



H K Shah & Co.

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
WELSPUN SATTANATHAPURAM NAGAPATTINAM ROAD PRIVATE LIMITED
CIN : U45500DL2018PTC338889
NEW DELHI

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **WELSPUN SATTANATHAPURAM NAGAPATTINAM ROAD PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2025, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement for the year then ended and the statement of changes in equity for the year, and notes to financial statement include a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements")

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PTO

GSTIN 24AACFH1917R1Z6 | PAN AACFH1917R | FRN 109583W | UDYAM UDYAM-GJ-01-0084453

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🏢 Branch Offices Gujarat, Maharashtra, Tamil Nadu &
Uttar Pradesh

Management's Responsibility for Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued there under.

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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing Ind AS financial statements, management is responsible for assessing the company's ability to continue as going concern, disclosing, as applicable, matter related to going concern and using the going concern basis of accounting unless management either intended 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies

Act, 2013, 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.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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.

Report on Other Legal and Regulatory Requirements

1. 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.
2. 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;

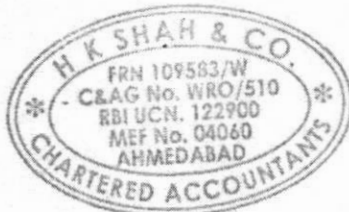
- c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued there under;
- e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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"; and
- g) 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;
 - 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 31st March 2025.
 - iv.
 - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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, no funds (which are material either individually or in the aggregate) 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 such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement; and
- v. The company has not proposed or declared any dividend during the year.
- 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 accounting software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Also, as informed and explained to us, the company has retained the records related to preservation of audit trail.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of sub-section (16) of Section 197 of the Act, as amended, we report that to the best of our information and according to the explanations given to us, remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

For,
H. K. Shah & Co.,
Chartered Accountants
FRN: 109583W

CA Gopesh K Shah
Partner
M. No. 106204
Place: Ahmedabad
Date: 07/05/2025
UDIN: 25106204BMJQZP5217



ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph – 1 on Report on Other Legal and Regulatory Requirements of our report of even date)

(i)

(a)

(A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

(B) The Company does not own any Intangible asset. Accordingly, reporting under this clause is not applicable.

(b) According to the information and explanation given to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the company has not revalued the Property, Plant and Equipment.

(e) As informed to us by the management, no proceedings have been initiated or are pending against the company 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 hold any inventories during the year. Accordingly, reporting under this clause is not applicable.

(b) The Company has not been sanctioned any working capital limits in excess of Rs. 5 crores in aggregate, from banks or financial institutions on the basis of security of current asset during any point of time of the year. Accordingly, reporting under this clause is not applicable.

(iii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, The Company has not made investment, provided guarantee or security or granted any loans or advances in the nature of loans, to companies, firms, Limited Liability Partnerships or other parties during the year Accordingly, reporting under this clause is not applicable

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security to the extent applicable.

(v) The Company has not accepted any deposits or amount deemed to be deposits. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the unaudited cost records maintained by the Company prescribed by the Central Government under Section 148(1) of the Act and are of the opinion that prima

facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of such records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.

There are no undisputed amounts payable in respect of aforesaid statutory 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, as referred above, not been deposited on account of any dispute, except than those mentioned below –

| Sr. No. | Name of Statute | Nature of Dues | Amount (in Rs. Lakhs) | Period to which the amount relates | Forum where dispute is pending | Remarks, if any |
|---------|-----------------------------------|-----------------------|-----------------------|------------------------------------|---|---------------------------------------|
| 1 | TN Goods & Service Tax Act , 2017 | Goods and Service Tax | 68.20 | FY 2018-19 | Asst. Commissioner (ST), Mayiladuthurai | Dispute in respect of avilment of ITC |
| 2 | TN Goods & Service Tax Act , 2017 | Goods and Service Tax | 2.48 | FY 2019-20 | Asst. Commissioner (ST), Mayiladuthurai | Dispute in respect of avilment of ITC |
| 3 | TN Goods & Service Tax Act , 2017 | Goods and Service Tax | 1,717.68 | FY 2020-21 | Asst. Commissioner (ST), Mayiladuthurai | Dispute in respect of avilment of ITC |
| 4 | TN Goods & Service Tax Act , 2017 | Goods and Service Tax | 788.04 | FY 2021-22 | Asst. Commissioner (ST), Mayiladuthurai | Dispute in respect of avilment of ITC |
| 5 | TN Goods & Service Tax Act , 2017 | Goods and Service Tax | 282.64 | FY 2022-23 | Asst. Commissioner (ST), Mayiladuthurai | Dispute in respect of avilment of ITC |

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of accounts, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) According to the information and explanations given to us and on the basis of our examination of the records of the Company:

(a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

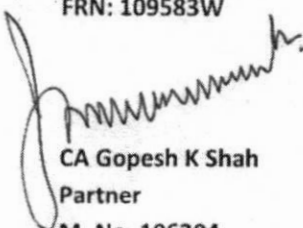
(b) The company has not declared willful defaulter by the bank or financial institution or other Lender.

- (c) The company had applied term loans for the purpose for which the loans were obtained.
 - (d) The company has not utilized the funds raised for short term basis for long term purpose.
 - (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
 - (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made private placement of convertible debentures during the year and the requirements of section 42 and 62 of the Companies Act, 2013 have been complied with and the fund raised have been used for the purpose for which the funds were raised.
- (xi) (a) According to the information and explanations given to us, no fraud by the company or any fraud on the company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act 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.
- (c) No whistle-blower complaints have been received by the Company during the year.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) In our opinion:
- (a) The company has an internal audit system commensurate with the size and nature of its Business.
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) In our opinion,
- (a) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable

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

- (xvii) The Company has incurred a cash loss of Rs. 94.29 lakhs in the reporting period. However, there were no cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- (xxi) The company is not required to prepare Consolidated financial statement. Accordingly, clause 3(xxi) of the order is not applicable.

For,
H. K. Shah & Co.,
Chartered Accountants
FRN: 109583W

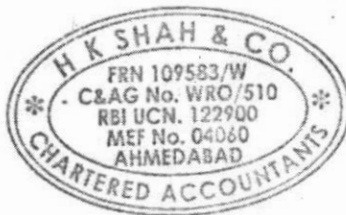

CA Gopesh K Shah
Partner

M. No. 106204

Place: Ahmedabad

Date: 07/05/2025

UDIN: 25106204BMJQZP5217



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")

We have audited the internal financial controls over financial reporting of **WELSPUN SATTANATHAPURAM NAGAPATTINAM ROAD PRIVATE LIMITED** ("the company") as of 31st March 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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 31st 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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 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 Companies Act, 2013.

Auditors' 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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

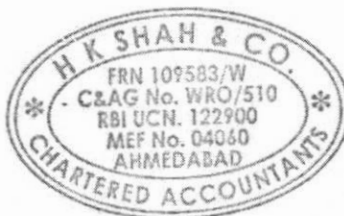
A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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.

For,
H. K. Shah & Co.,
Chartered Accountants
FRN: 109583W

CA Gopesh K Shah
Partner
M. No. 106204
Place: Ahmedabad
Date: 07/05/2025
UDIN: 25106204BMJQZP5217



Balance Sheet as at 31 March 2025

(Rupees in lakhs)

| | Notes | As at 31 March 2025 | As at 31 March 2024 |
|---|-------|------------------------|------------------------|
| ASSETS | | | |
| 1. Non-current assets | | | |
| (a) Property, plant and equipment | 4 | 0.56 | 0.56 |
| (b) Financial Assets | | | |
| (i) Service concession receivables | 5 | 79,623.63 | 39,018.70 |
| (c) Non-current tax assets (net) | 6 | 283.07 | 242.32 |
| (d) Other non-current assets | 7 | 6,387.34 | - |
| Total non-current assets | | 86,294.60 | 39,261.58 |
| 2. Current assets | | | |
| (a) Financial assets | | | |
| (i) Cash and cash equivalents | 8 | 123.45 | 237.82 |
| (b) Other current assets | 9 | 8,201.86 | 7,420.41 |
| Total current assets | | 8,325.31 | 7,658.23 |
| Total assets | | 94,619.91 | 46,919.81 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity share capital | 10A | 1,134.00 | 1,134.00 |
| (b) Instruments entirely equity in nature | 10B | 16,096.00 | 13,576.00 |
| (c) Other equity | 10C | 6,549.14 | 5,706.03 |
| Total equity | | 23,779.14 | 20,416.03 |
| LIABILITIES | | | |
| Non current liabilities | | | |
| (a) Financial liabilities | | | |
| Borrowings | 11 | 58,679.76 | - |
| (b) Deferred tax liabilities (net) | 12 | 1,356.57 | 1,070.04 |
| Total current liabilities | | 60,036.33 | 1,070.04 |
| Current liabilities | | | |
| (a) Contract liabilities | 13 | 8,745.45 | 11,117.76 |
| (b) Financial liabilities | | | |
| (i) Borrowings | 14 | 589.66 | 584.99 |
| (ii) Trade payables | 15 | | |
| - Due of micro and small enterprises | | 39.84 | 56.10 |
| - Due of creditors other than micro and small enterprises | | 1,314.93 | 13,508.87 |
| (c) Other current liabilities | 16 | 114.56 | 166.02 |
| Total current liabilities | | 10,804.44 | 25,433.74 |
| Total equity and liabilities | | 94,619.91 | 46,919.81 |

Notes forming part of the financial statements (Refer note 1 to 40)

As per our report of even date attached.

For H.K. Shah & Co.
Chartered Accountants
Firm Registration No.: 109583W

CA Gopesh.K.Shah
Partner
Membership No.: 106204

Place: Ahmedabad
Date: 07 May 2025



For and on behalf of the Board

Vinoo Sanjay
Director
DIN : 07470339

Yogen Babulal Lal
Director
DIN: 01828376

Subhash Singh Rana
Chief Financial Officer

Anshita kathal
Company Secretary

Place: Mumbai
Date: 07 May 2025



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

(Rupees in lakhs)

| | Note | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|------|-----------------------------|-----------------------------|
| Income | | | |
| Revenue from operations | 17 | 53,830.73 | 30,444.85 |
| Other income | 18 | 5,071.67 | 3,108.87 |
| Total income | | 58,902.40 | 33,553.72 |
| Expenses | | | |
| Construction expenses | 19 | 53,898.68 | 30,466.22 |
| Finance costs | 20 | 3,829.33 | 1,137.08 |
| Other expenses | 21 | 35.93 | 25.25 |
| Total expenses | | 57,763.94 | 31,628.55 |
| Profit before tax | | 1,138.46 | 1,925.17 |
| Tax expense | 22 | | |
| - Current tax | | | |
| - Current year | | - | 0.93 |
| - Earlier year short / (excess) provision | | 8.82 | (13.71) |
| - Deferred tax charge / (benefit) | | 286.53 | 486.70 |
| Total tax expense | | 295.35 | 473.92 |
| Profit for the year | | 843.11 | 1,451.25 |
| Other comprehensive income | | - | - |
| Total comprehensive income for the year | | 843.11 | 1,451.25 |
| Earnings per equity share of Rs. 10 each fully paid-up | 27 | | |
| Basic EPS (Rs) | | 7.43 | 42.88 |
| Diluted EPS (Rs) | | 0.56 | 1.31 |

Notes forming part of the financial statements (Refer note 1 to 40)

As per our report of even date attached.

For H.K. Shah & Co.
Chartered Accountants
Firm Registration No. 109583W

For and on behalf of the Board

CA Gopesh.K.Shah
Partner
Membership No.: 106204



Place: Ahmedabad
Date: 07 May 2025

Vinoo Sanjay
Director
DIN : 07470339

Yogen Babulal Lal
Director
DIN: 01828376

Subhash Singh Rana
Chief Financial Officer

Anshita kathal
Company Secretary

Place: Mumbai
Date: 07 May 2025



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

(A) - Equity share capital

(Rupees in lakhs)

| (i) Current year | Balances as at 1 April 2024 | Change in equity share capital during the year | Balance as at 31 March 2025 |
|------------------|--------------------------------|---|--------------------------------|
| | 1,134.00 | - | 1,134.00 |

| (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 | 1,133.00 | 1,134.00 |

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

(B) - Instrument entirely equity in nature

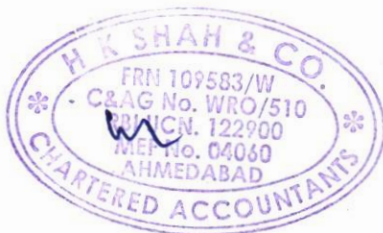
(Rupees in lakhs)

| | Amount |
|------------------------------|-----------|
| Balances as at 31 March 2023 | 2,170.00 |
| Changes during the year | 11,406.00 |
| Balance as at 31 March 2024 | 13,576.00 |
| Changes during the year | 2,520.00 |
| Balance as at 31 March 2025 | 16,096.00 |

(C) - Other equity

(Rupees in lakhs)

| | Retained earnings | Securities Premium | Total other equity |
|---|----------------------|-----------------------|-----------------------|
| Balances as at 31 March 2023 | 1,988.78 | - | 1,988.78 |
| Profit for the year | 1,451.25 | - | 1,451.25 |
| Addition during the year | - | 2,266.00 | 2,266.00 |
| Other comprehensive income for the year | - | - | - |
| Total comprehensive income for the year | 1,451.25 | 2,266.00 | 3,717.25 |
| Balance as at 31 March 2024 | 3,440.03 | 2,266.00 | 5,706.03 |
| Profit for the year | 843.11 | - | 843.11 |
| Addition during the year | - | - | - |
| Other comprehensive income for the year | - | - | - |
| Total comprehensive income for the year | 843.11 | - | 843.11 |
| Balance as at 31 March 2025 | 4,283.14 | 2,266.00 | 6,549.14 |



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.

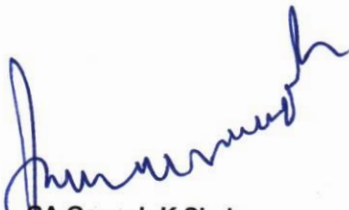
Notes forming part of the financial statements (Refer note 1 to 40)

As per our report of even date attached.

For H.K. Shah & Co.

Chartered Accountants

Firm Registration No.: 109583W


CA Gopesh.K.Shah
Partner
Membership No.: 106204

Place: Ahmedabad

Date: 07 May 2025



For and on behalf of the Board



Vinoo Sanjay

Director

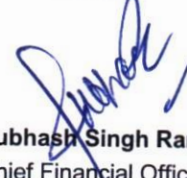
DIN : 07470339



Yogen Babulal Lal

Director

DIN: 01828376



Subhash Singh Rana

Chief Financial Officer



Anshita Kathal

Company Secretary

Place: Mumbai

Date: 07 May 2025



Statement of Cash Flow for the year ended 31 March 2025

(Rupees in lakhs)

| | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|-----------------------------|-----------------------------|
| Cash flows from operating activities | | |
| Net Profit before tax | 1,138.46 | 1,925.17 |
| Adjustments for | | |
| Finance expenses | 3,829.33 | 1,137.08 |
| Interest on bank deposits | (2.14) | (27.48) |
| Interest on financial assets | (5,059.96) | (3,070.85) |
| Notional Income from construction contracts | (53,146.27) | (30,055.89) |
| Interest on IT refund | (9.57) | (10.54) |
| Operating profit before working capital changes | (53,250.15) | (30,102.51) |
| Decrease/ (Increase) in financials assets | 17,601.30 | 20,478.24 |
| Decrease/ (Increase) in other current assets | (7,168.79) | (2,501.72) |
| (Decrease)/ Increase in financials liabilities | (15,900.13) | 3,371.62 |
| (Decrease)/ Increase in other current liabilities | (51.46) | 151.11 |
| Cash generated from / (used in) operating activities | (58,769.23) | (8,603.26) |
| Less: Direct taxes paid (Net of refunds) | (40.00) | 35.16 |
| Net cash generated from / (used in) operating activities (A) | (58,809.23) | (8,568.10) |
| Cash flows from Investing activities | | |
| Interest on bank deposits received | 2.14 | 27.48 |
| Redemption / (investment) in bank deposit account | - | 758.84 |
| Net cash generated from / (used in) investing activities (B) | 2.14 | 786.32 |
| Cash flows from financing activities | | |
| Proceeds from issue of equity shares | - | 1,019.70 |
| Proceeds from long term borrowings | 58,679.76 | - |
| Proceeds from short term borrowings | - | 8,335.51 |
| (Repayment) of short term borrowings | - | (1,217.18) |
| Proceeds from Compulsorily convertible debentures (CCD) | 2,520.00 | - |
| Finance expenses | (2,507.04) | (285.91) |
| Net cash generated from / (used in) financing activities (C) | 58,692.72 | 7,852.12 |
| Net increase / (decrease) in cash and cash equivalents (A+B+C) | (114.37) | 70.34 |
| Cash and cash equivalents at the beginning of the year | 237.82 | 167.48 |
| Cash and cash equivalents at the end of the year | 123.45 | 237.82 |
| Components of cash and cash equivalents | | |
| In Bank accounts | 123.45 | 237.82 |
| Total cash and cash equivalents | 123.45 | 237.82 |

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

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 37.



Previous year figures are regrouped / reclassified wherever considered necessary.

Notes forming part of the financial statements (Refer note 1 to 40)

As per our report of even date attached.

For H.K. Shah & Co.

Chartered Accountants

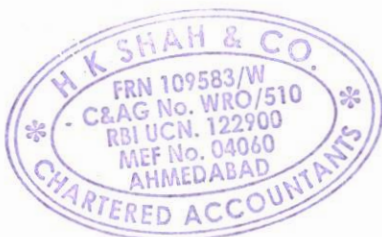
Firm Registration No.: 109583W


For and on behalf of the Board


CA Gopesh.K.Shah
Partner
Membership No.: 106204

Place: Ahmedabad


Date: 07 May 2025




Vinoo Sanjay

Director

DIN : 07470339


Subhash Singh Rana
Chief Financial Officer

Place: Mumbai

Date: 07 May 2025



Yogen Babulal Lal

Director

DIN: 01828376


Anshita Kathal
Company Secretary



Welspun Sattanathapuram Nagapattinam Road Private Limited
CIN: U45500DL2018PTC338889

Notes forming part of the financial statements

1. Company information

Welspun Sattanathapuram Nagapattinam Road Private Limited, ('the Company') is domiciled and incorporated in India and is a subsidiary company of Welspun Enterprises Limited. The Company is engaged into infrastructure development of Four laning of Sattanathapuram to Nagapattinam (Design Ch Km 123+800 to Km 179+555) section of NH-45A (New NH -332) in the State of Tamil Nadu under NHDP Phase-IV on Hybrid Annuity model basis.

The financial statements of the Company are prepared for the year ended 1 April 2024 to 31 March 2025 and authorised for issue by the Board of Directors at their meeting held on 07 May 2025.

2. Basis of preparation

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 and rules framed thereunder and guidelines issued by Securities and Exchange Board of India (SEBI) and presentation and disclosures as per Division II of Schedule III (as amended).

The financial statements have been prepared under the historical cost convention and on accrual basis, 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, 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:

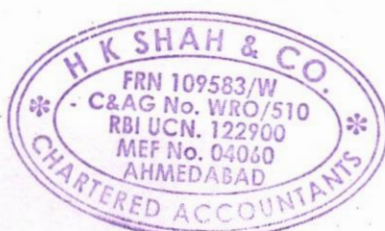
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting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



Notes forming part of the financial statements

ii) Property, plant and equipment

Subsequent to initial recognition, property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria is met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. The carrying amount of the replaced part accounted for as a separate asset previously is derecognized. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss when incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Depreciation on property, plant and equipment is provided on written down value basis as per the rate derived on the basis of useful life and method prescribed under Schedule – II of the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

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.

iv) Service concession arrangements

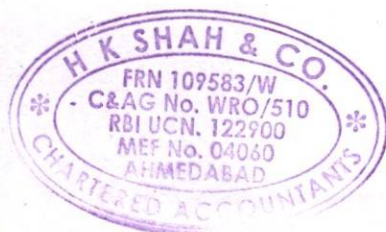
The Company constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. These arrangements may include infrastructure used in a public-to-private service concession arrangement for its entire useful life.

Under Appendix C to Ind AS 115 - Service Concession Arrangements, these arrangements are accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the Company receives a right (i.e. a franchisee) to charge users of the public service. The financial asset model is used to the extent the Company has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component. If the Company performs more than one service (i.e., construction or upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.

In the financial asset model, the amount due from the grantor meets the definition of a receivable which is measured at fair value on initial recognition. Based on business model assessment, the Company measures such financial assets at amortised cost. The amount initially recognised plus the cumulative interest on that amount is calculated using the effective interest method. Any asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

v) 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 The disclosures of significant accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3(B).



Welspun Sattanathapuram Nagapattinam Road Private Limited
CIN: U45500DL2018PTC338889

Notes forming part of the financial statements

a) Revenue from Engineering, Procurement and Construction

The Company derives revenue from the long-term construction of major infrastructure projects across India. 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.

Contract revenue corresponds to the fair value of consideration received/ receivable from the customer to the extent that it is probable that they will result in revenue, and they are capable of being reliably measured.

b) Services revenue

The Company performs maintenance, utility shifting and other services. Revenue is recognised in the accounting period in which the services are rendered, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Company. Customers are in general invoiced at an amount that is calculated on either a schedule of rates or a cost plus basis that are aligned with the standalone selling prices for each performance obligation. Payment is received following invoice on normal commercial terms.

c) 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.

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 method ('EIR') and shown under interest income in the statement of profit and loss. EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. Interest income on interest bearing financial assets classified as fair value through profit and loss is shown as interest income under other income.

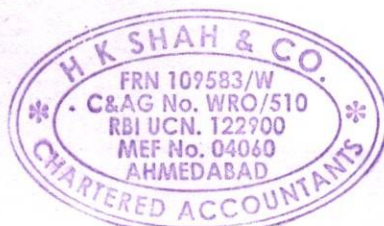
e) Contract Balances

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".



Welspun Sattanathapuram Nagapattinam Road Private Limited
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Notes forming part of the financial statements

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) Cost to obtain a contract

The Company incurs costs to obtain the contracts such as bidding costs, feasibility study. The Company has charged these costs to statement of profit and loss as the Company does not expect to recover these costs.

g) 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. As a consequence, the Company does not adjust any of the transaction prices for the time value of money. Retention money receivable from project customers does not contain any significant financing element, these are retained for satisfactory performance of contract. However, if a financing element is present then the Company would split the transaction price between the consideration for services rendered and time value of money.

h) Loss making contracts

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.

vi) Taxes on income

a) Current tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

b) Deferred tax

Deferred tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

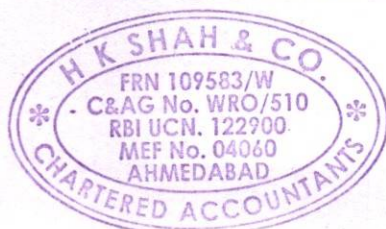
Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

vii) Foreign currency transactions

The Company's financial statements are presented in INR, which is also the Company's functional currency. Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.



Welspun Sattanathapuram Nagapattinam Road Private Limited
CIN: U45500DL2018PTC338889

Notes forming part of the financial statements

viii) 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.

ix) Earnings per share

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit or loss after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

x) 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

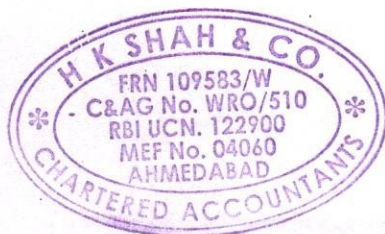
b) Contingent liabilities and contingent assets

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.

xi) 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.



Welspun Sattanathapuram Nagapattinam Road Private Limited
CIN: U45500DL2018PTC338889

Notes forming part of the financial statements

A. Financial assets

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.

Subsequent measurement

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

- a) Debt instruments measured at amortised cost
- b) Debt instruments measured at fair value through other comprehensive income (FVTOCI)
- c) Debt instruments measured at fair value through profit or loss (FVTPL)
- d) 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.

a) 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. Income from these financial assets is included in interest income using the effective interest rate method.

b) 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. Income from these financial assets is included in interest income using the effective interest rate method.

c) 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.

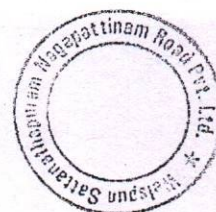
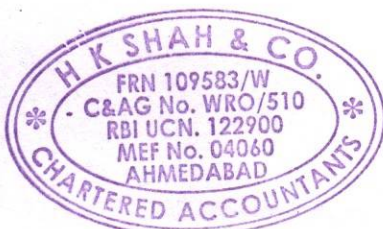
In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument (except as referred in 3 (A) (iv) 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.

d) 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.



Notes forming part of the financial statements

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.

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. Reclassification of financial instruments

The entity determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets, such as equity instruments designated as FVTPL or FVOCI. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

D. 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.

E. 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:

- a) Financial liabilities measured at amortised cost
- b) Financial liabilities measured at FVTPL (fair value through profit or loss)

a) Financial liabilities measured at amortised cost

After initial recognition, financial liabilities 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.

b) 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 fair value through profit or loss 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.



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Notes forming part of the financial statements

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.

xii) 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 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.

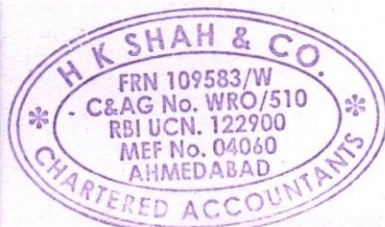
xiii) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to the statement of profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual installments.

xiv) 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.



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Notes forming part of the financial statements

xv) Exceptional items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

3 (B) Material estimates, judgements 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) Revenue from contracts with customers

The Company applied the following judgments that significantly affect the determination of the amount and timing of revenue from contracts with customers:

- i. determination of stage of completion;
- ii. estimation of total contract costs;
- iii. estimation of total contract revenue, including recognising revenue on contract variations and claims only to the extent it is highly probable that a significant reversal in the amount recognised will not occur in the future;
- iv. estimation of project completion date; and
- v. assumed levels of project execution productivity.

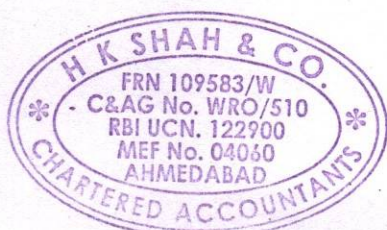
d) Contingencies and commitments

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 crystallising 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.

e) Impairment testing

i. Judgment is also required in evaluating the likelihood of collection of customer debt after revenue has been recognised. This evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles. Provisions are based on historical trends in the percentage of debts which are not recovered, or on more detailed reviews of individually significant balances.

ii. Determining whether the carrying amount of these assets has any indication of impairment also requires judgment. If an indication of impairment is identified, further judgment is required to assess whether the carrying amount can be supported by the net present value of future cash flows forecast to be derived from the asset. This forecast involves cash flow projections and selecting the appropriate discount rate.



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Notes forming part of the financial statements

f) 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.

g) 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. 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 23).

3 (D) Recent pronouncement

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. April 1, 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.



Welspun Sattanathapuram Nagapattinam Road Private Limited
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Notes forming part of the financial statements

4 Property, plant and equipment

(Rupees in lakhs)

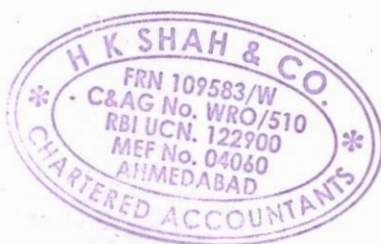
| | Freehold Land | Total |
|-------------------------------------|---------------|-------|
| Gross carrying amount (cost) | | |
| As at 31 March 2023 | 0.56 | 0.56 |
| Additions | - | - |
| As at 31 March 2024 | 0.56 | 0.56 |
| Additions | - | - |
| As at 31 March 2025 | 0.56 | 0.56 |
| | | |
| | Freehold Land | Total |
| Accumulated depreciation | | |
| As at 31 March 2023 | - | - |
| Additions | - | - |
| As at 31 March 2024 | - | - |
| Additions | - | - |
| As at 31 March 2025 | - | - |
| As at 31 March 2025 | 0.56 | 0.56 |
| As at 31 March 2024 | 0.56 | 0.56 |



Welspun Sattanathapuram Nagapattinam Road Private Limited
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Notes forming part of the financial statements

| | | (Rupees in lakhs) | |
|--|--|------------------------|------------------------|
| | | As at 31 March 2025 | As at 31 March 2024 |
| 5 Non current financial assets | | | |
| Service concession receivables | | 79,623.63 | 39,018.70 |
| Total | | 79,623.63 | 39,018.70 |
| 6 Non-current tax assets | | | |
| Balance with government authorities | | | |
| - Direct tax | | 283.07 | 242.32 |
| Total | | 283.07 | 242.32 |
| 7 Non-current assets - others | | | |
| Balances with government authorities- Indirect taxes | | 6,387.34 | - |
| Total | | 6,387.34 | - |
| 8 Cash and cash equivalents | | | |
| Balances with banks in current accounts | | 123.45 | 237.82 |
| Total | | 123.45 | 237.82 |
| 9 Other current assets | | | |
| Balances with government authorities- Indirect taxes | | 6,253.02 | 6,206.00 |
| Prepaid expenses | | 1,940.04 | 1,211.76 |
| Advances to Suppliers | | | |
| - Others | | 8.80 | 2.65 |
| Total | | 8,201.86 | 7,420.41 |



Welspun Sattanathapuram Nagapattinam Road Private Limited
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Notes forming part of the financial statements

10 Share capital and other equity
10(A) - Equity Share Capital

| Particulars | (Rupees in lakhs) | |
|--|------------------------|------------------------|
| | As at 31 March 2025 | As at 31 March 2024 |
| Authorised share capital | | |
| 1,50,00,000 (31 March 2024: 1,50,00,000) Equity Shares of Rs.10 each | 1,500.00 | 1,500.00 |
| Issued, subscribed and paid up | | |
| 1,13,40,000 (31 March 2024: 1,13,40,000) Equity Shares of Rs.10 each fully paid up | 1,134.00 | 1,134.00 |
| Total issued, subscribed and paid up equity share capital | 1,134.00 | 1,134.00 |

i) Reconciliation of number of shares outstanding

| | As at 31 March 2025 | | As at 31 March 2024 | |
|------------------------------------|----------------------------|----------------------|----------------------------|----------------------|
| | Number of equity shares | (Rupees in lakhs) | Number of equity shares | (Rupees in lakhs) |
| At the beginning of the year | 1,13,40,000 | 1,134.00 | 10,000 | 1.00 |
| Add : Issued during the year | - | - | 1,13,30,000 | 1,133.00 |
| Outstanding at the end of the year | 1,13,40,000 | 1,134.00 | 1,13,40,000 | 1,134.00 |

ii) Rights, preference and restriction on shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity share is entitled to one vote per share. The dividend, in case proposed by the Board of Directors is subject to the approval of the shareholders 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 share will be entitled to receive remaining assets of the Company after distribution of preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

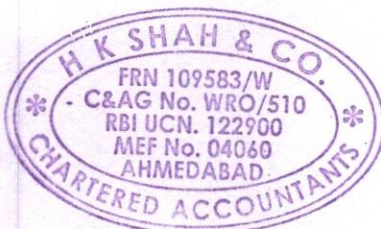
iii) Details of shares held by holding company

| | As at 31 March 2025 | | As at 31 March 2024 | |
|-----------------------------|----------------------------|-----------|----------------------------|-----------|
| | Number of equity shares | % Holding | Number of equity shares | % Holding |
| Welspun Enterprises Limited | 79,38,000 | 70.00% | 79,38,000 | 70.00% |

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

| Particulars | As at 31 March 2025 | | As at 31 March 2024 | |
|--|----------------------------|-----------|----------------------------|-----------|
| | Number of equity shares | % Holding | Number of equity shares | % Holding |
| Welspun Enterprises Limited | 79,38,000 | 70.00% | 79,38,000 | 70.00% |
| Grenoble Infrastructure Private Limited and its nominees | 34,01,990 | 30.00% | 34,01,990 | 30.00% |

v) The Company has not issued any bonus shares, shares issued for consideration other than cash and shares bought back during the last five years immediately preceding the reporting date 31 March 2025.



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Notes forming part of the financial statements

10 Share capital and other equity

vi) Details of promoters shareholding

| Name of Promoters | As at 31 March 2025 | | |
|---|---------------------|-------------------|--------------------------|
| | Number of shares | % of total shares | % Change during the year |
| Welspun Enterprises Limited | 79,38,000 | 70% | 0% |
| Grenoble Infrastructure Private Limited | 34,01,986 | 30% | 0% |
| Avaada Energy Private Limited | 10 | 0% | 0% |
| Dewas Waterprojects Works Private Limited * | 1 | 0% | 0% |
| Welsteel Enterprises Private Limited * | 1 | 0% | 0% |
| Welspun Aunta SImaria Project Private Limited * | 1 | 0% | 0% |
| DME Infra Private Limited * | 1 | 0% | 0% |
| Total | 1,13,40,000 | 100% | - |

* Nominee of Grenoble Infrastructure Private Ltd

| Name of Promoters | As at 31 March 2024 | | |
|---|---------------------|-------------------|--------------------------|
| | Number of shares | % of total shares | % Change during the year |
| Welspun Enterprises Limited | 79,38,000 | 70% | 0% |
| Grenoble Infrastructure Private Limited | 34,01,986 | 30% | 0% |
| Avaada Energy Private Limited | 10 | 0% | 0% |
| Mr. Devendra Patil * | 1 | 0% | 0% |
| Mr. Shashikant Thorat * | 1 | 0% | 0% |
| Mr. Yogen Lal * | 1 | 0% | 0% |
| Mr. Lalit Kumar Jain * | 1 | 0% | 0% |
| Total | 1,13,40,000 | 100% | - |

* Nominee of Grenoble Infrastructure Private Ltd

10(B) - Instrument entirely equity in nature

(Rupees in lakhs)

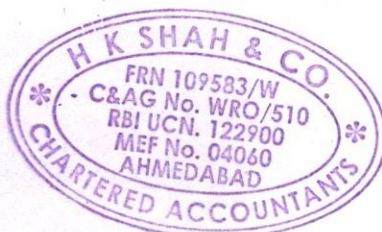
| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|------------------------|------------------------|
| | | |
| Compulsorily convertible debentures ('CCD') | | |
| 1,35,76,000 (31 March 2024: 1,35,76,000) units of Rs 100 each, fully paid up (Refer note A below for terms and conditions) | 13,576.00 | 13,576.00 |
| 2,52,00,000 (31 March 2024: 0) units of Rs 10 each, fully paid up (Refer note B below for terms and conditions) | 2,520.00 | - |
| Total | 16,096.00 | 13,576.00 |

A) Terms and conditions for 1,35,76,000 CCD's out of 3,87,76,000 CCD's

Each 0% unsecured debenture shall be compulsorily convertible into 10 equity shares of Rs.10 each of the company at the end of the tenure.

B) Terms and conditions for 2,52,00,000 CCD's out of 3,87,76,000 CCD's

Three, 0% unsecured debenture shall be compulsorily convertible into one equity shares of Rs.30 each (i.e. face value of Rs. 10/- each and premium of Rs. 20/- each) of the company at the end of the tenure. The ratio for conversion is 3:1.



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Notes forming part of the financial statements

10 Share capital and other equity

| 10(C) - Other equity | | (Rupees in lakhs) | |
|----------------------|---------------|-------------------|--|
| Particulars | As at | As at | |
| | 31 March 2025 | 31 March 2024 | |
| Retained earnings | 4,283.14 | 3,440.03 | |
| Securities Premium | 2,266.00 | 2,266.00 | |
| Total | 6,549.14 | 5,706.03 | |

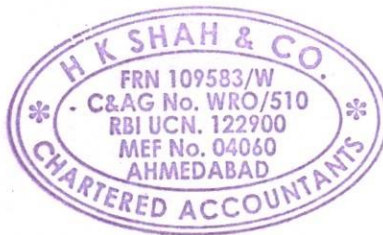
| (i) Retained earnings | | (Rupees in lakhs) | |
|---|---------------|-------------------|--|
| Particulars | As at | As at | |
| | 31 March 2025 | 31 March 2024 | |
| Opening balance | 3,440.03 | 1,988.78 | |
| Total Comprehensive income for the year | 843.11 | 1,451.25 | |
| Closing balance | 4,283.14 | 3,440.03 | |

| (ii) Securities Premium | | (Rupees in lakhs) | |
|---------------------------|---------------|-------------------|--|
| Particulars | As at | As at | |
| | 31 March 2025 | 31 March 2024 | |
| Opening balance | 2,266.00 | - | |
| Additions during the year | - | 2,266.00 | |
| Closing balance | 2,266.00 | 2,266.00 | |

Nature and purpose of reserves :-

Retained earnings

Retained earnings represent the profit made / loss incurred by the Company for the year.



Welspun Sattanathapuram Nagapattinam Road Private Limited
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Notes forming part of the financial statements

| (Rupees in lakhs) | |
|------------------------|------------------------|
| As at 31 March 2025 | As at 31 March 2024 |

11 Non- current financial liability - borrowings

Secured

Term loan from Banks

Total

| | |
|------------------|----------|
| 58,679.76 | - |
| 58,679.76 | - |

Nature of security and terms of repayments for long-term borrowings

Axis Bank, Indian Bank & Punjab National Bank

(i) 1st pari passu charge by way of hypothecation of all the fixed assets (if any) / moveable assets of the company (other than project assets, except those acquired out of free flow of the company in operation phase).

(ii) 1st charge on project's book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature and wherever arising, present and future intangibles, goodwill, uncalled capital (present and future).

(iii) 1st charge on all of the borrower / project bank accounts, including but not limited to the escrow account opened with the Escrow Bank, where all cash inflows from the project shall be deposited and all proceeds shall be utilised in a manner and priority to be decided by the lenders.

(iv) All the right, title, interest, benefits, claims and demands whatsoever of the Borrower in any letter of credit, guarantee, performance bond provided by any counterparty to the project contracts; assignment of all the company's rights and interest under all the agreements related to the projects, letter of credit (if any)

(v) Assignment of all applicable insurance policies.

(vi) Pledge of 51% equity shares, preference shares, CCDs, NCDs, quasi-equity issued by the Borrower.

Interest and Repayment terms

a) Rate of Interest

| | |
|----------------------|-------------------|
| Axis Bank Ltd | REPO RATE + 2.40% |
| Indian Bank | 3M MCLR + 0.40% |
| Punjab National Bank | 3M MCLR + 0.45% |

b) Term loans are repayable in 28 half yearly installments starting from June 2026 and ending in December 2039.

12 Deferred tax liabilities (net)

Deductible temporary difference on service concession

Taxable temporary difference on Ind AS adjustment

Total

| | |
|-----------------|-----------------|
| 918.66 | 775.63 |
| 437.91 | 294.41 |
| 1,356.57 | 1,070.04 |

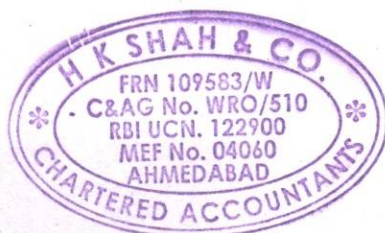
13 Contract Liabilities

Contract liabilities (Refer note 31)

- Other parties

Total

| | |
|-----------------|------------------|
| 8,745.45 | 11,117.76 |
| 8,745.45 | 11,117.76 |



Welspun Sattanathapuram Nagapattinam Road Private Limited
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Notes forming part of the financial statements

14 Short term borrowings

Secured

Current maturities of long term borrowings - (Refer note 11 for nature of security) # 4.67 -

Unsecured

Optionally convertible debentures 584.99 584.99
5,84,988 units (31 March 2024 :5,84,988) 0% unsecured optionally convertible debentures of Rs 100 each fully paid up

Total 589.66 584.99

Current maturities of long term borrowings include interest accrued but not due of Rs. 4.67 lakhs (31 March 2024: Nil)

Optionally convertible debentures ('OCD')

Terms and conditions

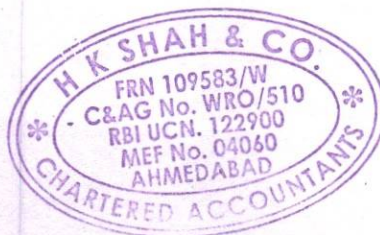
Each debenture shall be convertible, at the option of the holder or the Company into 10 equity shares of Rs 10 each of the Company at any time after the expiry of 5 years and such conversion option shall be available till the expiry of the tenure (10 years from date of allotment) unless redeemed earlier. Besides, the Debenture holder as well as the Company has the right to seek redemption or do redemption, as the case may be, any time after the allotment of debentures. If the debentures are not converted into equity or redeemed until the expiry of the tenure, the debentures shall be redeemed at the expiry of the tenure.

15 Trade payables

Due and outstanding from micro and small enterprises 39.84 56.10
Due and outstanding other than from micro and small enterprises
- Related party- (Refer note 29) 1,157.48 13,302.69
- Others 157.45 206.18
Total 1,354.77 13,564.97

Ageing schedule for the year ended 31 March 2025

| | Not Due | Outstanding for following periods from due date | | | | Total |
|--|-----------------|---|-----------|-----------|-------------------|-----------------|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Total outstanding dues of micro enterprises and small enterprises | 39.84 | - | - | - | - | 39.84 |
| (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises (including accrued | 1,300.06 | 14.87 | - | - | - | 1,314.93 |
| (iii) Disputed dues of micro enterprises and small enterprises | - | - | - | - | - | - |
| (iv) Disputed dues of creditors other than micro enterprises and small | - | - | - | - | - | - |
| Total | 1,339.90 | 14.87 | - | - | - | 1,354.77 |



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Notes forming part of the financial statements

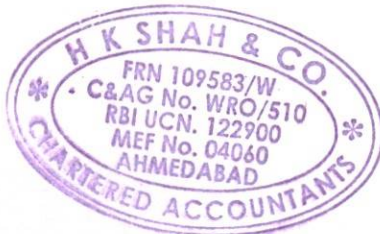
Ageing schedule for the year ended as on 31 March 2024

| | Not Due | Outstanding for following periods from due date | | | | Total |
|--|------------------|---|-------------|-----------|-------------------|------------------|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Total outstanding dues of micro enterprises and small enterprises | 56.10 | - | - | - | - | 56.10 |
| (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises (including accrued | 10,272.48 | 3,235.83 | 0.56 | - | - | 13,508.87 |
| (iii) Disputed dues of micro enterprises and small enterprises | - | - | - | - | - | - |
| (iv) Disputed dues of creditors other than micro enterprises and small | - | - | - | - | - | - |
| Total | 10,328.58 | 3,235.83 | 0.56 | - | - | 13,564.97 |

(Rupees in lakhs)

16 Other current liabilities
Statutory dues payable
Total

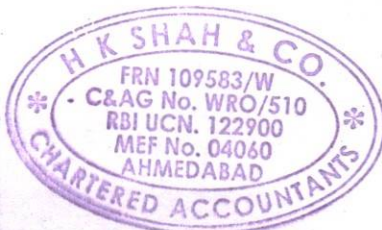
| As at 31 March 2025 | As at 31 March 2024 |
|------------------------|------------------------|
| 114.56 | 166.02 |
| 114.56 | 166.02 |



Welspun Sattanathapuram Nagapattinam Road Private Limited
CIN: U45500DL2018PTC338889

Notes forming part of the financial statements

| | (Rupees in lakhs) | |
|--|-----------------------------|-----------------------------|
| | Year ended 31 March 2025 | Year ended 31 March 2024 |
| 17 Revenue from operations | | |
| Contract work income | 53,146.27 | 30,055.89 |
| Utility Revenue | 684.46 | 388.96 |
| Total | 53,830.73 | 30,444.85 |
| 18 Other income | | |
| Interest Income on financial assets at amortised cost | | |
| - On Bank deposits | 2.14 | 27.48 |
| - On financial assets | 5,059.96 | 3,070.85 |
| Interest on Income tax refund | 9.57 | 10.54 |
| Total | 5,071.67 | 3,108.87 |
| 19 Construction expenses | | |
| Sub-contracting charges | 51,819.55 | 27,870.94 |
| Professional Fees | 171.10 | 234.60 |
| Rates & Taxes | 1,815.60 | 2,274.73 |
| Insurance expense | 92.43 | 85.95 |
| Total | 53,898.68 | 30,466.22 |
| 20 Finance costs | | |
| Interest expenses on:- | | |
| - Term loans | 2,277.74 | - |
| - Others | 632.07 | 894.63 |
| Bank charges and other finance costs | 919.52 | 242.45 |
| Total | 3,829.33 | 1,137.08 |
| 21 Other expenses | | |
| Professional Fees | 3.80 | 2.37 |
| Corporate social responsibility expenses - (Refer Note 38) | 27.50 | 17.35 |
| Payment to Auditors :- | | |
| - Audit fees | 1.65 | 1.55 |
| Directors Sitting Fees | 2.98 | 3.23 |
| Miscellaneous expenses | - | 0.75 |
| Total | 35.93 | 25.25 |



Welspun Sattanathapuram Nagapattinam Road Private Limited
CIN: U45500DL2018PTC338889

Notes forming part of the financial statements

22 Income tax

i) Income tax related to items recognised in Statement of profit and loss during the year

(Rupees in lakhs)

| | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|-----------------------------|-----------------------------|
| Current tax | | |
| Current tax on taxable income for the year | - | 0.93 |
| Earlier year short / (excess) provision | 8.82 | (13.71) |
| Deferred tax | | |
| Deferred tax charges / (credit) | 286.53 | 486.70 |
| Total deferred tax charge/ (credit) | 286.53 | 486.70 |
| Income tax expense reported in the statement of profit and loss | 295.35 | 473.92 |

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

(Rupees in lakhs)

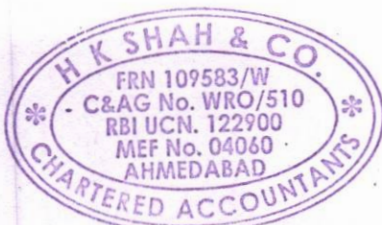
| | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|-----------------------------|-----------------------------|
| Accounting profit before tax | 1,138.46 | 1,925.17 |
| At India's statutory income tax rate | 286.53 | 484.53 |
| Earlier year excess provision | 8.82 | (13.71) |
| Tax effect of amount which are not taxable in calculating taxable income : | | |
| Other non deductible expenses | - | 4.40 |
| Other taxable adjustments | - | - |
| Utilisation of previously unrecognised tax losses | - | (1.30) |
| Income tax expenses reported in the statement of profit and loss | 295.35 | 473.92 |

The applicable tax rate is the standard effective corporate income tax rate in India. The tax rate is 25.168% for the year ended 31 March 2025.

iii) Deferred tax relates to the following:

(Rupees in lakhs)

| | Balance Sheet | | Recognized in the statement of profit and loss | |
|---|------------------------|------------------------|--|-----------------------------|
| | As at 31 March 2025 | As at 31 March 2024 | Year ended 31 March 2025 | Year ended 31 March 2024 |
| A. Deferred tax liabilities (net) | | | | |
| 1). Deferred tax liabilities | | | | |
| Taxable temporary difference on Ind AS | 437.91 | 294.41 | 143.50 | - |
| Deferred tax charge - Total | 437.91 | 294.41 | 143.50 | - |
| B. Deferred tax assets (net) | | | | |
| 1). Deferred tax assets | | | | |
| Deductible difference on service concession | (918.66) | (775.63) | 143.03 | 486.70 |
| Total | (918.66) | (775.63) | 143.03 | 486.70 |
| Deferred tax liabilities/ (assets) (net) | 1,356.57 | 1,070.04 | 286.53 | 486.70 |
| Deferred tax charge/(credit) | | | | |



Welspun Sattanathapuram Nagapattinam Road Private Limited
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Notes forming part of the financial statements

23 Fair value measurements

On comparison 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

(Rupees in lakhs)

| | As at 31 March 2025 | | As at 31 March 2024 | |
|---|------------------------|-------------------|------------------------|-------------------|
| | FVTPL | Amortised Cost | FVTPL | Amortised Cost |
| Financial assets (other than investment in subsidiaries, joint venture and Non-current assets) | | | | |
| Service concession receivables | - | 79,623.63 | - | 39,018.70 |
| Other current financial assets | - | - | - | - |
| Current assets | | | | |
| Cash and cash equivalents | - | 123.45 | - | 237.82 |
| Total financial assets | - | 79,747.08 | - | 39,256.52 |
| Financial liabilities | | | | |
| Current liabilities | | | | |
| Borrowings | - | 59,269.42 | - | 584.99 |
| Trade and other payables | - | 1,354.77 | - | 13,564.97 |
| Other Current financial liabilities | - | - | - | - |
| Total financial liabilities | - | 60,624.19 | - | 14,149.96 |

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.

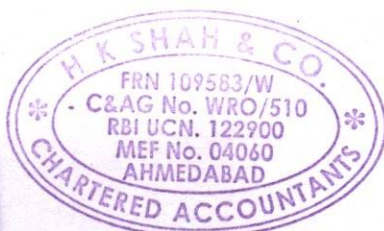
The following methods and assumptions were used to estimate the fair values:

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

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.

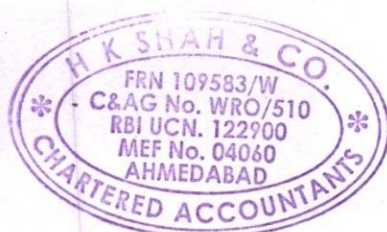
The carrying amounts of non-current service concession receivables, cash and cash equivalents, other bank balances, other financial assets, non-current and current borrowings, trade payables and other financial liabilities that are measured at amortised cost are considered to be approximately equal to the fair value due to short-term maturities of these financial assets/ liabilities.



Notes forming part of the financial statements

24 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 (in times) | Current assets | Current liabilities | Times | 0.77 | 0.30 | 155.91% | On account of decrease in current liabilities. |
| (b) Debt-equity ratio | Total debt [Non-current borrowings + Current borrowings] | Total Equity | Times | 2.49 | 0.03 | 8598.08% | On account borrowings from bank in the current year. |
| (c) 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 | 1.37 | NA | NA | - |
| (d) Return on equity ratio | Profit after tax | Average of total equity | Percentage | 3.82% | 11.81% | (67.69%) | On account of decrease in profit and increase in convertible debentures. |
| (e) Inventory turnover ratio | Costs of materials consumed | Average inventories | Times | NA | NA | NA | - |
| (f) Trade receivables turnover ratio | Revenue from operations | Average trade receivables | Times | NA | NA | NA | - |
| (g) Trade payables turnover ratio | Subcontracting costs + other expenses | Average trade payables | Times | 7.23 | 3.24 | 123.34% | On account of increase in sub contract expenses and decrease in trade payable. |
| (h) Net capital turnover ratio | Revenue from operations | Average Working capital $\{ \frac{\text{Current assets} - \text{Current liabilities}}{2} \}$ | Times | (5.32) | (1.51) | 252.81% | On account of increase in revenue from operation and working capital. |
| (i) Net profit ratio | Profit after tax | Revenue from operations | Percentage | 1.57% | 4.77% | (67.14%) | On account of decrease in profit in current year. |



| | | | | | | | |
|--------------------------------|--|---|------------|-------|-------|----------|---|
| (j) 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 | 4.11% | 9.17% | (55.13%) | On account of decrease in profit and increase in equity capital & borrowings in current year. |
| (k) Return on Investment | NA | NA | NA | NA | NA | NA | - |



Welspun Sattanathapuram Nagapattinam Road Private Limited
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Notes forming part of the financial statements

25 Financial risk management objectives and policies

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks.

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.

a) Interest rate risk

This refers to risk to Company's cash flow and profits on account of movement in market interest rates.

For the Company the interest risk arises mainly from interest bearing borrowings which are at floating interest rates. To mitigate interest rate risk, the Company closely monitors market interest.

(i) Interest rate risk exposure

(Rupees in lakhs)

| | As at 31 March 2025 | As at 31 March 2024 |
|----------------------------|------------------------|------------------------|
| Variable rate borrowings # | 58,679.76 | - |

excluding IndAS adjustments related to borrowings

(b) Interest rate sensitivity

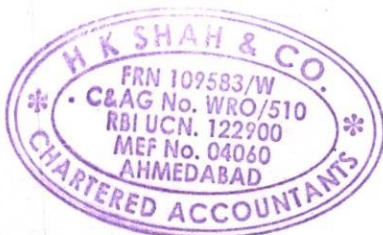
The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact of change in interest rate of borrowings, as follows:

(₹ in lakhs)

| Effect on Profit before tax | Year ended 31 March 2025 | Year ended 31 March 2024 |
|--|-----------------------------|-----------------------------|
| Interest rates : Increase by 50 basis points | 293.40 | - |
| Interest rates : Decrease by 50 basis points | (293.40) | - |

B) Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, Structured entity 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.



Notes forming part of the financial statements

C) 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

(Rupees in lakhs)

| Financial Liabilities | Carrying value | Contractual cashflows | | | |
|------------------------|------------------|-----------------------|------------------|----------------------|------------------|
| | | Total | Less than 1 year | Between 1 to 5 years | Beyond 5 years |
| Long term borrowings # | 58,679.76 | 1,02,523.00 | 5,105.00 | 32,216.00 | 65,202.00 |
| Short term borrowings | 584.99 | 584.99 | 584.99 | - | - |
| Trade payables | 1,354.77 | 1,354.77 | 1,354.77 | - | - |
| Total | 60,619.52 | 1,04,462.76 | 7,044.76 | 32,216.00 | 65,202.00 |

excluding IndAS adjustments related to borrowings

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

(Rupees in lakhs)

| Financial Liabilities | Carrying value | Contractual cashflows | | | |
|------------------------|------------------|-----------------------|------------------|----------------------|----------------|
| | | Total | Less than 1 year | Between 1 to 5 years | Beyond 5 years |
| Long term borrowings # | - | - | - | - | - |
| Short term borrowings | 584.99 | 584.99 | 584.99 | - | - |
| Trade payables | 13,564.97 | 13,564.97 | 13,564.97 | - | - |
| Total | 14,149.96 | 14,149.96 | 14,149.96 | - | - |

excluding IndAS adjustments related to borrowings

26 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.

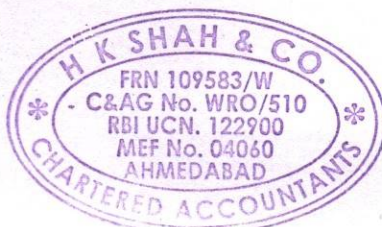
The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing borrowings less cash and cash equivalents.

(Rupees in lakhs)

| | | As at 31 March 2025 | As at 31 March 2024 |
|-----------------------|-----------|------------------------|------------------------|
| Net Debt | A | 59,141.30 | 347.17 |
| Total Capital | B | 23,779.14 | 20,416.03 |
| Capital and Net Debt | C = A + B | 82,920.44 | 20,763.20 |
| Capital Gearing Ratio | A / C | 71% | 2% |

27 Earnings per share (EPS)

| | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|-----------------------------|-----------------------------|
| Net profit after tax available for equity shareholders (Rs in lakhs) | 843.11 | 1,451.25 |
| Weighted average number of equity shares of Rs.10 each outstanding during the year used for calculating basic EPS (Number of shares) | 1,13,40,000 | 33,84,235 |
| Add : Effect of dilutions :- | | |
| Compulsorily Convertible Debentures (number of shares) | 14,03,06,301 | 10,77,12,459 |
| Weighted average number of equity shares of Rs. 10 each outstanding during the year used for calculating diluted EPS (Number of shares) | 15,16,46,301 | 11,10,96,694 |
| Basic earnings per share | 7.43 | 42.88 |
| Diluted earnings per share | 0.56 | 1.31 |



Welspun Sattanathapuram Nagapattinam Road Private Limited
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Notes forming part of the financial statements

28 Segment Information

The Company is engaged in only one business segment ie infrastructure development. The Company is operating in a single geographical segment ie India.

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

a) Particulars of relationship

| Name of the entities | Relationship | Extent of holding | |
|---|-----------------|------------------------|------------------------|
| | | As at 31 March 2025 | As at 31 March 2024 |
| Welspun Enterprises Limited | Holding company | 70.00% | 70.00% |
| Grenoble Infrastructure Private Limited | Associate | 30.00% | 30.00% |

b) 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
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 Aunta Simaria Projects Private Limited
Welsteel Enterprises Private Limited
Welspun EDAC JV Private Limited
Welspun-Kaveri Infraprojects JV
Welspun New Energy Limited ^
Welspun Michigan Engineers Limited (formerly known as Michigan Engineers Private Limited) *
Welspun Michigan Engineers Limited (formerly known as Michigan Engineers Private Limited) *

^ Became fellow subsidiary w.e.f. 31 January 2023 and cease 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. 02 September 2023 and ceased to be a fellow subsidiary w.e.f. 27 November 2023

Ceased to be fellow subsidiary w.e.f. 27 March 2025

c) Associate

Welspun Infracore Private Limited
Adani Welspun Exploration Limited

d) Directors / Key managerial Personnel (KMP)

| Name of the Related Parties | |
|-----------------------------|----------------------|
| Mr. Vinoo Sanjay | Director |
| Mr. Yogen Babulal Lal | Director |
| Mr. Premjit Singh # | Director |
| Mr. Ankush Agarwal | Independent Director |
| Ms. Mala Todarwal * | Independent Director |
| Ms. Amita Karia ** | Independent Director |
| Mr. Neeraj Gupta ^ | Additional Director |

^ Resigned w.e.f. 28 August 2023

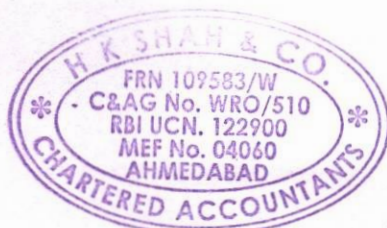
Appointed w.e.f. 05 September 2023 & Resigned w.e.f. 16 November 2023

* Resigned w.e.f. 27 February 2025

** Appointed w.e.f. 16 March 2025

e) Other related party with whom transaction has taken place

Welspun Foundation for Health and Knowledge



Welspun Sattanathapuram Nagapattinam Road Private Limited
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Notes forming part of the financial statements

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

| Nature of transactions | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|-----------------------------|-----------------------------|
| Construction expenses | | |
| Welspun Enterprises Limited | 51,031.23 | 27,435.07 |
| Borrowings received | | |
| Welspun Enterprises Limited | - | 8,335.51 |
| Borrowings received repaid /adjusted | | |
| Welspun Enterprises Limited | - | 1,217.18 |
| Issue of Compulsorily Convertible Debentures | | |
| Welspun Enterprises Limited | 2,520.00 | - |
| Corporate Social Responsibility Other Related Party | | |
| Welspun Foundation for Health and Knowledge | 27.50 | 17.35 |
| Royalty expenses | | |
| Welspun Enterprises Limited | 2.00 | - |
| Commission on Corporate guarantee | | |
| Welspun Enterprises Limited | 752.00 | - |
| Reimbursement of expenses | | |
| Welspun Enterprises Limited | 74.30 | 137.00 |
| Conversion of loan/ advance to Compulsorily Convertible Debentures | | |
| Welspun Enterprises Limited | - | 11,406.00 |
| Equity shares issued | | |
| Welspun Enterprises Limited | - | 2,379.30 |
| Grenoble Infrastructure Private Limited | - | 1,019.70 |
| Corporate guarantee discharged (for performance) by | | |
| Welspun Enterprises Limited | - | 6,000.14 |
| Bank guarantee given (for advance provided) by | | |
| Welspun Enterprises Limited | - | 5,011.20 |
| Bank guarantee discharged (for advance received) by | | |
| Welspun Enterprises Limited | 5,234.30 | 11,833.75 |
| Corporate guarantee given/ (discharged) for banking facilities | | |
| Welspun Enterprises Limited | 1,23,656.00 | - |
| Director sitting fees | | |
| Mr. Ankush Agarwal | 1.53 | 0.90 |
| Ms Mala Tadarwal | 1.45 | 2.33 |

Closing balances as at

| | As at 31 March 2025 | As at 31 March 2024 |
|---|------------------------|------------------------|
| Compulsorily Convertible Debentures | | |
| Welspun Enterprises Limited | 16,096.00 | 13,576.00 |
| Optionally Convertible Debentures | | |
| Welspun Enterprises Limited | 584.99 | 584.99 |
| Bank guarantee outstanding (for advance) provided by | | |
| Welspun Enterprises Limited | 5,234.30 | 10,468.60 |
| Trade Payable | | |
| Welspun Enterprises Limited | 1,157.48 | 13,302.69 |

During the year, the Welspun Enterprises Limited ("WEL") has given a corporate guarantee to lenders, amounting to Rs. 123,656.00 Lacs, for debt availed by the Company, pursuant to which maximum exposure of WEL aggregates to Rs 28,049 lakhs (31 March 2024: Nil)

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.



Notes forming part of the financial statements

30 Service concession receivables

The Company manages concession arrangement which include the construction of road on hybrid annuity basis followed by a period in which the Company maintains and services the infrastructure. These concession arrangements set out rights and obligations relating to the infrastructure and services to be provided. For fulfilling those obligations, the Company is entitled to receive cash from the grantor. The Consideration received or receivable is allocated by reference to the relative fair value of the services provided. The same is classified and disclosed as current and non current service concession receivables in the balance sheet based on the criteria of current and non current classification mentioned in note 3(A)(i). The net movement in service concession receivables is towards recognition of revenue and accrual of interest (using effective interest rate) for the year less grant/annuity received during the year.

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

A) Disaggregation of Revenue

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) Contract Balances

| | (Rupees in lakhs) | |
|--------------------------------|-------------------|---------------|
| | As at | As at |
| | 31 March 2025 | 31 March 2024 |
| Contract liabilities - Current | 8,745.45 | 11,117.76 |

Explanation for decrease in Contract liabilities

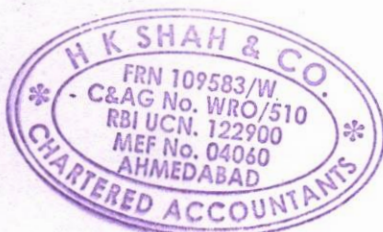
The contract liabilities represents interest bearing mobilisation advance received from the customer as per the concession agreement. The principal amount of mobilisation advance shall be deducted by the customer in four equal instalments from each of the milestone payments to be made during the construction period and the interest thereon shall be recovered as the fifth and final instalment upon expiry of 120 days from the date of recovery of the 4th instalment.

C) 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 revaluations 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. 1,21,238 lakhs out of which 100% (31 March 2024 : Rs. 1,73,680 lakhs out of which 30%) is expected to be recognised as revenue in the next year. No consideration from contracts with customers is excluded from the amount mentioned above.

32 Concession arrangements - main features

| | |
|---|---|
| (i) Name of the concession : | Sattanathapuram - Nagapattinam Road Project |
| (ii) Description of arrangements : | Four laning of Sattanathapuram to Nagapattinam (Design Ch Km 123+800 to Km 179+555) section of NH-45A (New NH -332) in the State of Tamil Nadu under NHDP Phase-IV |
| (iii) Significant terms of arrangements : | <p>Period of Concession: 15 Years from COD.</p> <p>Construction Period: 730 days from Appointed Date</p> <p>Remuneration: Annuity, Interest and O&M</p> <p>Investment grant from concession grantor: Yes</p> <p>Infrastructure return to grantor at end of concession : Yes</p> <p>Investment and renewal obligations: No</p> <p>Re-pricing dates: Half Yearly for O&M</p> <p>Basis upon which re-pricing or re-negotiation is determined: Inflation price Index as defined in concession agreement</p> |



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Notes forming part of the financial statements

| | |
|--|--------------|
| (iv) Financial Assets (Service concession receivable): | Rs. In lakhs |
| Current | - |
| Non Current | 79,623.63 |

As on 31 March 2025 the project is in construction phase.

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

(Rupees in lakhs)

| | As at 31 March 2025 | As at 31 March 2024 |
|---|------------------------|------------------------|
| a) Principal amount payable to the suppliers under the Act | | |
| - For capital goods | - | - |
| - For others | 39.84 | 56.10 |
| b) Principal amount due to the suppliers under the Act | - | - |
| c) Interest accrued and due to the suppliers under the Act, on the above | - | - |
| 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 under the Act, for payment already | - | - |
| 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

34 Contingent liabilities (to the extent not provided for)

i) Claim against the Company not acknowledged as debt

(Rupees in lakhs)

| | As at 31 March 2025 | As at 31 March 2024 |
|---|------------------------|------------------------|
| Disputed Goods and Services tax liability | 176.46 | - |
| | 176.46 | - |

35 Collateral / security pledged

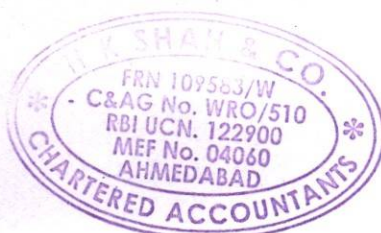
The Company has pledged following assets for borrowings

(Rupees in lakhs)

| | As at 31 March 2025 | As at 31 March 2024 |
|---|------------------------|------------------------|
| Other current and non-current assets excluding balances with government | 79,747.64 | 39,257.08 |
| Total assets pledged | 79,747.64 | 39,257.08 |

36 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.



Notes forming part of the financial statements

- 37 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:

| | Compulsorily convertible debentures | Optionally Convertible Debentures | Short term borrowings |
|---------------------|-------------------------------------|-----------------------------------|-----------------------|
| As at 31 March 2024 | 13,576.00 | 584.99 | - |
| Cash inflows | 2,520.00 | - | - |
| Cash outflows | - | - | - |
| Non cash items : | - | - | - |
| As at 31 March 2025 | 16,096.00 | 584.99 | - |

| | Compulsorily convertible debentures | Optionally Convertible Debentures | Short term borrowings |
|---------------------|-------------------------------------|-----------------------------------|-----------------------|
| As at 31 March 2023 | 2,170.00 | 584.99 | 6,666.97 |
| Cash inflows | - | - | 8,335.51 |
| Cash outflows | - | - | (1,217.18) |
| Non cash items : | 11,406.00 | - | (13,785.30) |
| As at 31 March 2024 | 13,576.00 | 584.99 | - |

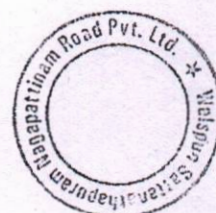
- 38 Corporate Social Responsibility (CSR):

(Rupees in lakhs)

| | As at 31 March 2025 |
|---|---|
| - amount required to be spent by the company during the year | 27.50 |
| - amount of expenditure incurred | 27.50 |
| - shortfall at the end of the year | - |
| - total of previous years | NIL |
| - reason for shortfall | NA |
| - nature of CSR activities | Contribution towards empowerment of women and socially backward class |
| - details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard | Welspun Foundation for Health and Knowledge |
| - where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately. | No provision, required |

- 39 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 year 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 ROC beyond the statutory
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) There are no transactions which are not recorded in the books of accounts that have 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.



Notes forming part of the financial statements

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

(ix) The Company 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).

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

(xi) 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.

40 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 H.K. Shah & Co.

Chartered Accountants

Firm Registration No.: 109583W

For and on behalf of the Board



Vinoo Sanjay

Director

DIN : 07470339



Yogen Babulal Lal

Director

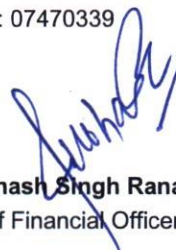
DIN: 01828376



CA Gopesh.K.Shah

Partner

Membership No.: 106204



Subhash Singh Rana

Chief Financial Officer



Anshita Kathal

Company Secretary

Place: Ahmedabad

Date: 07 May 2025

Place: Mumbai

Date: 07 May 2025

