee benefit obligations

## (i) Leave obligations

The leave obligations cover the Company's liability for earned leave.

## (ii) Post-employment obligations - Gratuity

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. The plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen day wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. This defined benefit plans exposes the Company to actuarial risks, such as interest rate risk and market (investment) risk.

## (iii) Balance sheet amounts - Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligations over the year are as follows:

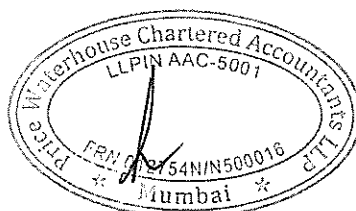
	Present value of obligations	Fair value of plan assets	Net amount
<b>April 01, 2022</b>	<b>0.18</b>	<b>(0.18)</b>	<b>-</b>
Current service cost	0.01	(0.01)	-
Interest expense/ (income)	0.01	(0.01)	-
<b>Total amount recognised in profit or loss</b>	<b>0.02</b>	<b>(0.02)</b>	<b>-</b>
<b>Remeasurements</b>			
Experience gains	0.04	-	0.04
Loss from change in financial assumptions	(0.04)	-	(0.04)
<b>Total amount recognised in other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>
Benefit payment	(0.05)	0.05	-
Adjustment due to transfer out	-	-	-
<b>March 31, 2023</b>	<b>0.15</b>	<b>(0.15)</b>	<b>-</b>
	Present value of obligation	Fair value of plan assets	Net amount
<b>April 01, 2023</b>	<b>0.15</b>	<b>(0.15)</b>	<b>-</b>
Current service cost	0.02	-	0.02
Interest expense/ (income)	0.01	(0.01)	-
<b>Total amount recognised in profit or loss</b>	<b>0.03</b>	<b>(0.01)</b>	<b>0.02</b>
<b>Remeasurements</b>			
Experience gains	0.02	(0.01)	0.01
Loss from change in financial assumptions	-	-	-
<b>Total amount recognised in other comprehensive income</b>	<b>0.02</b>	<b>(0.01)</b>	<b>0.01</b>
Benefit payment	-	-	-
Adjustment due to transfer out	-	-	-
<b>March 31, 2024</b>	<b>0.20</b>	<b>(0.17)</b>	<b>0.03</b>

\* Amount is below the rounding off norms adopted by the Company  
The net liabilities disclosed above relating to funded plans are as follows:

	As at March 31, 2024	As at March 31, 2023
Present value of funded obligations	0.20	0.15
Fair value of plan assets	(0.17)	(0.15)
<b>Deficit of funded plan</b>	<b>0.03</b>	<b>-</b>
<b>Non-current (refer note 12(a))</b>	<b>0.02</b>	<b>-</b>
<b>Current (refer note 12(b))</b>	<b>0.01</b>	<b>-</b>

## (iv) Significant actuarial assumptions are as follows:

	As at March 31, 2024	As at March 31, 2023
Discount rate	7.28%	7.50%
Salary growth rate	6.00%	6.00%



## 26 Employee benefit obligations (Contd...)

## (v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Assumptions	Impact on defined benefit obligation							
	Change in assumption (%)		Increase in assumption (INR)				Decrease in assumption (INR)	
	As at March 31, 2024	As at March 31, 2023		As at March 31, 2024	As at March 31, 2023		As at March 31, 2024	As at March 31, 2023
Discount rate	0.50%	0.50%	Decrease by	0.01	0.01	Increase by	- *	0.01
Salary growth rate	0.50%	0.50%	Increase by	0.01	0.01	Decrease by	- *	0.01

## (vi) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which is asset volatility. The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The plan assets are invested by the Company in Insurer managed funds. The plan assets have been providing consistent and competitive returns over the years. The Company intends to maintain these investments in the continuing years.

## (vii) Defined benefit liability and employer contributions

Expected contribution to post-employment benefit plans for the year ended March 31, 2025 is INR 0.03 (March 31, 2024: INR 0.03).

The weighted average duration of the defined benefit obligation is 12 years (March 31, 2023 - 5 years). The expected maturity analysis of undiscounted gratuity benefits is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2024					
Defined benefit obligations- Gratuity	0.02	0.02	0.05	0.14	0.23
March 31, 2023					
Defined benefit obligations- Gratuity	0.01	0.01	0.04	-	0.06

## 27 Movements in provision for litigation/ disputes (Non-current and current) (refer note 12)

Movements in each class of provisions during the financial year ended March 31, 2024 are set out below:

Particulars	As at March 31, 2024	
	Provident Fund (Refer note 28)	Total
Opening balance as at April 01, 2023	0.22	0.22
Provided during the year	-	-
Provision reversed during the year	-	-
Closing balance as at March 31, 2024	0.22	0.22

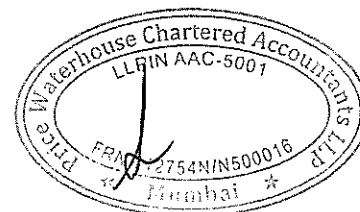
Movements in each class of provisions during the financial year ended March 31, 2023 are set out below:

Particulars	As at March 31, 2023	
	Provident Fund (Refer note 28)	Total
Opening balance as at April 01, 2022	0.22	0.22
Provided during the year	-	-
Provision reversed during the year	-	-
Closing balance as at March 31, 2023	0.22	0.22

Note : There are uncertainties regarding the timing and amount of the cashflows arising out of the provisions. Changes in underlying facts and circumstances for each provision could result in differences in the amounts provided for and the actual cash outflow.

28 Pursuant to the Supreme Court Judgment in the case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952, and subsequent dismissal of the review petition filed against the Judgement, the Company had assessed the impact and on conservative basis had made provision (presented under Current) of INR 0.22 (March 31, 2023: INR 0.22). The Company had also determined and discharged the provident fund liability from September 1, 2019 considering the impact of the judgement and paid the same in year 2020-21.

The Company had changed its salary structure in the month of June 2020 w.e.f April 01, 2020 to comply with above judgement. The Company had borne the employee's contribution to provident fund for the period September 01, 2019 to March 31, 2020 aggregating to INR 0.01.



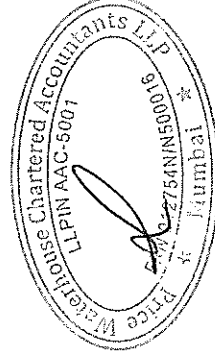
Welspun Tradings Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024  
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

29 Movement in deferred tax liabilities and deferred tax assets (refer note 13) :

Particulars	Deferred tax liabilities			Deferred tax assets						Net deferred tax (liabilities)/Assets
	Fair valuation of investments (net)	Total deferred tax liabilities	Employee benefit obligations	Property, plant and equipment	Cash flow hedging reserve	Loss allowance	Others	Total deferred tax assets		
As at April 01, 2022	0.01	0.01	0.02	0.02	-	-	-	0.04	0.03	
Recognised in the statement of profit and loss	0.12	0.12	-	(0.01)	-	-	0.01	-	(0.12)	
As at March 31, 2023	0.13	0.13	0.02	0.01	-	-	0.01	0.04	(0.09)	
Recognised in the statement of profit and loss other comprehensive income	(0.12)	(0.12)	0.01	-	-	0.01	-	0.02	0.14	
As at March 31, 2024	0.01	0.01	0.03	0.01	0.06	0.01	0.01	0.12	0.06	

\* Amount is below the rounding off norms adopted by the Company



30 Fair value measurements

Financial instruments by category

Particulars	As at March 31, 2024			As at March 31, 2023	
	FVPL	FVOCI	Amortised cost	FVPL	Amortised cost
<b>Financial assets</b>					
<b>Investments</b>					
Mutual fund	3.07	-	-	26.14	-
Trade receivables	-	-	92.04	-	-
Cash and cash equivalents	-	-	40.13	-	18.81
Bank balances other than cash and cash equivalents	-	-	0.09	-	0.11
<b>Other financial assets</b>					
Security deposits	-	-	0.01	-	0.01
<b>Derivatives designated as hedges</b>					
Forward contracts	-	0.59	-	-	-
<b>Total financial assets</b>	<b>3.07</b>	<b>0.59</b>	<b>132.27</b>	<b>26.14</b>	<b>18.93</b>
<b>Financial liabilities</b>					
Trade payables	-	-	3.35	-	0.91
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>3.35</b>	<b>-</b>	<b>0.91</b>

(i) 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.

Financial assets measured at fair value - recurring fair value measurements as at March 31, 2024

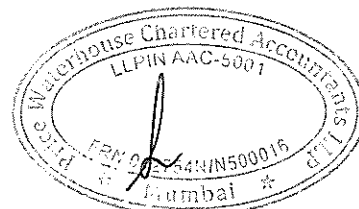
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Investments				
Mutual fund	3.07	-	-	3.07
<b>Derivatives designated as hedges</b>				
Forward contracts	-	0.59	-	0.59
<b>Total financial assets</b>	<b>3.07</b>	<b>0.59</b>	<b>-</b>	<b>3.66</b>

Assets and liabilities which are measured at amortised cost for which fair value are disclosed as at March 31, 2024

	Level 1	Level 2	Level 3	Total
<b>Other financial assets</b>				
Security deposits	-	-	0.01	0.01
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>0.01</b>	<b>0.01</b>

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2023

	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Investments				
Mutual fund	26.14	-	-	26.14
<b>Total financial assets</b>	<b>26.14</b>	<b>-</b>	<b>-</b>	<b>26.14</b>



## 30 Fair value measurements (Contd...)

## Assets and liabilities which are measured at amortised cost for which fair value are disclosed as at March 31, 2023

	Level 1	Level 2	Level 3	Total
Other financial assets				
Security deposits	-	-	0.01	0.01
<b>Total financial assets</b>	-	-	0.01	0.01

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. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. The Company has derivatives which are designated as hedges for which all significant inputs required to fair value an instrument falls under level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

## (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments under level 1 include the use of Net Assets Value ('NAV') for valuation of mutual fund investment. 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.

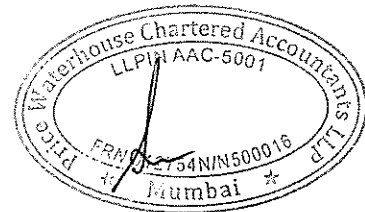
## (iii) Fair value of Financial assets and liabilities measured at amortised cost

	As at March 31, 2024		As at March 31, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Other financial assets				
Security deposits	0.01	0.01	0.01	0.01
<b>Total financial assets</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>

The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents and trade payables are considered to be the same as their fair values, due to their short-term nature.

## (iv) Classification of interest income by instrument category

	Year ended March 31, 2024	Year ended March 31, 2023
Interest income at amortised cost:		
Fixed deposits	0.01	1.01
Others	-	0.31





### 31 Financial risk management

The Company's principal financial liabilities represents only trade payables and financial assets represents investments, loans, cash and cash equivalents and deposits with banks. The Company's activities exposes it to credit risk, liquidity risk, market risk- foreign currency risk and market risk- security prices.

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 minimise certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not for trading or speculative instruments.

Risk	Exposure arising from	Measurement	Management
Credit risk	Trade receivables, Cash and cash equivalents and other bank balances	Ageing analysis	Diversification of bank deposits, credit limits
Liquidity risk	Financial liabilities	Cash flow forecasts	Cashflow forecasts and maintaining positive current ratios
Market risk – foreign currency risk	Trade receivables and trade payable not denominated in Rupees	Sensitivity analysis	Forward foreign exchange contracts
Market risk – security prices risk	Investments in mutual funds	Sensitivity analysis	Portfolio diversification

The Company's risk management is carried out by treasury department under policies approved by the board of directors. Treasury department identifies, evaluates and hedges financial risks. 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. There is no change in objectives, policies and process for managing the risk and methods used to measure the risk as compared to previous year.

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. This will effectively result in recognising inventory at the fixed foreign currency rate for the hedged purchases.

#### (I) Credit risk

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, foreign exchange transactions and other financial instruments.

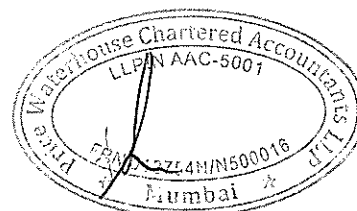
The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

#### a) Trade receivables

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 loss allowance (Refer Note 8).

#### b) Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, mutual funds and derivative financial instruments. The Company has diversified portfolio of investment with various number of counterparties which have good credit ratings, good reputation and hence the risk is reduced. Individual risk limits are set for each counterparty based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company.



**Welspun Tradings Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

**31 Financial risk management (Contd...)****(II) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities (comprising the undrawn borrowing facilities below), by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

**Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities and derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

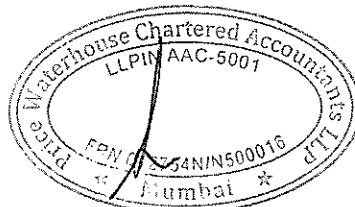
The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not material.

**As at March 31, 2024**

Contractual maturities of financial liabilities	< 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total	Carrying value
<b>Non-derivatives</b>						
Trade payables	3.35	-	-	-	3.35	3.35
<b>Total non-derivative liabilities</b>	<b>3.35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.35</b>	<b>3.35</b>

**As at March 31, 2023**

Contractual maturities of financial liabilities	< 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total	Carrying value
<b>Non-derivatives</b>						
Trade payables	0.91	-	-	-	0.91	0.91
<b>Total non-derivative liabilities</b>	<b>0.91</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.91</b>	<b>0.91</b>



## 31 Financial risk management (Contd...)

## (III) Market risk - foreign currency risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

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.

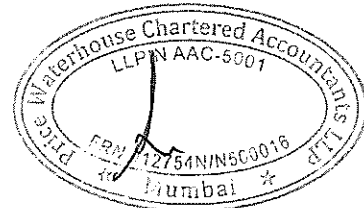
## a) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in equivalent Rupees is as follows:

	As at March 31, 2024		As at March 31, 2023	
	USD	EUR	USD	EUR
<b>Financial assets</b>				
<b>Derivatives designated as hedges</b>				
Forward contracts (Sell foreign currency)	-	(109.25)	-	-
<b>Financial liabilities</b>				
Trade payables	0.34	-	0.50	-
<b>Total Net exposure to foreign currency risk</b>	<b>(0.34)</b>	<b>-</b>	<b>(0.50)</b>	<b>-</b>
<b>Net Derivatives designated as hedges</b>	<b>-</b>	<b>(109.25)</b>	<b>-</b>	<b>-</b>

b) As at the balance sheet date, following foreign currency exposure (including non financial assets and liabilities) is not hedged by a derivative instrument or otherwise:

	Amount in Rs. crore		Equivalent amount in Foreign currency (in crores)	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Liabilities</b>				
Trade payables	0.34	0.50	0.01	0.01
	<b>0.34</b>	<b>0.50</b>	<b>0.01</b>	<b>0.01</b>
<b>Net unhedged foreign currency exposure</b>	<b>0.34</b>	<b>0.50</b>	<b>0.01</b>	<b>0.01</b>



31 Financial risk management (Contd...)

c) Foreign currency sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

	Net impact on profit before tax	
	As at March 31, 2024	As at March 31, 2023
<b>USD sensitivity</b>		
INR/USD - Increase by 1% (March 31, 2023 - 1%)#	- *	(0.01)
INR/USD - Decrease by 1% (March 31, 2023 - 1%)#	- *	0.01
<b>EURO sensitivity</b>		
INR/EURO - Increase by 1% (March 31, 2023 - 1%)#	(1.09)	-
INR/EURO - Decrease by 1% (March 31, 2023 - 1%)#	1.09	-

# Holding all other variables constant

(IV) Market risk - Interest rate risk exposure

The Company did not have any exposure to interest rate changes at the end of the reporting period March 31, 2024 and March 31, 2023, respectively.

(V) Market risk – security prices

a) Exposure

The Company is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

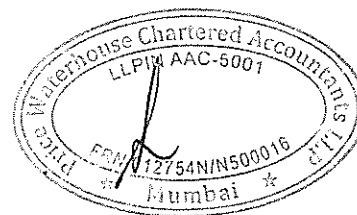
In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies.

b) Sensitivity

The table below summarises the impact of increases/decreases of 0.25% in price of mutual fund.

	Impact on profit before tax	
	As at March 31, 2024	As at March 31, 2023
Increase in rate 0.25% (March 31, 2023 - 0.25% )	0.01	0.07
Decrease in rate 0.25% (March 31, 2023 - 0.25% )	(0.01)	(0.07)

\* Amount is below the rounding off norms adopted by the Company



31. Financial risk management (Contd...)

(VI) Impact of hedging activities

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward contracts and derivative contracts.

a) Disclosure of effects of hedge accounting on financial position:

As at March 31, 2024

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge ratio
	Assets	Liabilities	Assets	Liabilities		
Cash flow hedge Foreign exchange risk Forward contract	109.25	-	0.59	-	Apr 24 - Nov 24	1:1

As at March 31, 2023

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge ratio
	Assets	Liabilities	Assets	Liabilities		
Cash flow hedge Foreign exchange risk Forward contract	-	-	-	-	-	-

As at March 31, 2024

Type of hedge	Change in the Value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash Flow Hedge Foreign Exchange Risk	(0.25)	-	-	Not Applicable

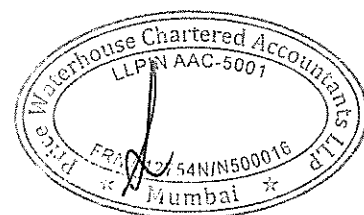
As at March 31, 2023

Type of hedge	Change in the Value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash Flow Hedge Foreign Exchange Risk	-	-	-	Not Applicable

The Company uses 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 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.

The Company's hedging policy only allows for effective hedge relationships 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 the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Company uses the hypothetical derivative method to assess effectiveness. Ineffectiveness is recognised on a cash flow hedge and net investment hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In hedges of foreign currency forecast sale and purchase transactions, hedges of interest rate risk and hedges of net investment, as applicable, this may arise if:

- (i) The critical terms of the hedging instrument and the hedged item differ (i.e. nominal amounts, timing of the forecast transaction, interest resets changes from what was originally estimated), or
- (ii) Differences arise between the credit risk inherent within the hedged item and the hedging instrument. There were no ineffectiveness recognised in the statement of profit and loss during March 31, 2024 and March 31, 2023.



Welspun Tradings Limited

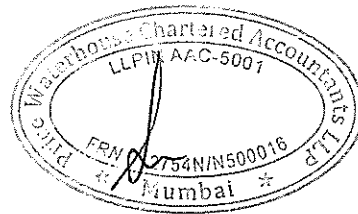
Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

31. Financial risk management (Contd...)

b) Movements in cash flow hedging reserve

Risk category	Foreign currency risk
Derivative instruments	Forward contracts
Cash flow hedging reserve	
As at April 01, 2022	-
Changes in fair value of forward contracts	-
Income tax on amount recognised in hedging reserve	-
As at March 31, 2023	-
Changes in fair value of forward contracts	(0.25)
Income tax on amount recognised in hedging reserve	0.06
As at March 31, 2024	(0.19)



32 Related party transactions

a) Entities having significant influence

Name	Type	Effective proportion of ownership interest	
		As at March 31, 2024	As at March 31, 2023
Welspun Group Master Trust (entity has significant influence on Welspun Corp Limited, holding company)	Significant influence	44.91%	44.76%

b) Holding Company:

Name	Place of Incorporation	Effective proportion of ownership interest (%)	
		As at March 31, 2024	As at March 31, 2023
Welspun Corp Limited	India	100.00%	100.00%

c) Key management personnel

Name	Nature of relationship
Mr. Harish Gupta	Whole Time Director and Chief Financial Officer (upto May 14, 2022)
Mr. Godfrey John	Director (Non-executive and Non-Independent) w.e.f. May 13, 2022
Mr. Rupak Ghosh	Director (Non-executive and Non-Independent) w.e.f. May 13, 2022
Mr. Percy Birdy	Director (Non-executive and Non-Independent)
Ms. Amita Mishra	Independent, Non-Executive Director (upto May 14, 2022)
Mr. Pradeep Joshi	Company Secretary (upto May 13, 2022)

d) List of Others over which key management personnel or relatives of such personnel exercise significant influence or control and entities which are members of same group with whom transaction have taken place during the current year and previous year:

Welspun Realty Private Limited
Welspun Living Limited (Formerly known as Welspun India Limited)
Welspun Foundation For Health & Knowledge
Welspun Global Services Limited
Welspun Specialty Solutions Limited
Welspun Global Brands Limited
Welspun Transformation Service Limited

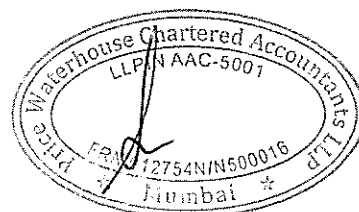
e) Disclosure in respect of significant transactions with related parties during the year:

	Transactions	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>1) Other income</b>		
Welspun Specialty Solutions Limited	-	0.07
<b>Total other income</b>	-	0.07
<b>2) Purchase of stock-in-trade and other expenses incurred</b>		
Welspun Corp Limited	214.75	328.82
Welspun Global Services Limited	-	0.05
Welspun Living Limited (Formerly known as Welspun India Limited)	0.01	0.01
Welspun Realty Private Limited	0.08	0.08
Welspun Transformation Services Limited	0.22	0.15
<b>Total purchase of stock-in-trade and other expenses incurred</b>	<b>215.06</b>	<b>329.11</b>
<b>3) Corporate social responsibility expenses</b>		
Welspun Foundation For Health & Knowledge	0.16	0.04
<b>Total of corporate social responsibility expenses</b>	<b>0.16</b>	<b>0.04</b>
<b>4) Reimbursement of expenses (paid)/ recovered</b>		
Welspun Global Brands Limited	- *	- *
<b>Total reimbursement of expenses (paid)/ recovered</b>	-	-
<b>5) Security deposit given</b>		
Welspun Living Limited (Formerly known as Welspun India Limited)	- *	- *
<b>Total loans and deposit given</b>	-	-

\* Amount is below the rounding off norms adopted by the Company

Notes :

(1) Directors of the company are also employed by the other group company and they have not been paid remuneration accordingly.



32 Related party transactions (Contd...)

f) Disclosure of significant closing balances:

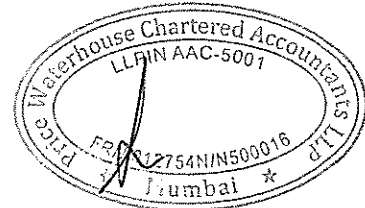
	As at March 31, 2024	As at March 31, 2023
1) Trade payables		
Welspun Transformation Service Limited	0.02	0.12
<b>Total trade payables</b>	<b>0.02</b>	<b>0.12</b>
2) Security deposits given (Other non current financial assets)		
Welspun Living Limited (Formerly known as Welspun India Limited)	-	-
<b>Total security deposits given (Other non current financial assets)</b>	<b>-</b>	<b>-</b>
3) Other current assets (Advance to supplier)		
Welspun Corp Limited	38.56	60.31
<b>Total current assets, advance</b>	<b>38.56</b>	<b>60.31</b>

33 Micro, Small and Medium Enterprises Development Act, 2016

Disclosure of amount due to suppliers under "The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)" is as under:

	As at March 31, 2024	As at March 31, 2023
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2.34	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
	2.34	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	0.25	0.01
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
Interest accrued and remaining unpaid at the end of each accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-
<b>Total outstanding dues of micro and small enterprises</b>	<b>2.34</b>	<b>-</b>

\* Amount is below the rounding off norms adopted by the Company





### 34 Capital management

#### (I) Risk management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves.

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce cost of capital.

The Company does not have any borrowings as at March 31, 2024 and March 31, 2023.

#### Loan covenants

The Company had no borrowings as at the end of the reporting period, hence there are no covenants.

#### (II) Dividend

The Company has not paid dividends in the current reporting year as well as in the previous year.

### 35 Segment reporting

#### (i) Description of segments and principle activities

The Company's chief operating decision maker consists of the Board of Directors of the Company who examines the Company's performance only from the product perspective and has accordingly, identified only one reportable segment which is trading in coated and uncoated pipes.

(ii) The chief operating decision maker primarily uses a measure of profit before tax as included in the internal management report to assess the performance of the operating segment which is measured consistently with profit or loss in the financial statements.

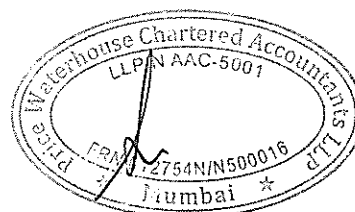
(iii) Revenue from major external customers is as follows:

For the year ended	Number of customers	Amount	% to revenue from operations
March 31, 2024	2	225.00	99.96%
March 31, 2023	1	367.78	99.45%

(iv) The Company is domiciled in India. The amount of its revenue from operations and other operating revenue from external customers broken down by location of the customers is shown in the table below:

Revenue from operations	Year ended March 31, 2024	Year ended March 31, 2023
Export	-	369.81
Domestic	225.09	-
<b>Total</b>	<b>225.09</b>	<b>369.81</b>

(v) The total of non-current assets are located only in India as at March 31, 2024 and March 31, 2023.



**36 Contingent liabilities**

The Company has contingent liabilities as at the year end in respect of:

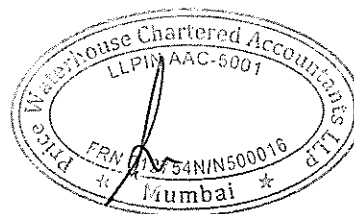
	As at March 31, 2024	As at March 31, 2023
Disputed direct taxes	2.07	2.07
Disputed indirect taxes: Service Tax	0.02	0.02

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of above pending resolution of the respective proceedings

The Company does not expect any re-imburements in respect of the above contingent liabilities.

**37 Capital and other commitments**

There are no capital or other commitments as at March 31, 2024 and March 31, 2023.

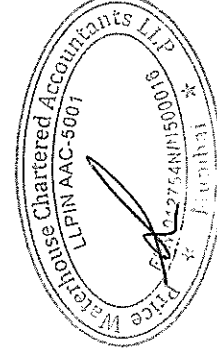


38 Key Financial Ratio with explanations

Sr.no	Ratio	Numerator	Denominator	Year ended March 31, 2024	Year ended March 31, 2023	Variance	Variance in %	Reason for variance
1	Current ratio (times)	Current assets	Current liabilities	2.57	99.91	-97.34	-97%	Decrease in current ratio mainly on account of increase in current liabilities due to advance received from customer during current year whereas current assets have not proportionately increased.
2	Return on equity (%)	Profit for the year	Average shareholders equity	2.21%	14.24%	-0.12	-84%	Mainly on account of decrease in margins during the current year. The Company had domestic sales during the current year which are generally at a lower margin.
3	Trade receivables turnover ratio (times)	Revenue from operations	Total trade receivables	2.45	-	2.45	100%	There were no Trade receivables during the previous year.
4	Trade payable turnover ratio (times)	Purchases and Other expenses	Average trade payables	101.00	337.32	-236.31	-70%	During the current year purchases have reduced in line with sales however, trade payables have increased due to higher operations in Q4.
5	Net capital turnover ratio (times)	Revenue from operations	Closing working capital	2.11	3.52	-1.41	-40%	Reduction in working capital mainly on account of increase in current liabilities due to advance received from customer during current year whereas current assets have not proportionately increased.
6	Net Profit ratio (%)	Profit for the year	Revenue from operations	1.05%	3.80%	-0.03	-72%	Mainly on account of decrease in margins during the current year. The Company had domestic sales during the current year which are generally at a lower margin.
7	Return on capital employed (%)	Earnings before interest and tax	Capital employed	3.59%	17.76%	-0.14	-80%	Mainly on account of decrease in margins during the current year. The Company had domestic sales during the current year which are generally at a lower margin.
8	Return on investment (%)	Earnings before interest and tax	Total current assets	2.20%	17.55%	-0.15	-87%	Mainly on account of decrease in margins during the current year. The Company had domestic sales during the current year which are generally at a lower margin.

Notes:

- 1 Working capital = Current assets (-) Current liabilities
- 2 Capital employed = Tangible net worth + Total debt + Deferred tax liability
- 3 The Company has no borrowing and hence the following ratios are not applicable:  
- Debt equity ratio
- 4 The Company has no inventory and hence the following ratio is not applicable  
- Inventory turnover ratio



39 Other regulatory requirements under Schedule III

(i) Details of Benami Property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Company does not have any borrowings from banks and financial institutions on the basis of security of current assets.

(iii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or other lender.

(iv) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

(x) Title deeds of immovable properties not held in name of the company

The Company does not own any immovable properties. Hence, question on commenting on whether the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company does not arise.

(xi) Registration of Charges or satisfaction with Registrar of Companies (ROC)

The Company does not have any charge or satisfaction not registered with the ROC beyond the statutory period.

(xii) Utilisation of borrowings availed from banks and financial institutions

The Company has not availed any borrowings from any banks or financial institutions.

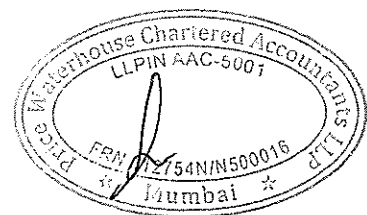
(xiii) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.



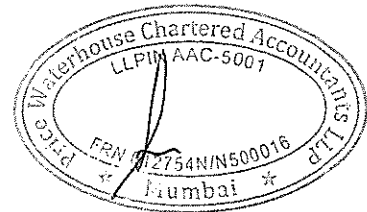
- 40 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The draft rules for the Code on Social Security, 2020 have been released by the Ministry of Labour and Employment on November 13, 2020. The Company is in the process of assessing the additional impact on Provident Fund contributions and on Gratuity liability contributions and will complete their evaluation and give appropriate impact in the standalone financial statements in the period in which the rules that are notified become effective.

41 Earnings/ (Loss) per share

	Year ended March 31, 2024	Year ended March 31, 2023
Nominal value of an equity share	10.00	10.00
Profit after tax attributable to the equity holders of the Company	2.36	14.05
<b>Basic earnings/ (loss) per share:</b>		
Weighted average number of equity shares used as denominator for calculating basic EPS	5,013,402	5,013,402
Basic earnings per share (Rs.)	4.71	28.02
<b>Diluted earnings/ (loss) per share:</b>		
Weighted average number of equity shares used as denominator for calculating diluted EPS	5,013,402	5,013,402
Diluted earnings per share (Rs.)	4.71	28.02
<b>Reconciliation of weighted average number of shares outstanding</b>		
Weighted Average number of equity shares used as denominator for calculating basic EPS	5,013,402	5,013,402
Total weighted average potential equity shares	-	-
Weighted average number of equity shares used as denominator for calculating diluted EPS	5,013,402	5,013,402

42 Core Investment Companies (CIC)

Management has assessed that there are three CIC in the Group ('Companies in the Group' is as defined in Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016, as amended).



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

**Note 43. Summary of other accounting policies**

**A) Segment reporting**

The chief operating decision makers are the Board of directors of the Company. The directors of the Company assesses the financial performance and position of the Company and makes strategic decisions. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

**B) Foreign currency translation**

**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. 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 income/ other expenses 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 date 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) Derivatives and hedging activities**

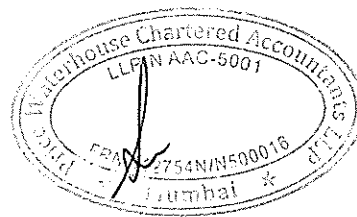
In order to hedge its exposure to foreign exchange, the Company enters into forward contract financial instruments. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently marked to market to their fair value at the end of each reporting period.

The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions.

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

**(i) Cash flow hedges that qualify for hedge accounting**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other income/ other expenses (as applicable).

When forward contracts are used to hedge forecast transactions, the Company generally designates the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

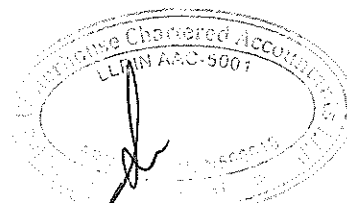
When the hedged forecast transaction results in the recognition of a non-financial asset the amounts accumulated in equity are transferred to profit or loss as follows. With respect to gain or loss relating to the effective portion of the change in fair value of forward contracts, the deferred hedging gains and losses are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss.

Where the hedged item subsequently results in the recognition of a non-financial asset (such as inventory), both the deferred hedging gains and losses and the deferred time value of the deferred forward contracts, if any are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example through cost of materials consumed).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss within other income/ other expense (as applicable). If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in statement of profit or loss at the time of the hedge relationship rebalancing.

**(ii) 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 and are included in other income or other expenses (as applicable).



## Welspun Tradings Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) crores, unless otherwise stated)

### D) Property, plant and equipment

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 costs of decommissioning.

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment (if any).

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 profit or loss during the reporting period in which they are incurred.

#### Depreciation methods and estimated useful lives

Depreciation is calculated using straight-line method over the estimated useful life of the assets as given below. These estimated useful lives are in accordance with those prescribed under Schedule II to the Companies Act, 2013 which is as stated below:

Assets	Estimated Useful Life	Useful Life as per Companies Act, 2013
Computers	3 years	Ranging between 3 to 6 years
Office and other equipments	3 years	5 years
Vehicles	8 years	Ranging between 6 to 10 years
Furniture and fixtures	10 years	Ranging between 8 to 10 years

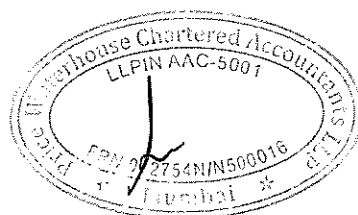
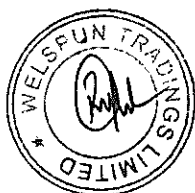
The useful lives have been determined based on technical evaluation done by management's expert which may differ from those specified in Schedule II of the Companies Act, 2013 (as indicated in table above) in order to reflect the actual usage of the assets.

The estimated useful lives of plant and machinery, determined based on internal technical advice, considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, etc.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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 derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income or other expenses, as applicable.





**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

**E) 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.

Intangible assets comprise of computer software which is amortised on a straight-line basis over its expected useful life of five years which is based on a technical evaluation done by the Management.

**F) Impairment of 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 that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**G) Employee benefits**

**(i) 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 obligation in the balance sheet.

**(ii) Other long-term employee benefit obligations**

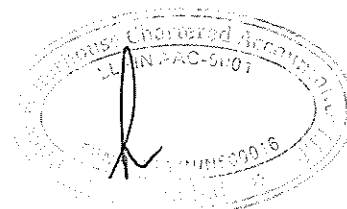
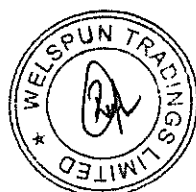
The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up 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 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.

**(iii) Post-employment obligations**

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund and employee's pension scheme.
- superannuation funds



## Welspun Tradings Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) crores, unless otherwise stated)

### Defined Benefit Plans

#### Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan 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 actuary using the projected unit credit method.

The present value of the defined benefit obligation 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 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. Remeasurement 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

##### (i) Provident fund and employee pension scheme

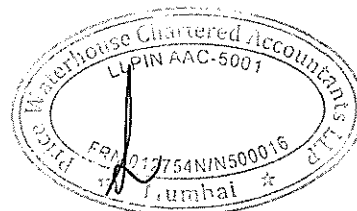
The Company pays provident fund and employee pension scheme contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

##### (ii) Superannuation fund

The Company contributes on a defined contribution basis towards superannuation post-employment benefits to Insurers administered superannuation fund and has no further obligation beyond making its contribution, which is expensed in the year to which it pertains.

### H) 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.



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

*(All amounts in Rupees (Rs.) crores, unless otherwise stated)*

**I) Earnings per share**

**(i) 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.

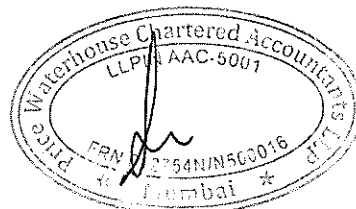
**(ii) Diluted earnings per share**

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.

**J) Cash Flow Statement**

Cash flows are reported using the indirect method set out in Ind AS 7 'Statement of Cash Flows', whereby net loss/profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and items of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.



Welspun Tradings Limited

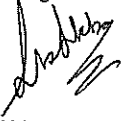
Notes forming part of the financial statements as at and for the year ended March 31, 2024

(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

44 The figures for the previous year have been regrouped wherever necessary.

As per our attached report of even date

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No: 012754N / N500016

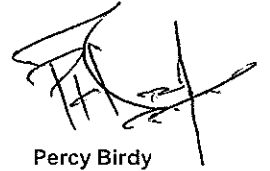


Ali Akbar  
Partner  
Membership No. 117839

For and on behalf of the Board



Rupak Ghosh  
Director  
DIN: 09603929



Percy Birdy  
Director  
DIN: 07634795

Place: Mumbai  
Date: April 25, 2024

Place: Mumbai  
Date: April 25, 2024