Independent Auditor's Report

To
The Members of
Welspun EDAC JV Private Limited

Report on the audit of financial statements

1. **Opinion**

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at 31 March 2025, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. **Basis for Opinion**

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

3. **Other information**

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

4. **Management's responsibilities for the financial statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Registered office: Peninsula Business Park, Tower B, 19th Floor, Lower Parel, Mumbai - 400013. T +91 22 6124 6124 E mgbco@mgbco.com
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This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 Managements 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

5. **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 financial controls 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 system in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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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.

6. Report on Other Legal and Regulatory Requirements

A. 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 on the matters specified in the paragraph 3 and 4 of the Order.

B. As required by Section 143 (3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The balance sheet, the statement of profit and loss including other comprehensive income, the statement of changes in equity and the statement of cash flow dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year and hence the provisions of the section 197 of the Act are not applicable to the Company; and

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules,2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts having any material foreseeable losses; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025.

iv.

a. The Management has represented that, to the best of its knowledge and belief, as disclosed in note 37(x)(a) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. The Management has represented, that, to the best of its knowledge and belief, as disclosed in note 37(x)(b) to the financial statements, no funds have been received by the company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c. Based on the audit procedure that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that representations under sub clause (i) and (ii) of the Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. No dividend has been declared or paid by the Company during the financial year covered by our audit.

vi. Based on our examination which included test checks, 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. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Also, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

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

Amit Kothari

mgb&co LLP CHARTERED ACCOUNTANTS Firm Regn No. 101169W/W-100035

Amit Kumar Kothari
Partner
Membership Number 222726
Mumbai, 9 May 2025
UDIN: 25222726BMNYCN5391

Annexure - A to the Independent Auditor's Report

Annexure referred to in paragraph 6 (A) under "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of the Company on the financial statements for the year ended 31 March 2025

i. (a) The Company does not have any Property, Plant and Equipment, right-of-use assets and intangible assets and hence clause 3(i)(a) of the Order is not applicable.

(b) The Company does not have any property, plant and equipment and right-of-use assets as at 31 March 2025 and hence reporting under clause 3(i)(b) of the Order is not applicable.

(c) The Company does not have any immovable property and hence clause 3(i)(c) of the Order is not applicable.

(d) The Company does not have any Property, Plant and Equipment (including Right-of-use assets) and intangible assets and hence clause 3(i)(d) of the Order is not applicable.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company as at 31 March 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) The Company does not have any inventory and hence reporting under clause 3(ii)(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 been sanctioned both fund based and non-fund based facilities from banks. As at the reporting date, the Company has not availed any fund based limits and hence it is not required for the Company to submit quarterly statement. Hence, reporting under clause 3(ii)(b) of the Order is not applicable.

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 made any investments, provided guarantee or securities or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year and hence reporting under clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable.

iv. In our opinion, and according to the information and explanations given to us, the Company is engaged in providing infrastructural facilities as specified in schedule VI of the Act and accordingly, the provisions of Section 186, except sub section (1), of the Act are not applicable to the Company. The Company has not made any investments, granted loans, provided guarantees and securities during the year. Hence, reporting under clause 3(iv) of the Order is not applicable.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. According to the information and explanations given to us, the Central Government of India has not prescribed the maintenance of cost records under Section 148(1) of the Act for any of the business activities carried on by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable.

vii. According to the records of the Company, examined by us and information and explanations given to us:

a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and other material statutory dues as applicable have generally been regularly deposited with the appropriate authorities. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2025 for a period of more than six months from the date they became payable.

b) There are no statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2025 on account of any dispute.

viii. According to the records of the Company examined by us, and information and explanations given to us, there were no transactions related to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(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 been declared willful defaulter by any bank or financial institution or government or any government authority or any lender.

(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained term loan during the year and hence, reporting under 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 have been raised on short-term basis by the Company, hence, reporting under clause 3(ix)(d) of the Order is not applicable.

(e) The Company does not have any subsidiary or joint venture or associate and hence reporting under clause 3(ix)(e) of the Order is not applicable.

(f) The Company does not have any subsidiary or joint venture or associate and hence reporting under clause 3(ix)(f) of the Order is not applicable.

x. (a) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) According to the records of the Company examined by us, and information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year and hence reporting under 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, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the Management.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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(c) As represented to us by the management, there were 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 and hence reporting under 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 Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

xiv. (a) During the year, internal audit has been carried out by an independent firm of Chartered accountants. In our opinion and according to the information and explanations given to us, the scope and coverage is commensurate with the size of the Company and the 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 Companies Act, 2013 are not applicable to the Company.

xvi. (a) According to the information and explanations provided to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(a) and (b) of the Order is not applicable.

(b) According to the information and explanations provided to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable.

(c) As represented by Management, the Company has three Core Investment Companies (CIC) within the group of the Company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) which are exempt from registration with Reserve Bank of India. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

xvii. The Company has not incurred cash losses during the year and previous year covered by the audit.

xviii. There has been no resignation of the statutory auditors during the year and hence reporting under 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 realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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.

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xx. According to the information and explanations given to us and as represented by the management, the Company is not required to spend towards Corporate Social responsibility (CSR) and hence clause 3(xx) of the Order is not applicable.

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

Amit Kumar Kothari
Partner
Membership Number 222726
Mumbai, 9 May 2025
UDIN: 25222726BMNYCN5391

Annexure - B to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 6(B)(f) under "Report on Other Legal and Regulatory requirements" of our Report of even date to the members of the Company on the financial statements for the year ended 31 March 2025

We have audited the internal financial controls over financial reporting of **Welspun EDAC JV Private Limited** ("the Company") as at 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on "Audit of Internal Financial Controls over Financial Reporting" (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 system over financial reporting.

Meaning of internal financial controls over financial reporting
A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations 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.

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Inherent limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note by the Institute of Chartered Accountants of India.

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

Amit Kothari

Amit Kumar Kothari
Partner
Membership Number 222726
Mumbai, 9 May 2025
UDIN: 25222726BMNYCN5391

Welspun EDAC JV Private Limited
CIN: U45309DL2022PTC425083

Balance Sheet as at 31 March 2025

(₹ in lakhs)

	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
1. Non-current assets			
(a) Financial assets			
(i) Trade receivables	4	3,386.71	1,141.73
(ii) Non-current financial assets	5	8.33	6.33
(b) Income tax assets (net)	6	251.90	320.09
(c) Other Non-current assets	7	153.81	268.62
Total non-current assets		**3,800.75**	**1,736.77**
2. Current assets			
(a) Contract assets	8	34,051.62	11,064.88
(b) Financial assets			
(i) Trade receivables	9	764.11	2,541.77
(ii) Cash and cash equivalents	10	203.89	133.96
(c) Other current assets	11	5,340.75	2,382.61
Total current assets		**40,360.37**	**16,123.22**
Total assets		**44,161.12**	**17,859.99**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12(a)	1.00	1.00
(b) Other equity	12(b)	7.67	-
Total equity		**8.67**	**1.00**
LIABILITIES			
1. Current liabilities			
(a) Contract liabilities	13	5,845.09	15,084.50
(b) Financial liabilities			
(i) Trade payables	14		
Total outstanding dues of micro and small enterprises		0.59	-
Total outstanding dues of creditors other than micro and small enterprises		37,896.22	2,672.42
(c) Other current liabilities	15	410.55	102.07
Total current liabilities		**44,152.45**	**17,858.99**
Total equity and liabilities		**44,161.12**	**17,859.99**

Notes forming part of the financial statements 1 to 38

As per our report of even date attached.

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

Amit Kothari

mgb&co LLP CHARTERED ACCOUNTANTS Firm Regn. No. 101169W/W-100035

Amit Kumar Kothari
Partner
Membership Number 222726

Place: Mumbai
Date : 9 May 2025

For and on behalf of the Board

Yogen Babulal Lal
Director
DIN : 01828376

Place: Mumbai
Date : 9 May 2025

Lalit Kumar Jain
Additional Director
DIN : 08382081

WELSPUN EDAC JV PRIVATE LIMITED

Welspun EDAC JV Private Limited
CIN: U45309DL2022PTC425083

Statement of Profit and Loss for the year ended 31 March 2025

(₹ in lakhs)

	Notes	Year ended 31 March 2025	Year ended 31 March 2024
Income			
Revenue from operations	16	61,037.18	27,883.86
Other income	17	10.26	126.22
Total income		**61,047.44**	**28,010.08**
Expenses			
Construction expeneses	18	59,417.67	26,684.75
Finance costs	19	1,604.01	1,315.77
Other expenses	20	15.51	9.56
Total expenses		**61,037.19**	**28,010.08**
Profit before tax		**10.25**	**-**
Tax expense	21		
- Current tax		2.58	-
- Deferred tax charge / (credit)		-	-
Total tax expense		**2.58**	**-**
Profit for the year		**7.67**	**-**
Other comprehensive income for the year		**-**	**-**
Total comprehensive income for the year		**7.67**	**-**
Earnings per equity share of Rs. 10 each fully paid-up	26		
Basic EPS (Rs)		76.70	-
Diluted EPS (Rs)		76.70	-
Notes forming part of the financial statements	1 to 38		

As per our report of even date attached.

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

Amit Kothari

Amit Kumar Kothari
Partner
Membership Number 222726

Place: Mumbai
Date : 9 May 2025

mgb&co LLP CHARTERED ACCOUNTANTS Firm Regn. No. 101169W/W-100035

For and on behalf of the Board

Yogen Babulal Lal
Director
DIN : 01828376

Lalit Kumar Jain
Additional Director
DIN : 08382081

Place: Mumbai
Date : 9 May 2025

WELSPUN EDAC JV PRIVATE LIMITED

Welspun EDAC JV Private Limited
CIN: U45309DL2022PTC425083

Statement of changes in equity for the year ended 31 March 2025

A. Equity share capital (₹ in lakhs)

(i) Current Year	Balances as at 1 April 2024	Change in equity share capital during the year	Balances as at 31 March 2025
	1.00	-	1.00

(ii) Previous Year	Balances as at 1 April 2023	Change in equity share capital during the year	Balance as at 31 March 2024
	1.00	-	1.00

The Company is not required to make any changes in Equity share capital as there are no prior period errors.

B. Other equity (₹ in lakhs)

	Retained earnings	Total
Balance as at 31 March 2023	-	-
Profit for the year	-	-
Other comprehensive income for the year	-	-
Total comprehensive income for the year	-	-
Balance as at 31 March 2024	-	-
Profit for the year	7.67	7.67
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**7.67**	**7.67**
Balances as at 31 March 2025	**7.67**	**7.67**

Nature and purpose of reserves :-

Retained earnings

(i) Retained earnings represent the accumulated earnings net of losses, if any, made by the Company.

(ii) The Company is not required to make any changes in Other equity as there are no prior period errors.

Notes forming part of the financial statements 1 to 38

As per our report of even date attached.

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

Amit Kumar Kothari
Partner
Membership Number 222726

Place: Mumbai
Date : 9 May 2025

For and on behalf of the Board

Yogen Babulal Lal
Director
DIN : 01828376

Lalit Kumar Jain
Additional Director
DIN : 08382081

Place: Mumbai
Date : 9 May 2025

Welspun EDAC JV Private Limited
CIN: U45309DL2022PTC425083

Statement of Cash Flows for the year ended 31 March 2025

(₹ in lakhs)

	Year ended 31 March 2025	Year ended 31 March 2024
A. Cash flow from operating activities		
Profit before tax	10.25	-
Adjustments for :		
Finance costs	1,604.01	1,315.77
Interest on Income tax refund	(10.26)	(0.21)
Dividend Income	-	(33.01)
Interest income on bonds	-	(3.06)
Profit on sale of investment	-	(49.14)
Operating profit before working capital changes	**1,604.00**	**1,230.35**
Decrease/ (Increase) in trade and other receivables	(26,299.39)	(9,799.40)
(Decrease)/ Increase in trade and other payables	26,289.61	2,771.64
Cash generated from / (used in) operating activities	**1,594.22**	**(5,797.41)**
Less: Direct taxes paid (Net of refunds)	75.87	(81.01)
Net cash generated from / (used in) operating activities (A)	**1,670.09**	**(5,878.42)**
B. Cash flow from investing activities		
Dividend Income	-	33.01
Interest income on Bond	-	44.34
Investment in Bonds	-	(5,395.94)
Sale of investment - Bonds	-	5,403.80
Net cash generated from investing activities (B)	**-**	**85.21**
C. Cash flow from financing activities		
Proceeds from short term borrowing	-	340.03
Repayment of short term borrowing	-	(604.52)
Finance cost paid	(1,600.17)	(207.04)
Net cash used in financing activities (C)	**(1,600.17)**	**(471.53)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**69.93**	**(6,264.74)**
Cash and cash equivalents at the beginning of the year	133.96	6,398.70
Cash and cash equivalents at the end of the year	**203.89**	**133.96**

Notes :

1. Break up of cash and cash equivalents are as follows :-

Balances with banks in :-		
- In current accounts	203.89	133.96
Total	**203.89**	**133.96**

2. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS-7 "Statement of Cash Flows" notified in Companies (Indian Accounting Standards) Rules, 2015 (As amended).

mgb&co CHARTERED ACCOUNTANTS Firm Regn No. 101169W/W-100035

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3. As required by Ind AS 7 "Statement of Cash Flows", a reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given in note 34.

4. Previous year figures are regrouped/ reclassified wherever considered necessary.

Notes forming part of the financial statements 1 to 38

As per our report of even date attached.

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

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Partner
Membership Number 222726

Place: Mumbai
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Yogen Babulal Lal
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Welspun EDAC JV Private Limited
CIN: U45309DL2022PTC425083

Notes forming part of the financial statements

1 Corporate information

Welspun EDAC JV Private Limited ('WEJPL' or 'the Company') is a subsidiary Company of Welspun Enterprises Limited. The Company is engaged into Work of Design, Build, Operation and Maintenance of Dharavi Wastewater Treatment Facility under Mumbai Sewage Disposal Project, Stage II (Priority Works).

The financial statements of the Company for the year ended 31 March 2025 were authorised for issue by Board of Directors at their meeting held on 9 May 2025.

2 Basis of preparation of financial statements

The financial statements have been prepared to comply in all material respects with the Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules (as amended) from time to time and other relevant provisions of the Act including the requirements mentioned in Division II of Schedule III as amended from time to time, to the extent applicable.

The financial statements have been prepared on going concern bais, accrual basis and under the historical cost convention, except for certain financial assets and liabilities which have been measured at fair value.

The financial statements are presented in Indian rupees (INR) with values rounded off to the nearest lakhs (upto two decimal places), except otherwise stated.

3(A) Material accounting policies

i) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.
A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating Cycle

The Company adopts operating cycle based on the project period and accordingly all project related assets and liabilities are classified into current and non current. Other than project related assets and liabilities, 12 months period is considered as normal operating cycle.

ii) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

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Notes forming part of the financial statements

a) Revenue from Engineering, procurement and construction

The transaction price is normally fixed at the start of the project. It is normal practice for contracts to include escalation clause based on timely construction or other performance criteria known as variable consideration, discussed below. Revenue is recognized over time in the construction stream, when the customer simultaneously receives and consumes the benefits provided through the entity's performance or when the Company creates or enhances an asset that the customer controls.

The Company recognises revenue from construction contracts, using an input method (i.e. percentage of completion method) on the basis of accumulated project expenses in relation to estimated accumulated project expenses upon completion. This method reflects close approximation of actual work performed. A provision is made for the difference between the expected cost of fulfilling a contract and the expected unearned portion of the transaction price where the forecast costs are greater than the forecast revenue.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increase or decrease in estimated revenues or costs are reflected in Statement of profit and loss in the period in which the circumstances that give rise to the revision become known by management.

For construction contracts the control is transferred over time and revenue is recognised based on the extent of progress towards completion of the performance obligations. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

b) Variable consideration

Due to the nature of the work required to be performed on many of the performance obligations, the estimation of total revenue and cost of completion is complex, subject to many variables and requires significant judgment. Variability in the transaction price arises primarily due to liquidated damages, price variation clauses, changes in scope, incentives, if any. The Company considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether the estimated variable consideration should be constrained. The Company includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. The estimates of variable consideration are based largely on an assessment of anticipated performance and all information (historical, current and forecasted) that is reasonably available.

c) Services revenue

The Company performs operation and maintenance and other services. Revenue is recognised in the accounting period in which the services are rendered as per the contractual terms.

d) Interest income

Interest income for all debt instruments, measured at amortised cost or fair value through other comprehensive income, is recognised using the effective interest rate ('EIR') method and shown under interest income in the statement of profit and loss. Interest income on interest bearing financial assets classified as fair value through profit and loss is shown as interest income under other income. Interest income on debt instruments which are credit impaired is recogised using EIR on net carrying value (net of ECL) of debt instruments.

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WELSPUN EDAC JV PRIVATE LIMITED

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Notes forming part of the financial statements

e) Contract Balances

Contract assets and contract liabilities

A contract asset is the right to consideration in exchange for goods or services transferred to the customer.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer.

Unlike the method used to recognise contract revenue related to construction contract, the amounts billed to the customer are based on achievement of the various milestones established in the contract. The amounts recognised as revenue for a given year do not necessarily coincide with the amounts billed to or certified by the customer. In the case of contracts in which the goods or services transferred to the customer exceed the related amount billed, the difference is recognised (as a contract asset) and presented in the statement of financial position under "Contract assets", whereas in contracts in which the goods or services transferred are lower than the amount billed to the customer, the difference is recognised (as a contract liability) and presented in the statement of financial position under "Contract liabilities".

Trade receivables

A trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Revenue earned from construction activities, but yet to be billed to customers, is initially recognised as contract assets and reclassified to trade receivables when the right to consideration becomes unconditional.

f) Financing components

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer represents a financing component. Retention money receivable from project customers does not contain any significant financing element, these are retained for satisfactory performance of contract. However, in case financing element is present then the Company would split the transaction price between the consideration for services rendered and time value of money ('financing component')..

g) Dividend income

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

iii) Impairment of non-financial assets

The carrying amounts of other non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognized in prior accounting periods is reversed by crediting to the statement of profit and loss if there has been a change in the estimate of recoverable amount.

Notes forming part of the financial statements

iv) Taxes on income

a) Current tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current taxes are recognized in profit or loss except to the extent that the tax relates to items recognized in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred tax

Deferred income tax is recognized on all temporary differences which are the differences between the carrying amount of an asset or liability in the statement of financial position and its tax base except when the deferred income tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax liabilities are recognized for all taxable temporary differences; and deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date and based on the tax consequence which will follow from the manner in which the Company expects, at financial year end, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax relating to item recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liability and the deferred taxes relate to the same taxable entity and the same taxation authority.

v) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and other short term highly liquid investments with an original maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Notes forming part of the financial statements

vi) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except when the results would be anti-dilutive.

vii) Provisions, contingent liabilities and contingent assets

a) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made to the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. when discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

b) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Company or a present obligation which is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Information on contingent liabilities is disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is a possible asset that arises from past events and whose existence 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. Contingent assets are not recognized, but are disclosed in the financial statements.

viii) 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

a) Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets at initial recognition. All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset except for financial assets classified as fair value through profit or loss.

b) Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified in four categories:

i) Debt instruments measured at amortised cost

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Notes forming part of the financial statements

ii) Debt instruments measured at fair value through other comprehensive income (FVTOCI)
iii) Debt instruments measured at fair value through profit or loss (FVTPL)
iv) Equity instruments measured at FVTOCI or FVTPL

Debt instruments

The subsequent measurement of debt instruments depends on their classification. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

i) Debt instruments measured at amortised cost

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

ii) Debt instruments measured at FVTOCI

Debt instruments that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payment of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest income which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in the OCI is reclassified from equity to statement of profit and loss. Interest income from these financial assets is included in finance income using the effective interest rate method.

iii) Debt instruments measured at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

iv) Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as FVTPL. The Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and Loss.

B. Derecognition of financial assets

A financial asset is derecognised only when
i) The Company has transferred the rights to receive cash flows from the financial asset or
ii) 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.

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Notes forming part of the financial statements

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.

C. Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all trade receivables and/or contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

D. Financial liabilities

a) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial liability at initial recognition. All financial liabilities are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial liability except for financial liabilities classified as fair value through profit or loss.

b) Subsequent measurement

For the purposes of subsequent measurement, financial liabilities are classified in two categories:

i) Financial liabilities measured at amortised cost

ii) Financial liabilities measured at FVTPL (fair value through profit or loss)

i) Financial liabilities measured at amortised cost

After initial recognition, financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of profit and loss.

ii) Financial liabilities measured at fair value through profit or loss (FVTPL)

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities at FVTPL are carried in the statement of profit and loss at fair value with changes in fair value recognized in the statement of profit and loss.

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition 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 and loss.

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Notes forming part of the financial statements

ix) Fair value measurement

The Company measures financial instruments, such as, investment in debt and equity instruments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
• in the principal market for the asset or liability, or
• in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers, if any, have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

x) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a Substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

xi) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ('CODM') who regularly monitors and reviews the operating results. Refer note 29 for segment information.

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Notes forming part of the financial statements

3 (B) Significant estimates, judgments and assumptions

The preparation of financial statements requires management to exercise judgment in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures including disclosure of contingent liabilities . Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.

a) Contract estimates

The percentage-of-completion method places considerable importance on accurate estimates of the extent of progress towards completion and may involve estimates on the scope of deliveries and services required for fulfilling the contractually defined obligations. These significant estimates include total contract costs, total contract revenue, contract risks, including technical, political and regulatory risks, and other judgement. The Company reassesses these estimates on periodic basis and makes appropriate revisions accordingly.

Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

b) Allowance for uncollectible trade receivables

Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experiences. Individual trade receivables are written off when management deems them not be collectible.

c) Contingencies and commitments

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that have a low probability of crystallizing or are very difficult to quantify reliably, are treated as contingent liabilities. Such liabilities are disclosed in the notes, if any, but are not provided for in the financial statements. There can be no assurance regarding the final outcome of these legal proceedings.

d) Impairment of financial assets

The impairment provisions for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

e) Taxes

The Company periodically assesses its liabilities and contingencies related to income taxes for all years open to scrutiny based on latest information available. The Company records its best estimates of the tax liability in the current tax provision. The management believes that they have adequately provided for the probable outcome of these matters.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

f) Fair Value Measurement

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make.

Notes forming part of the financial statements

These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date. For details of the key assumptions used and the impact of changes to these assumptions (Refer note 22).

3 (C) Recent pronouncements

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 31 March 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. 1 April 2024. 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.

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Notes forming part of the financial statements

(₹ in lakhs)

	As at 31 March 2025	As at 31 March 2024
4 Trade receivables		
(Unsecured considered good unless otherwise stated)		
Trade receivables *	3,386.71	1,141.73
Total	**3,386.71**	**1,141.73**

* This repersents retention money receivable from customer as per the agreement.

5 Non-current financial assets		
Security deposits	8.33	6.33
Total	**8.33**	**6.33**
6 Income tax assets (net)		
Balance with government authorities		
- Direct tax (net of provision for taxation)	251.90	320.09
Total	**251.90**	**320.09**
7 Other Non-current assets		
Prepaid expenses	153.81	268.62
Total	**153.81**	**268.62**
8 Contract assets		
Contract assets (Refer note 31(B))		
- Other party	34,051.62	11,064.88
Total	**34,051.62**	**11,064.88**

Contract assets are initially recognized for revenue earned from construction projects contracts, as receipt of consideration is conditional on successful completion of project milestones / certification. Upon completion of milestone and acceptance / certification by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

9 Trade receivables - Current		
(Unsecured considered good unless otherwise stated)		
Trade receivables	764.11	2,541.77
Total	**764.11**	**2,541.77**

Ageing schedule of trade receivable - current as at 31 March 2025

	Outstanding for following period from due date of payment					TOTAL
	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed Trade Receivables - considered good	764.11	-	-	-	-	764.11
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
Total	**764.11**	-	-	-	-	**764.11**

This does not include non-current trade receivables amounting to Rs. 3,886.71 lakhs, as it represents retention money receivable.

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Ageing schedule of trade receivable - current as at 31 March 2024

	Outstanding for following period from due date of payment					TOTAL
	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed Trade Receivables - considered good	2,541.77	-	-	-	-	2,541.77
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
Total	**2,541.77**	-	-	-	-	**2,541.77**

This does not include non-current trade receivables amounting to Rs. 1,141.73 lakhs, as it represents retention money receivable.

(₹ in lakhs)

	As at 31 March 2025	As at 31 March 2024
10 Cash and cash equivalents		
Balances with banks		
- In current accounts	203.89	133.96
Total	**203.89**	**133.96**
11 Other current assets		
Advances to suppliers	0.03	1.06
Prepaid expenses	131.41	152.18
Balance with government authorities		
- Indirect tax	5,209.31	2,229.37
Total	**5,340.75**	**2,382.61**

WELSPUN EDAC JV PRIVATE LIMITED

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Notes forming part of the financial statements

12 Share capital and other equity

12(a) - Equity share capital

(₹ in lakhs)

	As at 31 March 2025	As at 31 March 2024
Authorised share capital		
10,000 (31 March 2024 : 10,000) Equity Shares of Rs.10 each fully paid up	1.00	1.00
Issued, subscribed and paid up		
10,000 (31 March 2024 : 10,000) Equity Shares of Rs.10 each fully paid up	1.00	1.00
Total issued, subscribed and paid up equity share capital	**1.00**	**1.00**

i) Reconciliation of the number of equity shares outstanding at the beginning of the year and at the end of the year

	As at 31 March 2025		As at 31 March 2024	
	Number of shares	(₹ in lakhs)	Number of shares	(₹ in lakhs)
Number of shares at the beginning of the year	10,000	1.00	10,000	1.00
Add : Changes during the year	-	-	-	-
Number of shares at the end of the year	10,000	1.00	10,000	1.00

ii) Rights, preference and restriction on shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuing Annual General Meeting, except in case of interim dividend. The company has not declared any dividend in current year and previous year.

In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Shares held by holding/ ultimate holding companies and / or their subsidiaries/ associates

(₹ in lakhs)

	As at 31 March 2025		As at 31 March 2024	
	Number of shares	% Holding	Number of shares	% Holding
Welspun Enterprises Limited	8,000	80.00%	8,000	80.00%
EDAC Engineering Limited	2,000	20.00%	2,000	20.00%
(iv) Details of shareholders holding more than 5% shares in the Company				
Welspun Enterprises Limited	8,000	80.00%	8,000	80.00%
EDAC Engineering Limited	2,000	20.00%	2,000	20.00%

v) The Company has not issued any bonus shares, shares issued for consideration other than cash and shares bought back during the year ended 31 March 2025.

(vi) Details of promoters shareholding

Name of promoters	As at 31 March 2025			As at 31 March 2024		
	Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
Welspun Enterprises Limited	8,000	80%	0%	8,000	80%	0%
EDAC Engineering Limited	2,000	20%	0%	2,000	20%	0%

12(b) - Other equity

(₹ in lakhs)

Retained earnings	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	-	-
Add : Profit for the year	7.67	-
Balance at the end of the year	7.67	-

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Notes forming part of the financial statements

(₹ in lakhs)

		As at 31 March 2025	As at 31 March 2024
13	**Contract liabilities (Refer note 31(B))**		
	Mobilisation advances		
	-Other party	5,845.09	15,084.50
	Total	**5,845.09**	**15,084.50**

Contract liabilities is recognized when a customer pays consideration before the Company transfers goods or services to the customer. Contract liabilities are recognized as revenue when the Company performs its obiligations under the contract.

14	**Trade payables**		
	Total outstanding dues of micro and small enterprises (Refer note 33)	0.59	-
	Total outstanding dues of creditors other than micro and small enterprises		
	- Related parties (Refer note 30)	37,770.07	2,541.10
	- Others	126.15	131.32
		37,896.22	**2,672.42**
	Total	**37,896.81**	**2,672.42**

Ageing schedule as at 31 March 2025

		Outstanding for following periods from due date of payment				TOTAL
	Not Due	< 1 year	1-2 years	2-3 years	> 3 years	
(i)Total outstanding dues of micro enterprises and small enterprises	0.59	-	-	-	-	0.59
(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises (including accrued liabilities)	37,895.49	0.73	-	-	-	37,896.22
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**37,896.08**	**0.73**	**-**	**-**	**-**	**37,896.81**

Ageing schedule as at 31 March 2024

		Outstanding for following periods from due date of payment				TOTAL
	Not Due	< 1 year	1-2 years	2-3 years	> 3 years	
(i)Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises (including accrued liabilities)	2,672.42	-	-	-	-	2,672.42
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**2,672.42**	**-**	**-**	**-**	**-**	**2,672.42**

(₹ in lakhs)

		As at 31 March 2025	As at 31 March 2024
15	**Other current liabilities**		
	Statutory dues payable	410.55	102.07
	Total	**410.55**	**102.07**

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Notes forming part of the financial statements

(₹ in lakhs)

		Year ended 31 March 2025	Year ended 31 March 2024
16	**Revenue from operations**		
	- Engineering, Procurement and Construction (EPC)	61,037.18	27,883.86
	Total	**61,037.18**	**27,883.86**
17	**Other income**		
	Interest Income on Bank deposits	-	40.80
	Dividend Income	-	33.01
	Interest Income on Bonds	-	3.06
	Profit on sale of investments	-	49.14
	Interest on Income tax refund	10.26	0.21
	Total	**10.26**	**126.22**
18	**Construction expenses**		
	Sub-contracting charges	58,506.74	25,685.39
	Legal and professional fees	450.00	525.00
	Rates and Taxes	334.13	248.79
	Insurance	120.47	218.20
	Power, fuel and water charges	6.33	7.37
	Total	**59,417.67**	**26,684.75**
	For related party transactions Refer note 30		
19	**Finance costs**		
	Interest on mobilization advance received	972.47	1,108.73
	Commission on Corporate guarantee	410.03	-
	Bank charges and other finance costs	221.51	207.04
	Total	**1,604.01**	**1,315.77**
	For related party transaction Refer note 30		
20	**Other expenses**		
	Legal and professional Fees	10.42	6.53
	Business promotion expenses	-	0.27
	Payment to auditors		
	Audit fees (including fees for limited review)	4.62	2.75
	Audit fees- Other matters	0.40	-
	Miscellaneous expenses	0.07	0.01
	Total	**15.51**	**9.56**

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Notes forming part of the financial statements

21 Income tax

(a) Tax expense recognised in the statement of profit and loss

(Amount in ₹)

	Year ended 31 March 2025	Year ended 31 March 2024
Current tax		
Tax on profit for the year	2.58	-
Deferred tax	-	-
Total tax expense	**2.58**	**-**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

(Amount in ₹)

	Year ended 31 March 2025	Year ended 31 March 2024
Accounting profit before tax	10.25	-
At India's statutory income tax rate (25.17%)	2.58	-
Income tax expenses reported in the statement of profit and loss	**2.58**	**-**

(c) Deferred tax

In accordance with Indian Accounting Standard (Ind AS) 12, 'Income Taxes', the Company has not recognised any deferred tax liability or deferred tax asset, as there are no taxable temporary differences or deductible temporary differences.

WELSPUN EDAC JV PRIVATE LIMITED

Notes forming part of the financial statements

22 Fair value measurements

On comparision by class of the carrying amounts and fair value of the Company's financial instruments, the carrying amounts of the financial instruments reasonably approximates fair value.

Financial instruments by category (₹ in lakhs)

	As at 31 March 2025		As at 31 March 2024	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets				
Non-current assets				
Trade Receivable	-	3,386.71	-	1,141.73
Others	-	8.33	-	6.33
Current assets				
Trade receivables	-	764.11	-	2,541.77
Cash and cash equivalents	-	203.89	-	133.96
Total financial assets	**-**	**4,363.04**	**-**	**3,823.79**
Financial liabilities				
Current liabilities				
Trade and other payables	-	37,896.81	-	2,672.42
Total financial liabilities	**-**	**37,896.81**	**-**	**2,672.42**

Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which uses inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Fair value of the cash and cash equivalents, trade and other payables and other financial instruments approximate their carrying amounts largely due to short term maturities of these instruments.

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Notes forming part of the financial statements

23 Ratio Analysis and its elements

Ratio	Numerator	Denominator	Measure (In times/ percentage)	As at 31 March 2025	As at 31 March 2024	% variance	Reason for variance #
(a) Current Ratio	Current assets	Current laibilities	Times	0.91	0.90	1.25%	-
(b) Debt service coverage ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Debt service = Interest & Lease Payments + Principal Repayments	Times	1.00	1.00	0.48%	-
(c) Return on equity ratio	Profit after tax	Average of total equity	Percentage	158.63%	-	Not Applicable	-
(d) Trade receivables turnover ratio	Revenue from operations	Average trade receivables	Times	15.58	15.14	2.92%	-
(e) Trade payables turnover ratio	Subcontracting costs + other expenses	Average trade payables	Times	2.93	19.96	(85.32%)	On account of increase in subcontracting charges and trade payables.
(f) Net capital turnover ratio	Revenue from operations	Average Working capital {[Current assets - Current liabilities]/2}	Times	(22.08)	4.86	(553.95%)	On account of increase in revenue and decrease in working capital
(g) Return on capital employed	Earnings before depreciation and amortisation, interest and tax [Earnings = Profit after tax + Tax expense + Depreciation and amortisation expense + Finance costs (excluding interest on lease liabilities)]	Capital employed [Total equity + Non- Current borrowings +Current borrowings]	Percentage	18618.92%	131577.00%	(85.85%)	On account of increase in finance cost and working capital employed.

The reason for variance are explained where it exceeds 25%. Further, ratios are computed based on the nature of industries/ operations and guidance note issued by Institute of Chartered Accountants of India.

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24 Financial risk management

The Company's principal financial liabilities mainly comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets includes secuirty deposit, trade receivables, other receivables and cash and cash equivalents that derive directly from its operations.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk.

B. Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize Company's position with regard to interest income and interest expenses and manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instrument in its total portfolio.

Since the Company does not have any financial asset or financial liabilities bearing floating interest rates, any change in interest rates at the reporting date would not have any significant impact on financial statements of the Company.

C. Foreign Currency risk

The Company does not have any transactions in foreign currencies and hence the Company is not exposed to currency risk.

D. Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

a) Trade receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as it consists of government undertaking and the amount is received on timely basis within the credit period. Further, the Company has also taken advances from its customers, which mitigate the credit risk.

b) The ageing analysis of the receivables (gross of expected credit loss) has been considered from the date the invoice falls due.

(₹ in lakhs)

	As at 31 March 2025	As at 31 March 2024
Not due	-	-
Less than 6 months	764.11	2,541.77
More than 6 months	-	-
Total	**764.11**	**2,541.77**

No significant changes in estimation techniques or assumption were made during the reporting year.

Notes forming part of the financial statements

E. Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that the funds are available for use as per the requirements.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March 2025

(₹ in lakhs)

Financial Liabilities	Carrying value	Contractual cashflows			
		Total	Less than 1 year	Between 1 to 5 years	Beyond 5 years
Trade payables	37,896.81	37,896.81	37,896.81	-	-
Total	**37,896.81**	**37,896.81**	**37,896.81**	**-**	**-**

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March 2024

(₹ in lakhs)

Financial Liabilities	Carrying value	Contractual cashflows			
		Total	Less than 1 year	Between 1 to 5 years	Beyond 5 years
Trade payables	2,672.42	2,672.42	2,672.42	-	-
Total	**2,672.42**	**2,672.42**	**2,672.42**	**-**	**-**

25 Capital Management

For the purpose of Company's capital management, capital includes issued capital and other equity reserves attributable to the shareholders. The primary objective of the Company's Capital Management is to maximize shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants, if any.

The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing borrowings less cash and cash equivalents.

(₹ in lakhs)

	As at 31 March 2025	As at 31 March 2024
Net Debt	**(203.89)**	**(133.96)**
Total Capital	**8.67**	**1.00**
Capital and net debt	**(195.22)**	**(132.96)**
Capital Gearing Ratio	**Not applicable**	**Not applicable**

The Company has a surplus position as on 31 March 2025 and 31 March 2024 and hence gearing ratio is not applicable.

26 Earnings per share (EPS)

(₹ in lakhs)

	Year ended 31 March 2025	Year ended 31 March 2024
Net profit after tax available for equity shareholders	7.67	-
Weighted average number of equity shares of Rs. 10 each outstanding during the period used for calculating basic EPS (Number of shares)	10,000	10,000
Weighted average number of equity shares of Rs. 10 each outstanding during the period used for calculating diluted EPS (Number of shares)	10,000	10,000
Basic earnings per share	76.70	-
Diluted earnings per share	76.70	-

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27 Commitment and contingencies

The Company does not have any commitments and contingent liability and as at 31 March 2025.

28 Collateral / security pledged

The Company has pledged following assets for borrowings

(₹ in lakhs)

	As at 31 March 2025	As at 31 March 2024
Trade receivable	4,150.82	3,683.50
Contract assets (Refer note 31(B))	34,051.62	11,064.88
Cash and cash equivalents	203.89	133.96
Total assets pledged	**38,406.33**	**14,882.34**

The Company has been sanctioned working capital facilities (fund based and non-fund based facilities) from various banks. As at 31 March 2025, the outstanding balance in the cash credit and demand loan accounts are Rs. Nil Lakhs (31 March 2024 : Rs. Nil Lakhs).

These facilities are secured by :

(i) First pari passu charge on stock / book debt and all present and future current assets of the borrower company.

(ii) First pari passu charge over project / collection account for all project related cash flows including amount received as mobilisation advances.

29 Segment Information

The Company is engaged in the business of infrastructure development which in the opinion of the management is considered the only business segment in the context of Ind AS 108. The geographical segment is not relevant as the Company operates in a single geographical segment i.e. India.

30 Disclosure as required by Ind AS 24 - Related Party disclosures

a) Particulars of Relationship

Name of the entity	Extent of holding As at 31 March 2025	Extent of holding As at 31 March 2024	Relationship
Welspun Enterprises Limited ("WEL")	80.00%	80.00%	Parent
EDAC Engineering Limited	20.00%	20.00%	Associate

b) Name of Fellow subsidiaries

Welspun Projects (Himmatnagar Bypass) Private Limited
Kim Mandvi Corridor Private Limited (Formerly known as Welspun Project (Kim Mandvi Corridor) Private Limited) #
Dewas Waterprojects Works Private Limited
Welspun Aunta Simaria Projects Private Limited
Build-Tech Projects and Infra Private Limited (Formerly known as Welspun Build-Tech Private Limited) #
ARSS Bus Terminal Private Limited
Grenoble Infrastructure Private Limited
DME Infra Private Limited
Welspun Sattanathapuram Nagapattinam Road Private Limited
Welsteel Enterprises Private Limited
Welspun-Kaveri Infraprojects JV
Welspun New Energy Private Limited (formerly known as Welspun New Energy Limited) ^
Welspun Michigan Engineers Limited (formerly known as Welspun Michigan Engineers Private Limited) *
Mounting Renewable Power Limited **

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Notes forming part of the financial statements

^ Became fellow subsidiary w.e.f. 31 January 2023 and ceases to be a fellow subsidiary w.e.f. 27 November 2023
* Became fellow subsidiary w.e.f. 27 July 2023
** Became fellow subsidiary w.e.f. 2 September 2023 and ceased to be fellow subsidiary w.e.f. 27 November 2023
# Ceased to be fellow subsidiary w.e.f. 27 March 2025

c) Associates
Welspun Infrafacility Private Limited
Adani Welspun Exploration Limited

d) Directors / Key managerial Personnel (KMP)

Name of the Related Parties	
Yogen Babulal Lal	Director
Anil Kumar Birla *	Director
Sunil Hanumandas Agrawal *	Director
Rakesh Prashad **	Director
Jayanti Venkataraman ^	Additional director
Lalit Jain ^	Additional director

* Resigned w.e.f. 25 May 2023
** Appointed w.e.f. 15 November 2023 and Resigned w.e.f. 29 July 2024
^ Appointed w.e.f. 25 May 2023

e) The following transactions were carried out with related parties in the ordinary course of business:

(₹ in lakhs)

Nature of transactions	Year ended 31 March 2025	Year ended 31 March 2024
Construction expenses		
Welspun Enterprises Limited	58,506.74	25,685.39
Reimbursement of expenses		
Welspun Enterprises Limited	36.12	36.84
Legal and professional fees		
Welspun Enterprises Limited	1.00	-
Commission on Corporate guarantee		
Welspun Enterprises Limited	410.03	-
Borrowing taken		
Welspun Enterprises Limited	-	340.03
Borrowing repaid		
Welspun Enterprises Limited	-	604.52
Corporate guarantee (for performance security) provided by		
Welspun Enterprises Limited	-	10,000.00
Bank guarantee discharged (for performance security) by		
Welspun Enterprises Limited	-	10,000.00
Corporate guarantee discharged (for advance received) provided by		
Welspun Enterprises Limited	15,000.00	-

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Closing balances as at

	As at 31 March 2025	As at 31 March 2024
Trade payables		
Welspun Enterprises Limited	37,770.07	2,541.10
Bank guarantee given (for performance security) by		
Welspun Enterprises Limited	3,856.28	3,856.28
Corporate guarantee (for performance security) provided by		
Welspun Enterprises Limited	10,000.00	10,000.00
Corporate guarantee (for advance received) provided by		
Welspun Enterprises Limited	16,250.00	31,250.00

Transactions with related parties are at arm's length and in the ordinary courses of business. All the outstanding balances are unsecured and settled for consideration in cash.

31 Disclosure pertaining to Ind AS 115 " Revenue from Contracts with Customers"

A) Disaggregated revenue information

Having regard to the nature of contract with customer, there is only one type of category of revenue, hence disclosure of disaggregation of revenue is not given.

B) Reconciliation of contract assets and liabilities:

	As at 31 March 2025	As at 31 March 2024
Contract Assets		
At the beginning of the year	**11,064.88**	**2,532.42**
Cost incurred plus attributable profits on contracts-in -progress	51,797.76	27,883.86
Progress billings made towards contracts -in - progress	28,811.02	19,351.39
At the end of the reporting year	**34,051.62**	**11,064.88**
Contract liabilities		
At the beginning of the year	**15,084.50**	**13,975.77**
Revenue recognised during the year	9,239.42	-
Progress billings made towards contracts-in -progress	-	1,108.73
At the end of the reporting year	**5,845.09**	**15,084.50**

C) Reconciliation of revenue as per Ind AS 115

	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from		
- Engineering, Procurement and Construction	61,037.18	27,883.86
Other operating revenues	-	-
Total	**61,037.18**	**27,883.86**

i) The contract assets primarily relate to the Company's rights to consideration for performance obligation satisfied but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. Invoices are raised on the customers based on the agreed contractual terms and are collected as per agreed payment terms.

ii) The contract liability primarily relates to the advances from customer towards on-going EPC projects. Revenue is recognised from the contract liability as and when such performance obligations are satisfied.

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Notes forming part of the financial statements
D) Revenue recognition for future related to performance obligations that are unsatisfied (or partially satisfied)

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is Rs. 1,42,805.47 lakhs out of which 58% (31 March 2024 : Rs 2,03,842.65 lakhs out of which 25%) is expected to be recognised as revenue in the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

32 Contract features

(i) Name of the project:	418 MLD DHARAVI WASTE WATER Treatment Facility (WwTf)
(ii) Description of contract:	Work of Design, Build, Operation and Maintenance of Dharavi Wastewater Treatment Facility under Mumbai Sewage Disposal Project, Stage II (Priority Works)
(iii) Significant terms of contract:	Period of Completion of Works - 60 Months from Commencement Date i.e 5 July 2022 O&M - 15 Years Payment: Monthly Running Bills as per agreed rates Price Adjustment - a) Adjustments changes in cost shall apply during the Design-Build Period on the basis of the provisions of this Section 5.0. Contract Price Adjustments (maximum up to 30% Design Build Cost) for fluctuations in prices after the Base Date shall apply only from 13th (thirteenth) month. b) Price Adjustment is applicable to Operation and Maintenance of Existing screening and allied works after first 12 months.

33 Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006 ('The Act') are given as follows :-

(₹ in lakhs)

	As at 31 March 2025	As at 31 March 2024
a) Principal amount payable to the suppliers under the Act	0.59	-
b) Principal amount due to the suppliers under the Act	-	-
c) Interest accrued and due to the suppliers under the Act, on the above amount	-	-
d) Payment made to suppliers other than interest beyond the appointed day, during the year	-	-
e) Interest paid to suppliers under the Act	-	-
f) Interest due and payable to suppliers undet the Act, for payment already made	-	-
g) Interest accrued and remaining unpaid at the end of the year under the Act	-	-
h) The amount of further interest remaining due and payable even in the succeeding years for the purpose of disallowances under Section 23 of the Act	-	-

Note : The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available to the Company.

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Notes forming part of the financial statements

34 Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities as required by Ind AS 7 "Statement of Cash Flows" is as under:

	Equity share capital	Borrowings
As at 1 April 2024	1.00	-
Cash inflows	-	-
Cash outflows	-	-
As at 31 March 2025	1.00	-

	Equity share capital	Borrowings
As at 1 April 2023	1.00	264.49
Cash inflows	-	340.03
Cash outflows	-	(604.52)
As at 31 March 2024	1.00	-

35 Details of loans given, investments made and guarantee given covered U/s 186 of the Companies Act, 2013

The Company is engaged in the business of providing infrastructural facilities as specified under Schedule VI of the Companies Act 2013 (the 'Act') and hence the provisions of Section 186 of the Act related to loans/ guarantees given or securities provided are not applicable to the Company.

36 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).

37 Other Statutory Information

(i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off during the period under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.

(v) The Company have no any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

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

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

(viii) The Company has not entered into any scheme of arrangement which has an accounting impact on the current year.

(ix) The Company has not received any whistle blower complaints during the year.

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Notes forming part of the financial statements

(x) Utilization of borrowed fund and securities premium

(a) The Company have 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 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 to or on behalf of the Ultimate Beneficiaries.

(b) The Company have 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 directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(xi) The Company has been sanctioned both fund based and non-fund based facilities from banks. As at the reporting date, the Company has not availed any fund based limits and hence it is not required for the Company to submit drawing power statements. However, the Company submits progress report on the project as and when required by the banks.

38 Figures for the previous year are re-classified/ re-arranged/ re-grouped, wherever necessary to be in conformity with the figures of the current year's classification/ disclosure.

As per our report of even date attached.

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

Amit Kumar Kothari
Partner
Membership Number 222726

Place: Mumbai
Date : 9 May 2025

For and on behalf of the Board

Yogen Babulal Lal
Director
DIN : 01828376

Lalit Kumar Jain
Additional Director
DIN : 08382081

Place: Mumbai
Date : 9 May 2025

WELSPUN EDAC JV PRIVATE LIMITED