

## Independent Auditor's Report

### To the Members of Welspun Tradings Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Welspun Tradings Limited (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 31 March 2025, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are 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 state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-6181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

## Independent Auditor's Report (Continued)

### Welspun Tradings Limited

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Other Matter

- a. The financial statements of the Company for the year ended 31 March 2024 were audited by the predecessor auditor who had expressed an unmodified opinion on 25 April 2024.

#### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement



**Independent Auditor's Report (Continued)**

**Welspun Tradings Limited**

on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. 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 matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- 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 Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 1 April 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- 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 B".

B. 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:

- a. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its financial statements - Refer Note 28 to the financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the 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 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.
- (ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the 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 directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the



**Independent Auditor's Report (Continued)**

**Welspun Tradings Limited**

circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

- e. The Company has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used an accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software:
- a) The feature of recording audit trail (edit log) facility was not enabled at the application level for certain fields and changes performed by users having privileged access for the accounting software.
- b) The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software.

Further, where audit trail (edit log) facility was enabled, we did not come across any instance of audit trail feature being tampered with.

Additionally, where audit trail (edit log) facility was enabled and operated in the previous year, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.: 101248W/W-100022



**Akash Khona**

*Partner*

Place: Mumbai

Date: 22 April 2025

Membership No.: 148044

ICAI UDIN: 25148044BMUPCZ4110



**Annexure A to the Independent Auditor's Report on the Financial Statements of Welspun Tradings Limited for the year ended 31 March 2025**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, all property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancy was noticed on such verification.
- (c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (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, 2025.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies, in respect of which the requisite information is as below. The Company has not made any investments in firms, limited liability partnership or any other parties.
- (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year are, prima facie, not prejudicial to the interest of the Company. However, the Company has not provided guarantees, security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company



**Annexure A to the Independent Auditor's Report on the Financial Statements of Welspun Tradings Limited for the year ended 31 March 2025 (Continued)**

- (c) According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Services Tax, Provident Fund, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities. Also, refer Note 28 to the financial statements regarding management's assessment on certain matters related to Provident fund. The Company does not have liability in respect of Employee's State Insurance.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Income Tax and Service Tax which have not been deposited on account of any dispute are as follows:



**Annexure A to the Independent Auditor's Report on the Financial Statements of Welspun Tradings Limited for the year ended 31 March 2025 (Continued)**

Name of the statute	Nature of the dues	Amount # (Rs. In crores)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Tax Deducted at Source	1.66	AY 2014-15	CIT (A)	—
The Service Tax under Finance Act, 1994	Service Tax	0.02	FY 2014-15	Assistant Commissioner Central GST	—

# above amounts are net of payments made under protest

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.
- (f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(f) is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule



(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are 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, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has three CICs as part of the Group

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

(b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project.





B S R & Co. LLP

**Annexure A to the Independent Auditor's Report on the Financial Statements  
of Welspun Tradings Limited for the year ended 31 March 2025 (Continued)**

Accordingly, clause 3(xx)(b) of the Order is not applicable.

For B S R & Co. LLP

*Chartered Accountants*

Firm's Registration No.:101248WW-100022



**Akash Khona**

*Partner*

Place: Mumbai

Date: 22 April 2025

Membership No.: 148044

ICAI UDIN:25148044BMUPCZ4110

**Annexure B to the Independent Auditor's Report on the financial statements of Welspun Tradings Limited for the year ended 31 March 2025**

**Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Opinion**

We have audited the internal financial controls with reference to financial statements of Welspun Tradings Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

**Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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**

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, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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.

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 with reference to financial statements.

**Meaning of Internal Financial Controls with Reference to Financial Statements**

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



**Annexure B to the Independent Auditor's Report on the financial statements of Welspun Tradings Limited for the year ended 31 March 2025 (Continued)**

statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248WW-100022



**Akash Khona**  
*Partner*

Place: Mumbai

Date: 22 April 2025

Membership No.: 148044

ICAI UDIN:25148044BMUPCZ4110

**Welspun Tradings Limited**  
**Financial statements - March 31, 2025**

**Financial statements**

- Balance sheet as at March 31, 2025
- Statement of profit and loss for the year ended March 31, 2025
- Statement of changes in equity for the year ended March 31, 2025
- Statement of cash flows for the year ended March 31, 2025
- Notes comprising material accounting policies and other explanatory information





Welspun Tradings Limited  
Balance sheet  
As at 31 March 2025  
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Notes	As at March 31, 2025	As at March 31, 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	0.02	0.02
Intangible assets	4	-	-
<b>Financial assets</b>			
Other financial assets	6(a)	0.01	0.01
Deferred tax assets (net)	13	0.42	0.11
Income tax assets (net)	16	0.19	0.06
Other non-current assets	7(a)	0.60	0.74
<b>Total non-current assets</b>		<b>1.33</b>	<b>0.94</b>
<b>Current assets</b>			
Investments	5	3.31	3.07
Trade receivables	8	127.33	92.04
Cash and cash equivalents	9	6.14	40.13
Bank balances other than cash and cash equivalents	10	0.09	0.09
Other financial assets	6(b)	-	0.59
Other current assets	7(b)	0.14	39.12
<b>Total current assets</b>		<b>137.01</b>	<b>175.04</b>
<b>Total assets</b>		<b>138.34</b>	<b>175.98</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	11(a)	5.01	5.01
Other equity			
Reserves and surplus	11(b)	110.54	103.02
Other reserves	11(c)	-	(0.19)
<b>Total equity</b>		<b>115.55</b>	<b>107.84</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provisions	12(a)	-	0.02
<b>Total non-current liabilities</b>		<b>-</b>	<b>0.02</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Trade payables			
- total outstanding dues of micro and small enterprises	15	3.67	2.34
- total outstanding dues other than above	15	17.11	1.01
Other current liabilities	14	1.06	64.00
Provisions	12(b)	0.39	0.32
Current tax liabilities (net)	16	0.56	0.45
<b>Total current liabilities</b>		<b>22.79</b>	<b>68.12</b>
<b>Total liabilities</b>		<b>22.79</b>	<b>68.14</b>
<b>Total equity and liabilities</b>		<b>138.34</b>	<b>175.98</b>

Material accounting policies

The accompanying notes are an integral part of these financial statements

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

As per our report of even date attached  
For B S R & Co. LLP  
Chartered Accountants  
Firm Registration No: 101246WW/100022

Akash Khona  
Partner  
Membership No: 148044  
Place: Mumbai  
Date: April 22, 2025

For and on behalf of the Board  
Welspun Tradings Limited  
CIN: U72200GJ2001PLC039513

Godfrey John  
Director  
DIN: 03882725  
Place: Mumbai  
Date: April 22, 2025

Parey Birdy  
Director  
DIN: 07634795  
Place: Mumbai  
Date: April 22, 2025



Welspun Tradings Limited  
Statement of profit and loss  
For the year ended 31 March 2025  
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Notes	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations	17	456.55	225.09
Other income	18	0.29	1.47
<b>Total income</b>		<b>456.84</b>	<b>226.56</b>
<b>Expenses</b>			
Purchases of stock-in-trade	19	432.22	214.64
Employee benefit expense	20	1.19	1.19
Finance costs	23	0.55	0.55
Depreciation and amortisation expense	21	-	-
Other expenses	22	12.65	6.66
<b>Total expenses</b>		<b>446.61</b>	<b>223.24</b>
<b>Profit before tax</b>		<b>10.23</b>	<b>3.32</b>
<b>Income tax expense</b>			
Current tax	24	3.00	1.10
Deferred tax	25	(0.31)	(0.14)
<b>Total income tax expense</b>		<b>2.69</b>	<b>0.96</b>
<b>Profit for the year (A)</b>		<b>7.54</b>	<b>2.36</b>
<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	(0.25)
Income tax relating to this item		(0.06)	0.06
		<b>0.19</b>	<b>(0.19)</b>
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of post employment benefit obligations	26	(0.02)	(0.01)
Income tax relating to this item		-	-
		<b>(0.02)</b>	<b>(0.01)</b>
<b>Other comprehensive income for the year, net of tax (B)</b>		<b>0.17</b>	<b>(0.20)</b>
<b>Total comprehensive income for the year (A+B)</b>		<b>7.71</b>	<b>2.16</b>
<b>Earnings per equity share</b>	41		
Basic earnings per share (in Rupees)		15.04	4.71
Diluted earnings per share (in Rupees)		15.04	4.71

The above statement of profit and loss should be read in conjunction with the accompanying notes.  
\* Amount is below the rounding off norms adopted by the Company

As per our report of even date attached  
For B S R & Co. LLP  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

Akash Khona  
Partner  
Membership No. 148044  
Place: Mumbai  
Date: April 22, 2025

For and on behalf of the Board  
Welspun Tradings Limited  
CIN: U72200GJ2001PLC039513

Godfrey John  
Director  
DIN: 03682726  
Place: Mumbai  
Date: April 22, 2025

Percy Birdy  
Director  
DIN: 07634795  
Place: Mumbai  
Date: April 22, 2025



**Welspun Tradings Limited**  
**Statement of changes in equity**  
**For the year ended 31 March 2025**  
*(All amounts in Rupees (Rs.) Crore, unless otherwise stated)*

**A. Equity share capital**

Particulars	Notes	Amount
Balance as at April 01, 2023		5.01
Changes in equity share capital during the year	11(a)	-
Balance as at March 31, 2024		5.01
Changes in equity share capital during the year	11(a)	-
Balance as at March 31, 2025		5.01

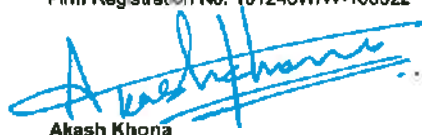
**B. Other equity [refer note 11(b) and (c)]**

	Reserves and surplus	Other reserves	Share application money pending allotment	Total other equity
	Retained earnings	Cash flow hedging reserve		
Balance as at April 01, 2023	100.67	-	-	100.67
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>-</b>	<b>2.16</b>
Movement in general reserve	-	-	-	-
Movement in debenture redemption reserve	-	-	-	-
Hedging loss transferred to inventory	-	-	-	-
<b>Transactions with owners in their capacity as owners:</b>				
Share application money pending allotment	-	-	-	-
Employee share-based expense	-	-	-	-
Employee share-based options lapsed	-	-	-	-
Options exercised	-	-	-	-
Dividends paid	-	-	-	-
Balance as at March 31, 2024	103.02	(0.19)	-	102.83
Profit for the year	7.54	-	-	7.54
Other comprehensive income (net of taxes)	(0.02)	0.19	-	0.17
<b>Total comprehensive income for the year</b>	<b>7.52</b>	<b>0.19</b>	<b>-</b>	<b>7.71</b>
Balance as at March 31, 2025	110.54	-	-	110.54

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.

As per our report of even date attached  
**For B S R & Co. LLP**  
*Chartered Accountants*  
Firm Registration No: 101248W/W-100022



**Akash Khona**  
Partner  
Membership No. 148044  
Place: Mumbai  
Date: April 22, 2025

For and on behalf of the Board  
**Welspun Tradings Limited**  
CIN : U72200GJ2001PLC039513



**Godfrey John**  
Director  
DIN: 03682725  
Place: Mumbai  
Date: April 22, 2025



**Percy Birdy**  
Director  
DIN: 07634795  
Place: Mumbai  
Date: April 22, 2025



Welspun Tradings Limited  
Statement of cash flows  
For the year ended 31 March 2025  
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
<b>A) Cash flow (used in)/ from operating activities</b>		
Profit before tax	10.23	3.32
Adjustments for:		
Net gain on sale/redemption of current investments	(0.04)	(1.38)
Fair Value on early redemption of non-current investments		
Fair valuation gain on investments (net)	(0.24)	(0.06)
Interest income on fixed deposit	(0.01)	(0.01)
Interest expenses	0.57	0.55
Liabilities/ provisions no longer required written back	(0.02)	(0.09)
Loss allowance	1.73	0.05
	<u>1.99</u>	<u>(0.94)</u>
<b>Operating profit before changes in operating assets and liabilities</b>	<b>12.22</b>	<b>2.38</b>
Changes in operating assets and liabilities (bracket figures represents increase in asset and decrease in liabilities)		
Decrease in other non-current assets	0.05	0.22
Increase in trade receivables	(37.02)	(92.09)
Decrease in other current financial assets	-	(0.84)
Decrease in other current assets	38.98	21.73
Increase in trade payables	17.46	2.53
(Decrease) / Increase in other current liabilities	(62.53)	63.93
Increase in current provisions	0.03	0.24
Increase / (Decrease) in other non-current provisions	0.59	(0.20)
<b>Total changes in operating assets and liabilities</b>	<b>(42.84)</b>	<b>(4.48)</b>
<b>Cash flow from operations</b>	<b>(30.62)</b>	<b>(2.10)</b>
Income taxes paid (net of refund received)	(3.10)	(0.59)
<b>Net cash used in operating activities (A)</b>	<b>(33.72)</b>	<b>(2.69)</b>
<b>B) Cash flow (used in)/ from investing activities</b>		
Purchase of current investments	-	(47.03)
Proceeds from sale/redemption of current investments	0.04	71.54
(Investments in)/ Proceeds from maturity of fixed deposit (net)	(0.01)	0.02
Interest received on deposits with banks and commission received	0.01	0.01
<b>Net cash from investing activities (B)</b>	<b>0.04</b>	<b>24.54</b>



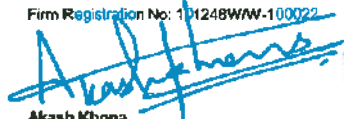


Welspun Tradings Limited  
Statement of cash flows  
For the year ended 31 March 2025  
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
<b>C) Cash flow from/ (used in) financing activities</b>		
Interest paid	(0.49)	(0.53)
<b>Net cash used in financing activities (C)</b>	<b>(0.49)</b>	<b>(0.53)</b>
<b>Other Non cash movements</b>		
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(34.17)</b>	<b>21.32</b>
Cash and cash equivalents at the beginning of the year	40.13	18.81
<b>Cash and cash equivalents at the end of the year (refer note 9)</b>	<b>6.14</b>	<b>40.13</b>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement</b>		
Cash and cash equivalents as per above comprise of the following:		
	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- In current accounts	6.14	40.13
<b>Balance per statement of cash flows</b>	<b>6.14</b>	<b>40.13</b>

The above statement of cash flows should be read in conjunction with the accompanying notes.  
\* Amount is below the rounding off norms adopted by the Company

As per our report of even date attached  
For B S R & Co. LLP  
Chartered Accountants  
Firm Registration No: 101248WAW-100022



Akash Khona  
Partner  
Membership No. 148044  
Place: Mumbai  
Date: April 22, 2025

For and on behalf of the Board  
Welspun Tradings Limited  
CIN : U72200GJ2001PLC039513



Godfrey John  
Director  
DIN: 03682725  
Place: Mumbai  
Date: April 22, 2025



Percy Birdy  
Director  
DIN: 07834795  
Place: Mumbai  
Date: April 22, 2025



**Notes forming part of the financial statements as at and for the year ended March 31, 2025**  
(All amounts in Rupees (Rs.) crores, unless otherwise stated)

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.

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.

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.

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.

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

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.

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS- 117 Insurance Contracts and amendments to Ind AS 116- Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024.



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2025**

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

The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

**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.

**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.



**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2025**

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

**(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, 2025**

*(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, 2025**

*(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, 2025**

*(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, 2025**

*(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, 2025***(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.



**Welspun Tradings Limited**
**Notes forming part of the financial statements as at and for the year ended March 31, 2025**
*(All amounts in Rupees (Rs.) Crore, unless otherwise stated)*
**3. Property, plant and equipment (PPE)**

Carrying amounts	Office and other equipments	Computers	Vehicles	Furniture and fixtures	Total
<b>Year ended March 31, 2024</b>					
Gross carrying amount					
Balance as at April 01, 2023	0.01	- *	0.24	0.01	0.26
Additions	-	-	-	-	- *
Disposals	-	-	-	-	-
Gross carrying amount as at March 31, 2024	0.01	- *	0.24	0.01	0.26
<b>Year ended March 31, 2025</b>					
Gross carrying amount					
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Gross carrying amount as at March 31, 2025	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, 2024</b>					
Balance as at April 01, 2023	0.01	- *	0.22	0.01	0.24
Depreciation charge during the year	- *	- *	- *	- *	- *
Disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2024	0.01	- *	0.22	0.01	0.24
<b>Year ended March 31, 2025</b>					
Depreciation charge during the year	- *	- *	- *	- *	- *
Disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2025	0.01	- *	0.22	0.01	0.24

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

As at March 31, 2024	- *	- *	0.02	-	0.02
As at March 31, 2025	- *	- *	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, 2025  
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

**4 Intangible assets**

Carrying amounts	Intangible assets (Software)
<b>Year ended March 31, 2024</b>	
Gross carrying amount	
Balance as at April 01, 2023	- *
Additions	-
Disposals	-
<b>Gross carrying amount as at March 31, 2024</b>	- *
<b>Year ended March 31, 2025</b>	
Gross carrying amount	
Additions	-
Disposals	-
<b>Gross carrying amount as at March 31, 2025</b>	- *
<b>Accumulated amortisation</b>	<b>Intangible assets (Software)</b>
<b>Year ended March 31, 2024</b>	
Balance as at April 01, 2023	- *
Amortisation charge during the year	-
Disposals	-
<b>Accumulated amortisation as at March 31, 2024</b>	- *
<b>Year ended March 31, 2025</b>	
Amortisation charge during the year	- *
Disposals	-
<b>Accumulated amortisation as at March 31, 2025</b>	- *
<b>Net carrying amount of Intangible assets</b>	
As at March 31, 2024	- *
As at March 31, 2025	- *

\* 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, 2025***(All amounts in Rupees (Rs.) Crore, unless otherwise stated)***5 Current investments**

	<b>As at</b>	<b>As at</b>
	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Mutual funds	3.31	3.07
<b>Total current investments</b>	<b>3.31</b>	<b>3.07</b>

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

	<b>As at March 31, 2025</b>		<b>As at March 31, 2024</b>	
	<b>Units</b>	<b>Amount</b>	<b>Units</b>	<b>Amount</b>
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	3.31	89,967	3.07
<b>Total investments in mutual funds</b>	<b>89,967</b>	<b>3.31</b>	<b>89,967</b>	<b>3.07</b>

Aggregate amount of unquoted investments (At net asset value)

3.31

3.07

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, 2025  
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024
<b>6 Other financial assets</b>		
6(a) Non-current		
Unsecured, considered good		
Security deposits		
- Related parties (refer note 32)	0.01	0.01
- Others		
<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		
6(b) Current		
Derivatives designated as hedges		0.59
Forward contracts		0.59
<b>Total current other financial assets</b>	<b>-</b>	<b>0.59</b>
<b>Total other financial assets</b>	<b>0.01</b>	<b>0.60</b>
	As at March 31, 2025	As at March 31, 2024
<b>7 Other assets</b>		
7(a) Non-current		
Balance with statutory authorities	0.45	0.41
Prepaid expenses	0.13	0.22
Others*	0.11	0.11
<b>Total other non-current assets</b>	<b>0.69</b>	<b>0.74</b>
* Represents amount recoverable from employees towards employees' contribution for provident fund (refer note 28)		
	As at March 31, 2025	As at March 31, 2024
7(b) Current		
Advance to suppliers		38.50
- Related parties (refer note 32)	0.01	0.04
- Others		
Prepaid expenses	0.13	0.52
<b>Total other current assets</b>	<b>0.14</b>	<b>39.12</b>
<b>Total other assets</b>	<b>0.83</b>	<b>39.86</b>
	As at March 31, 2025	As at March 31, 2024
<b>8 Trade receivables</b>		
Trade receivables from contract with customers - Other than related party	129.08	92.09
Less: Loss allowance	(1.73)	(0.05)
<b>Total receivables</b>	<b>127.35</b>	<b>92.04</b>
Break up of security details		
Unsecured, considered good	129.08	92.09
Total	129.08	92.09
Less: Loss allowance	(1.73)	(0.05)
<b>Total trade receivables</b>	<b>127.35</b>	<b>92.04</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, 2025	As at March 31, 2024
Opening balance	(0.05)	-
Changes in loss allowance	(1.08)	(0.05)
Closing balance	(1.73)	(0.05)

**Ageing for trade receivables as at March 31, 2025 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	
Undisputed trade receivables								
(i) considered good	-	100.62	28.44	-	-	-	-	129.06
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-	-
Gross Total	-	100.62	28.44	-	-	-	-	129.06
Expected loss rate (except on related parties)		1.0%	2.8%	15%	100.00%	100.00%	100%	
Less: Loss allowance		(1.00)	(0.73)	-	-	-	-	(1.73)
Total Trade receivables		99.62	27.71	-	-	-	-	127.33

**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	
Undisputed trade receivables								
(i) considered good	-	71.90	20.19	-	-	-	-	92.09
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-	-
Gross Total	-	71.90	20.19	-	-	-	-	92.09
Expected loss rate (except on related parties)		0.01%	0.21%	0.34%	50.00%	50.00%	100%	
Less: Loss allowance		(0.01)	(0.04)	-	-	-	-	(0.05)
Total Trade receivables		71.89	20.15	-	-	-	-	92.04

**Note:**

(i) There are no trade receivables which have significant increase in credit risk or credit impaired

**9. Cash and cash equivalents**

Balances with banks  
- in current accounts

Total cash and cash equivalents

As at March 31, 2025	As at March 31, 2024
6.14	40.13
<b>6.14</b>	<b>40.13</b>

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

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

Total bank balances other than cash and cash equivalents

0.09	0.09
<b>0.09</b>	<b>0.09</b>

Note: Fixed deposits of Rs. 0.09 (March 31, 2024: Rs. 0.09) represents earmarked balances with banks.



**Welspun Tradings Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2025

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

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

As at April 01, 2023

Increase/ (decrease) during the year

As at March 31, 2024

Increase/ (decrease) during the year

As at March 31, 2025

Number of Shares	Par value	Amount
50,50,000	10.00	5.05
-	-	-
50,50,000	10.00	5.05
-	-	-
50,50,000	10.00	5.05

**i) Movement in equity shares capital****Issued, subscribed and paid up capital**

As at April 01, 2023

Increase/ (decrease) during the year

As at March 31, 2024

Increase/ (decrease) during the year

As at March 31, 2025

Number of shares	Amount
50,13,402	5.01
-	-
50,13,402	5.01
-	-
50,13,402	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, 2025

No. of shares	% holding
---------------	-----------

**Equity shares held by**

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

50,13,402 100%

As at March 31, 2024

No. of shares	% holding
---------------	-----------

**Equity shares held by**

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

50,13,402 100%

**Details of shareholding of promoters**

Name of the promoter	Year ended March 31, 2025			Year ended March 31, 2024		
	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	50,13,402	100.00%	-	50,13,402	100.00%	-
Total	50,13,402	100.00%		50,13,402	100.00%	



**Welspun Tradings Limited**  
**Notes forming part of the financial statements as at and for the year ended March 31, 2025**  
*(All amounts in Rupees (Rs.) Crore, unless otherwise stated)*

	As at March 31, 2025	As at March 31, 2024
<b>11(b) Reserves and surplus</b>		
Retained earnings	110.54	103.02
<b>Total reserves and surplus</b>	<b>110.54</b>	<b>103.02</b>
	As at March 31, 2025	As at March 31, 2024
Retained earnings		
Opening balance	103.02	100.67
Profit for the year	7.54	2.36
- Remeasurements of post employment benefit obligations, net of tax	(0.02)	(0.01)
<b>Closing balance</b>	<b>110.54</b>	<b>103.02</b>
	As at March 31, 2025	As at March 31, 2024
<b>11(c) Other reserves</b>		
Cash flow hedging reserve	-	(0.19)
<b>Total other reserves</b>	<b>-</b>	<b>(0.19)</b>
Cash flow hedging reserve		
Opening balance	(0.19)	-
Loss/ (Gain) transferred to statement of profit and loss	0.26	(0.26)
Income tax on amount recognised in cash flow hedging reserve (net)	(0.00)	0.06
<b>Closing balance</b>	<b>-</b>	<b>(0.19)</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.



**Welaprun Tradings Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2025  
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024
<b>12 Provisions</b>		
12(a) Non-current		
Employee benefit obligations		
Gratuity (refer note 26)	-	0.02
<b>Total non-current provisions</b>	-	<b>0.02</b>
12(b) Current		
Employee benefit obligations		
Gratuity (refer note 26)	0.07	0.01
Leave obligations (refer note 26)	0.10	0.09
<b>Other provisions</b>		
Provision for litigation / disputes (refer note 27)	0.22	0.22
<b>Total current provisions</b>	<b>0.39</b>	<b>0.32</b>
<b>Total provisions</b>	<b>0.39</b>	<b>0.34</b>
<b>13 Deferred tax assets / liabilities (net) (refer note 29)</b>		
The balance comprises of temporary differences attributable to:		
Deferred tax liabilities		
Fair valuation of investments (net)	0.06	0.01
<b>Set-off of deferred tax assets pursuant to set-off provisions</b>	<b>0.06</b>	<b>0.01</b>
Deferred tax assets		
Employee benefit obligations	0.04	0.03
Property, plant and equipment	0.01	0.01
Cash flow hedging reserve	-	0.06
Loss allowance	0.43	0.01
Others	-	0.01
<b>Total deferred tax assets / (liabilities) (net)</b>	<b>0.42</b>	<b>0.11</b>
<b>14 Other current liabilities</b>		
Contract Liabilities (refer note below)	-	63.30
Statutory dues payable	1.06	0.64
Employee dues payable	0.01	0.06
<b>Total other current liabilities</b>	<b>1.06</b>	<b>64.00</b>

**Note:**

The Contract Liabilities primarily relates to the advance consideration received from customers for supply of pipes, for which revenue is recognised over time. This will be recognised as revenue when the pipes are supplied, which is expected to occur in the next year.  
The amount of Rs. NIL, included in current liabilities at March 31, 2025 has been recognised as revenue during the year ended March 31, 2025 (March 31, 2024: Rs. 63.30)

	As at March 31, 2025	As at March 31, 2024
<b>15 Trade payables</b>		
Current		
Trade payables: dues of micro and small enterprises (refer note 33)	3.67	2.34
Trade payables other than above:		
Trade payable to related parties (refer note 32)	15.05	0.02
Trade payables others	2.05	0.99
	17.11	1.01
<b>Total trade payables</b>	<b>20.78</b>	<b>3.35</b>



Welspun Tradings Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2025  
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

Ageing for trade payable as at March 31, 2025 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	
Undisputed Trade Payables							
(i) Micro enterprise and small enterprises	-	-	3.67	-	-	-	3.67
(ii) Others	1.47	-	15.64	-	-	-	17.11
<b>Total</b>	<b>1.47</b>	<b>-</b>	<b>19.31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20.78</b>

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	
Undisputed Trade Payables							
(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>

Notes:-

i There are no disputed trade payables as at March 31, 2025 and March 31, 2024

ii Unbilled trade payables include accruals which are not classified as provisions under Ind AS 37

16 Income tax assets / (Current tax liabilities)

Opening balance  
Less: Current tax expense  
Less: Interest on Income tax  
Add: Taxes paid net of refunds (including tax deducted at source)

Closing balance

Income tax assets (net off provision for tax Rs. 4.08 (March 31, 2024: Rs. 4.08))

Current tax liabilities (net off advance tax/ tax deducted at source Rs. 0.02 (March 31, 2024: Rs. 0.02))

As at March 31, 2025	As at March 31, 2024
(0.39)	0.14
(3.00)	(1.10)
(0.08)	(0.02)
3.10	0.50
<b>(0.37)</b>	<b>(0.38)</b>
0.19	0.06
<b>0.50</b>	<b>0.45</b>



**Welapun Tradings Limited**  
**Notes forming part of the financial statements as at and for the year ended March 31, 2025**  
*(All amounts in Rupees (Rs.) Crore, unless otherwise stated)*

	Year ended Mar 31, 2025	Year ended March 31, 2024
<b>17 Revenue from operations</b>		
(a) Sale of products		
Finished goods	455.53	226.00
Total sale of products	455.53	226.00
	Year ended Mar 31, 2025	Year ended March 31, 2024
(b) Other operating income		
Government grants		
Export benefits	1.01	-
Liabilities/ Provision no longer required written back	0.01	0.09
Total other operating income	1.02	0.09
<b>Total revenue from operations</b>	<b>456.55</b>	<b>226.09</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. 455.53 for the year ended March 31, 2025 (March 31, 2024: Rs. 226.09)		
Reconciliation of revenue recognised with contract price:		
Contract price	456.55	226.09
<b>Total revenue from operations</b>	<b>456.55</b>	<b>226.09</b>
	Year ended Mar 31, 2025	Year ended March 31, 2024
<b>18 Other income</b>		
Interest income		
Fixed deposits	0.01	0.01
Net gain on sale/redemption of		
Current investments	0.04	1.38
Other non-operating income		
Net exchange differences	-	0.02
Fair valuation gain on investment (net)	0.24	0.06
Miscellaneous income	-	-
<b>Total other income</b>	<b>0.29</b>	<b>1.47</b>
* Amount is below the rounding off norms adopted by the Company		
	Year ended Mar 31, 2025	Year ended March 31, 2024
<b>19 Purchases of stock-in-trade</b>		
Purchases of stock-in-trade (refer note 32)	432.22	214.64
<b>Total purchases of stock-in-trade</b>	<b>432.22</b>	<b>214.64</b>

*(Signature)*





**Walspun Tradings Limited**  
**Notes forming part of the financial statements as at and for the year ended March 31, 2025**  
*(All amounts in Rupees (Rs.) Crores unless otherwise stated)*

**20 Employee benefit expense**

Salaries, wages and bonus  
Contribution to provident and other funds (refer note below)  
Gratuity expense (refer note 26)  
Staff welfare expenses

**Total employee benefit expense**

**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  
Employer's Contribution to Employees Pension Scheme  
Employer's Contribution to Superannuation fund

**Total expenses recognised in the statement of profit and loss**

Year ended Mar 31, 2025	Year ended March 31, 2024
1.03	1.04
0.12	0.11
0.03	0.02
0.01	0.02
<b>1.19</b>	<b>1.19</b>

0.05	0.06
0.03	0.03
0.04	0.02
<b>0.12</b>	<b>0.11</b>

**21 Depreciation and amortisation expense**

Depreciation of property, plant and equipment (refer note 3)  
Amortisation of intangible assets (refer note 4)

**Total depreciation and amortisation expense**

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

Year ended Mar 31, 2025	Year ended March 31, 2024
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-	-
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**22 Other expenses**

Power, fuel and water charges  
Freight, material handling and transportation  
Rental charges  
Rates and taxes  
Travel and conveyance expenses  
Communication expenses  
Legal and professional fees  
Insurance  
Directors' sitting fees (refer note 32)  
Printing and stationery  
Membership and fees  
Net exchange differences  
Payment to auditors (refer note (i) below)  
Commission on sales to agents  
Loss Allowance  
Expenditure towards corporate social responsibility (refer notes (ii) below and 32)  
Miscellaneous expenses  
**Total other expenses**

Year ended Mar 31, 2025	Year ended March 31, 2024
----------------------------	------------------------------

8.11	5.44
0.09	0.09
0.04	-
0.04	0.08
-	-
0.64	0.35
0.18	0.08
0.01	-
-	-
0.01	0.01
0.48	-
0.13	0.13
0.60	-
1.88	0.05
0.16	0.16
0.58	0.44
<b>12.88</b>	<b>6.89</b>

**Note:**

**i) Details of payments to auditors**

**Payment to auditors**

**As auditor:**

**Audit fee**

**Tax audit fee**

**In other capacities**

**Re-imbursement of expenses**

**Total payment to auditors**

Year ended Mar 31, 2025	Year ended March 31, 2024
----------------------------	------------------------------

0.10	0.10
0.03	0.03
-	-
<b>0.13</b>	<b>0.13</b>



Welspun Trading Limited  
Notes forming part of the financial statements as at and for the year ended March 31, 2025  
(All amounts in Rupees (Rs) Crore, unless otherwise stated)

	Year ended Mar 31, 2025	Year ended March 31, 2024
20 Corporate social responsibility expenditure		
Contribution to Welspun Foundation for Health & Knowledge	0.16	0.16
Total corporate social responsibility expenditure	0.16	0.16
Amount required to be spent as per Section 135 of the Companies Act, 2013	0.16	0.16
Amount spent during the year on:		
On purposes other than construction/ acquisition of an asset	0.16	0.16
* Amount is below the rounding off norms adopted by the Company		
23 Finance costs		
Interest on financial liabilities not at fair value through profit and loss		
Interest on acceptances and charges on letter of credit	0.47	0.52
Interest on income tax	0.06	0.02
Other finance cost	-	0.01
Total finance cost	0.53	0.55
24 Income tax expense		
Current tax		
Current tax for the year	3.00	1.00
Current tax for earlier year	-	0.10
Total Current tax	3.00	1.10
25 Deferred tax (refer note 20)		
Decrease / (Increase) in deferred tax assets	(0.46)	(0.08)
Increase / (Decrease) in deferred tax liabilities	0.06	(0.12)
Total deferred tax expense/ (benefit)	(0.42)	(0.20)
* Amount is below the rounding off norms adopted by the Company		
(i) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Profit before tax	10.23	3.32
Tax rate	25.17%	25.17%
Tax at normal rate	2.58	0.84
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income		
(Income) / expenses on which no deferred tax was required to be recognised	-	0.05
Adjustments for current tax of prior years	-	0.10
Others	-	(0.09)
Total income tax expense	2.58	0.90



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## 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.

### 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, 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>
	<b>Present value of obligation</b>	<b>Fair value of plan assets</b>	<b>Net amount</b>
<b>April 01, 2024</b>	<b>0.20</b>	<b>(0.17)</b>	<b>0.03</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>-</b>	<b>0.03</b>
<b>Remeasurements</b>			
Experience gains	0.02	(0.01)	0.01
<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, 2025</b>	<b>0.25</b>	<b>(0.18)</b>	<b>0.07</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, 2025	As at March 31, 2024
Present value of funded obligations	0.25	0.20
Fair value of plan assets	(0.18)	(0.17)
Deficit of funded plan	0.07	0.03
Non-current (refer note 12(a))	-	0.02
Current (refer note 12(b))	0.07	0.01

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

	As at March 31, 2025	As at March 31, 2024
Discount rate	7.05%	7.28%
Salary growth rate	6.00%	6.00%



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**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, 2025	As at March 31, 2024		As at March 31, 2025	As at March 31, 2024		As at March 31, 2025	As at March 31, 2024
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 Kotak Group Gratuity Fund and India First Employee Benefits Plan. 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 0.07 (March 31, 2024: INR 0.03).

The weighted average duration of the defined benefit obligation is 12 years (March 31, 2024 - 12 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, 2025					
Defined benefit obligations- Gratuity	0.01	0.01	0.05	0.20	0.28
March 31, 2024					
Defined benefit obligations- Gratuity	0.02	0.02	0.05	0.14	0.23

**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, 2025 are set out below:

Particulars	As at March 31, 2025	
	Provident Fund (Refer note 28)	Total
Opening balance as at April 01, 2024	0.22	0.22
Provided during the year	-	-
Provision reversed during the year	-	-
Closing balance as at March 31, 2025	0.22	0.22

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

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, 2024: 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.



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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, 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
	-	-	-	-	0.06	-	-	0.06	0.06
As at March 31, 2024	0.01	0.01	0.03	0.01	0.06	0.01	0.01	0.12	0.11
Recognised in the statement of profit and loss other comprehensive income	0.05	0.05	0.01	-	-	0.42	(0.01)	0.42	0.37
	-	-	-	-	(0.06)	-	-	(0.06)	(0.06)
As at March 31, 2025	0.06	0.06	0.04	0.01	-	0.43	-	0.48	0.42

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



### 30 Fair value measurements

#### Financial instruments by category

Particulars	As at March 31, 2025			As at March 31, 2024		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments						
Mutual fund	3.31	-	-	3.07	-	-
Trade receivables	-	-	127.33	-	-	92.04
Cash and cash equivalents	-	-	5.14	-	-	40.13
Bank balances other than cash and cash equivalents	-	-	0.09	-	-	0.09
<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>3.31</b>	<b>-</b>	<b>133.57</b>	<b>3.07</b>	<b>0.59</b>	<b>132.27</b>
<b>Financial liabilities</b>						
Trade payables	-	-	20.78	-	-	3.35
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>20.78</b>	<b>-</b>	<b>-</b>	<b>3.35</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, 2025

	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Investments				
Mutual fund	3.31	-	-	3.31
<b>Derivatives designated as hedges</b>				
Forward contracts	-	-	-	-
<b>Total financial assets</b>	<b>3.31</b>	<b>-</b>	<b>-</b>	<b>3.31</b>

#### Assets and liabilities which are measured at amortised cost for which fair value are disclosed as at March 31, 2025

	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, 2024

	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Investments				
Mutual fund	3.07	-	-	3.07
<b>Derivatives not 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>

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.





**Welspun Tradings Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2025**

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

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

	As at March 31, 2025		As at March 31, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
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, 2025	Year ended March 31, 2024
<b>Interest income at amortised cost:</b>		
Fixed deposits	0.01	0.01
Others	-	-



### 31 Financial risk management

The Company's principal financial liabilities represents only trade payables and financial assets represents investments, 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.

Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, investments in debt securities and mutual funds, balances with bank, bank deposits, derivatives and financial guarantees provided by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was 136.88 cr and 135.93 cr, as at March 31, 2025 and March 31, 2024 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments in debt securities, mutual funds, loans, derivative assets and other financial asset.

In respect of financial guarantees provided by the Company to banks/financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

#### (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 and banking facilities, 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, 2025

Contractual maturities of financial liabilities	< 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total	Carrying value
Non-derivatives						
Trade payables	20.78	-	-	-	20.78	20.78
Total non-derivative liabilities	20.78	-	-	-	20.78	20.78

##### As at March 31, 2024

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



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**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 in INR Rupees is as follows:

	As at March 31, 2025		As at March 31, 2024	
	USD	EUR	USD	EUR
<b>Financial assets</b>				
Derivatives designated as hedges				
Forward contracts (Sell foreign currency)	-	-	-	(109.25)
<b>Financial liabilities</b>				
Trade payables	0.34	0.34	0.34	-
<b>Total Net exposure to foreign currency risk</b>	<b>(0.34)</b>	<b>(0.34)</b>	<b>(0.34)</b>	<b>-</b>
<b>Net Derivatives designated as hedges</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(109.25)</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, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
<b>Liabilities</b>				
Trade payables	0.34	0.34	-	0.01
	<b>0.34</b>	<b>0.34</b>	<b>-</b>	<b>0.01</b>
<b>Net unhedged foreign currency exposure</b>	<b>0.34</b>	<b>0.34</b>	<b>-</b>	<b>0.01</b>

**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, 2025	As at March 31, 2024
<b>USD sensitivity</b>		
INR/USD - Increase by 1% (March 31, 2024 - 1%)#	-	-
INR/USD - Decrease by 1% (March 31, 2024 - 1%)#	-	-
<b>EURO sensitivity</b>		
INR/EURO - Increase by 1% (March 31, 2024 - 1%)#	-	(1.09)
INR/EURO - Decrease by 1% (March 31, 2024 - 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, 2025 and March 31, 2024, 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, 2025	As at March 31, 2024
Increase in rate 1% (March 31, 2024 - 0.25%)	0.01	0.01
Decrease in rate 1% (March 31, 2024 - 0.25%)	(0.01)	(0.01)

\* 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, 2025

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 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, 2025

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, 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

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:

- 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
- 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, 2025 and March 31, 2024.



**Welspun Tradings Limited**  
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**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, 2023	-
Changes in fair value of forward contracts	(0.25)
Income tax on amount recognised in hedging reserve	0.08
As at March 31, 2024	(0.19)
(Gain)/Loss transferred to statement of profit and loss	0.25
Income tax on amount recognised in hedging reserve	(0.06)
As at March 31, 2025	-



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32 Related party transactions

a) Entities having significant influence

Name	Type	Effective proportion of ownership interest	
		As at March 31, 2025	As at March 31, 2024
Welspun Group Master Trust (entity has significant influence on Welspun Corp Limited, holding company)	Significant influence	44.79%	44.91%

b) Holding Company:

Name	Place of Incorporation	Effective proportion of ownership interest (%)	
		As at March 31, 2025	As at March 31, 2024
Welspun Corp Limited	India	100.00%	100.00%

c) List of related parties:

Name	Place of Incorporation	Effective proportion of ownership interest	
		As at March 31, 2025	As at March 31, 2024
Subsidiaries			
Nauyasn Tradings Private Limited (from March 12, 2025 to March 20, 2025)	India	-	-

d) Key management personnel

Name	Nature of relationship
Mr. Godfrey John (w.e.f. May 13, 2022)	Director (Non-executive and Non-independent)
Mr. Rupak Ghosh (w.e.f. May 13, 2022)	Director (Non-executive and Non-independent)
Mr. Percy Birdy (w.e.f. May 13, 2019)	Director (Non-executive and Non-independent)
Ms. Amita Mishra (w.e.f. Oct 18, 2024)	Independent, Non-Executive Director

e) 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 Brands Limited
Welspun Transformation Service Limited
Nauyasn Tradings Private Limited
Welspun DI Pipes Limited

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

	Transactions	
	Year ended March 31, 2025	Year ended March 31, 2024
1) Sale of products and services		
Welspun DI Pipes Limited	1.01	-
Total sale of products and services	1.01	-
2) Purchase of stock-in-trade and other expenses incurred		
Welspun Corp Limited	432.22	214.75
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	0.31	0.22
Total purchase of stock-in-trade and other expenses incurred	432.61	215.05
3) Corporate social responsibility expenses		
Welspun Foundation For Health & Knowledge	0.16	0.16
Total of corporate social responsibility expenses	0.16	0.16
4) Reimbursement of expenses (paid)/ recovered		
Welspun Global Brands Limited	-	-
Welspun Corp Limited	0.14	-
Total reimbursement of expenses (paid)/ recovered	0.14	-
5) Security deposit given		
Welspun Living Limited (Formerly known as Welspun India Limited)	-	-
Total loans and deposit given	-	-
6) Equity investments in subsidiary and joint venture		
Nauyasn Tradings Private Limited	0.01	-
Total loans and deposit given	0.01	-
9) Directors' sitting fees		
Mrs. Amita Mishra	0.01	-
Total directors' sitting fees	0.01	-

\* 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





Welspun Tradings Limited  
Notes forming part of the financial statements as at and for the year ended March 31, 2025  
(All amounts in Rupees (Rs.) Crore, unless otherwise stated)

of Disclosure of significant closing balances:

	As at March 31, 2025	As at March 31, 2024
1) Trade payables		
Welspun Transformation Service Limited	-	0.02
Welspun Corp Limited	15.05	-
Total trade payables	15.05	0.02
2) Security deposits given (Other non current financial assets)		
Welspun Living Limited (Formerly known as Welspun India Limited)	-	-
Total security deposits given (Other non current financial assets)	-	-
3) Other current assets (Advance to supplier)		
Welspun Corp Limited	-	38.56
Total current assets, advance	-	38.56

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, 2025	As at March 31, 2024
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	3.67	2.34
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
	3.67	2.34
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	0.03	0.25
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	-	-
Total outstanding dues of micro and small enterprises	3.67	2.34

\* 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, 2025 and March 31, 2024.

##### 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 principal 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, 2025	3	455.53	99.78%
March 31, 2024	2	225.00	99.96%

(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, 2025	Year ended March 31, 2024
Export	173.39	-
Domestic	283.16	225.09
<b>Total</b>	<b>456.55</b>	<b>225.09</b>

(v) The total of non-current assets are located only in India as at March 31, 2025 and March 31, 2024.



**Welspun Tradings Limited****Notes forming part of the financial statements as at and for the year ended March 31, 2025***(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, 2025	As at March 31, 2024
Disputed direct taxes	2.07	2.07
<del>Disputed indirect taxes</del>		
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-imbursements in respect of the above contingent liabilities.

**37 Capital and other commitments**

There are no capital or other commitments as at March 31, 2025 and March 31, 2024.



Welspun Tradings Limited  
Notes forming part of the financial statements as at and for the year ended March 31, 2025  
(All amounts in Rupees of ₹ Crore, unless otherwise stated)

38 Key Financial Ratio with explanations

Sl.no	Ratio	Numerator	Denominator	Year ended March 31, 2025	Year ended March 31, 2024	Variance	Variance in %	Reason for variance
1	Current ratio (times)	Current assets	Current liabilities	8.61	2.57	3.44	134%	Increase in current ratio mainly on account of increase in current assets due to increase trade receivables during current year whereas current liabilities have not proportionately increased
2	Return on equity (%)	Profit for the year	Average shareholders equity	6.76%	2.21%	0.05	205%	Mainly on account of increase in margins during the current year. The Company had export sales during the current year
3	Trade receivables turnover ratio (times)	Revenue from operations	Average trade receivables	4.16	7.45	1.72	78%	Sale were higher in the current year as compare to previous year
4	Trade payable turnover ratio (times)	Purchases and Other expenses	Average trade payables	38.88	101.00	-64.31	-64%	During the current year purchases have increase in this with sales however, trade payables have increased due to higher operations in Q4
5	Net capital turnover ratio (times)	Revenue from operations	Working capital	4.00	2.11	1.90	60%	Sales were higher in the current year impacting Net capital turnover ratio
6	Net Profit ratio (%)	Profit for the year	Revenue from operations	1.63%	1.05%	0.01	57%	Sales were higher in the current year impacting Net profit ratio
7	Return on capital employed (%)	Earnings before interest and tax	Capital employed	9.33%	3.59%	0.06	160%	Sales were higher in the current year impacting return on capital employed
8	Return on investment (%)	Earnings before interest and tax	Total current assets	7.87%	2.20%	0.06	259%	Mainly on account increase in Profit for the current year as compared to last year

Notes

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



**Welspun Tradings Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2025

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

**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) Willful defaulter**

The Company has not been declared willful 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 Property plant and equipment, 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 on behalf of the ultimate beneficiaries



**Weispun Tradings Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2025

(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, 2025	Year ended March 31, 2024
Nominal value of an equity share	10.00	10.00
Profit after tax attributable to the equity holders of the Company	7.54	2.36
<b>Basic earnings/ (loss) per share:</b>		
Weighted average number of equity shares used as denominator for calculating basic EPS	50,13,402	50,13,402
Basic earnings per share (Rs.)	15.04	4.71
<b>Diluted earnings/ (loss) per share:</b>		
Weighted average number of equity shares used as denominator for calculating diluted EPS	50,13,402	50,13,402
Diluted earnings per share (Rs.)	15.04	4.71
<b>Reconciliation of weighted average number of shares outstanding</b>		
Weighted Average number of equity shares used as denominator for calculating basic EPS	50,13,402	50,13,402
Total weighted average potential equity shares	-	-
Weighted average number of equity shares used as denominator for calculating diluted EPS	50,13,402	50,13,402

**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, 2025**

*(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, 2025**

*(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, 2025***(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, 2025**

*(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, 2025**

*(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, 2025**

*(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.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No. 101248WW-100022

**Akash Khona**

*Partner*

Membership No.148044

Place: Mumbai

Date: April 22, 2025

**For and on behalf of the Board of Directors**

**of Welspun Tradings Limited**

CIN: U72200GJ2001PLC039513

**Godfrey John**

*Director*

DIN: 03682725

Place: Mumbai

Date: April 22, 2025

**Percy Birdy**

*Whole time director*

DIN: 07634795

Place: Mumbai

Date: April 22, 2025

