

## **INDEPENDENT AUDITOR'S REPORT**

**To**  
**The Members of**  
**Welspun Projects (Himmatnagar Bypass) Private Limited**

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the Standalone Financial Statements of Welspun Projects (Himmatnagar Bypass) Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of Significant Accounting Policies and other explanatory information (herein after referred to as "Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS under section 133, of the financial position of the Company as at March 31, 2022, its financial performance including other comprehensive income, its cash flows and the statement of changes in equity 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 Standalone 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.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### **Other Information**

The Company's Board of Directors is responsible for the preparation of the Other Information. The "Other Information" comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our Independent Auditors' Report thereon. The Other Information as aforesaid is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the Standalone Financial Statements does not cover the Other Information and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the "Other Information" which will be made available to us after the date of this report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with the Standards on Auditing.

### **Responsibilities of Management and those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy

and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

1. Identify and assess the risks of material misstatement of the standalone 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.
2. 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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.

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, make 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **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 sub-section (11) of section 143 of the Companies Act, 2013, we give in the attached Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules thereon.
- e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with 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 as at March 31, 2022 which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There are no amounts that are required to be transferred to the Investor Education and Protection Fund.
  - 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

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

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

For S V Yadav And Associates  
Chartered Accountants  
ICAI Firm Registration No. 142624W



Venkatesh S. Yadav  
Proprietor  
M. No. 156541  
Mumbai, Dated: May 10, 2022  
UDIN - 22156541AKYVAL1502



**ANNEXURE A**

**To the Independent Auditors' Report on the Standalone IND AS Financial Statements of Welspun Projects (Himmatnagar Bypass) Private Limited**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No 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 favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) As the company does not hold any inventory during the year, clause 3(ii) of Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or provided security to companies, firms, limited liability partnerships or any other parties during the year. The Company has not provided guarantees, granted loans and advances in the nature of loans during the year to companies and other parties. The Company has not provided guarantees or granted loans or advances in the nature of loans during the year to firms or limited liability partnerships.

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- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the company has not given any loans, guarantees and security or not made any investments as stipulated in section 185 and 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposit from the public pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed there under. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in respect of the said sections. Accordingly the provision of clause 3(v) is not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, the Company does not fall within the criteria prescribed by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013.
- (vii) (a) The Company is generally regular in depositing undisputed statutory dues including Provident fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Cess, Work Contract Tax, Goods and Service Tax and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2022 for a period of more than six months from the date of becoming payable.  
(b) According to the information and explanations given to us, there are no dues of Sales Tax or Wealth Tax or Service Tax or duty of Customs or duty of Excise or Value Added Tax or Cess which have not been deposited on account of any dispute. The disputed dues of Income Tax which have not been deposited are as under –

Name of the statute	Nature of the dues	Amount (Rs. Lakhs)	in In	Period to which the amount relate	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	3.92		AY 2016-17	CIT (A)
The Income Tax Act, 1961	Income Tax	0.00		AY 2017-18	CIT (A)
The Income Tax Act, 1961	Income Tax	13.03		AY 2018-19	CIT (A)



- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, as defined in the Act. The Company does not hold any investment in any associate or joint venture (as defined in the Act) during the year ended 31 March 2022.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) No whistle-blower complaints have been received during the year by the company.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company's transactions with its related party are in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable, and details of related party transactions have been disclosed in the IND AS financial statements, etc. as required by the applicable accounting standards.
- (xiv) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him and hence the clause 3(xv) of the Companies (Auditors Report) Order, 2020 is not applicable to the Company.
- (xvi) (a) According to the information and explanations provided to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(a) of the Order is not applicable.
- (b) According to the information and explanations provided to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(b) of the Order is not applicable.
- (c) According to the information and explanations provided to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable.
- (d) As represented by Management, the Company has three Core Investment Companies (CIC) within the group of the Company (as defined in the Core

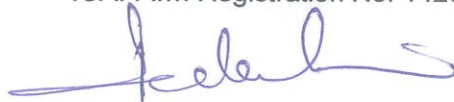
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**Chartered Accountants**

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Investment Companies (Reserve Bank) Directions, 2016) which are exempt from registration with Reserve Bank of India.

- (xvii) The company has not incurred cash losses in the year 2021-22 and 2020-21.
- (xviii) There has been resignation of the statutory auditors during the year due to rotation and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, 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.

For S V Yadav And Associates  
Chartered Accountants  
ICAI Firm Registration No. 142624W



Venkatesh S. Yadav  
Proprietor  
M. No. 156541  
Mumbai, Dated: May 10, 2022  
UDIN - 22156541AKYVAL1502



**Annexure - B**

**To the Independent Auditors' Report on the Standalone IND AS Financial Statements of Welspun Projects (Himmatnagar Bypass) Private Limited**

**Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to Financial Statements of Welspun Projects (Himmatnagar Bypass) Private Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 with reference to Financial Statements 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 with reference to Financial Statements 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 with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk

that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 with reference to Financial Statements.

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

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

#### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements.**

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

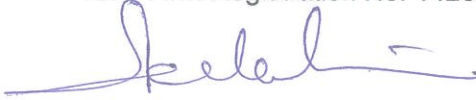
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**Chartered Accountants**

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**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, 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.

For S V Yadav And Associates  
Chartered Accountants  
ICAI Firm Registration No. 142624W



Venkatesh S. Yadav  
Proprietor  
M. No. 156541  
Mumbai, Dated: May 10, 2022  
UDIN - 22156541AKYVAL1502



Welspun Projects (Himmatnagar Bypass) Private Limited  
(Formerly known as MSK Projects (Himmatnagar Bypass) Private Limited)

Balance Sheet as at 31 March 2022

(Rs in lakhs)

	Notes	As at 31 March 2022	As at 31 March 2021
<b>ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Property, plant and equipment	4	0	0
(b) Deferred tax assets (net)	5	2	0
(c) Non-current tax assets (net)	6	15	26
<b>Total non-current assets</b>		<b>17</b>	<b>26</b>
<b>2. Current assets</b>			
(a) Financial assets			
(i) Investments	7	0	0
(ii) Cash and cash equivalents	8	13	3
(iii) Bank balances other than (ii) above	9	385	369
(b) Other current assets	10	0	0
<b>Total current assets</b>		<b>398</b>	<b>372</b>
<b>Total assets</b>		<b>415</b>	<b>398</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	11	24	24
(b) Other equity	11	386	370
<b>Total equity</b>		<b>410</b>	<b>394</b>
<b>LIABILITIES</b>			
<b>1. Non-current liabilities</b>			
(a) Provisions	12	(0)	-
<b>Total non-current liabilities</b>		<b>(0)</b>	<b>-</b>
<b>2. Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	13	3	0
(ii) Trade payables	14		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		1	2
(iii) Other financial liabilities	15	0	0
(b) Provisions	16	(0)	-
(c) Other current liabilities	17	1	2
<b>Total current liabilities</b>		<b>5</b>	<b>4</b>
<b>Total equity and liabilities</b>		<b>415</b>	<b>398</b>

Notes forming part of the financial statements 1 to 40

As per our report of even date attached  
For S V Yadav And Associates  
Chartered Accountants  
ICAI Firm Registration No. 142624W

Venkatesh S. Yadav  
Proprietor  
Membership Number 156541

UDIN:  
Place: Mumbai  
Date : 10 May 2022



For and on behalf of the Board

Ajay Hans  
Director  
DIN : 00391261

Place: Mumbai  
Date : 10 May 2022

Vinoo Sanjay  
Director  
DIN : 07470339

Place: Mumbai  
Date : 10 May 2022

Welspun Projects (Himmatnagar Bypass) Private Limited  
(Formerly known as MSK Projects (Himmatnagar Bypass) Private Limited)

Statement of Profit and Loss for the year ended 31 March 2022

(Rs in lakhs)

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
I. Revenue from operations	18	-	140
II. Other income	19	19	28
III. <b>Total income (I+II)</b>		<b>19</b>	<b>168</b>
IV. <b>Expenses</b>			
Subcontracting, civil and repair work	20	-	83
Employee benefit expense	21	0	49
Finance costs	22	0	0
Depreciation and amortisation expense	23	0	59
Other expenses	24	0	25
<b>Total expenses</b>		<b>1</b>	<b>216</b>
V. <b>Profit / (loss) before tax (III - IV)</b>		<b>18</b>	<b>(48)</b>
VI. <b>Income tax expense</b>	25		
- Current tax		4	0
- Deferred tax charge/ (credit)		(2)	25
		<b>2</b>	<b>25</b>
VII. <b>Profit/ (loss) for the year (V-VI)</b>		<b>16</b>	<b>(73)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement gain/ (losses) on define benefit plan		-	-
Income tax effect on above		-	-
VIII. <b>Other comprehensive income for the year</b>		<b>-</b>	<b>-</b>
IX. <b>Total comprehensive income for the year (VII + VIII)</b>		<b>16</b>	<b>(73)</b>
Earnings per equity share of Rs.10 each fully paid up	34		
Basic (Rs)		6.69	(30.10)
Diluted (Rs)		6.69	(30.10)

Notes forming part of the financial statements 1 to 40

As per our report of even date attached  
For S V Yadav And Associates  
Chartered Accountants  
ICAI Firm Registration No. 142624W



Venkatesh S. Yadav  
Proprietor  
Membership Number 156541



For and on behalf of the Board



Ajay Hans  
Director  
DIN : 00391261



Vinoo Sanjay  
Director  
DIN : 07470339

UDIN:  
Place: Mumbai  
Date : 10 May 2022

Place: Mumbai  
Date : 10 May 2022

Place: Mumbai  
Date : 10 May 2022



Welspun Projects (Himmatnagar Bypass) Private Limited

Statement of changes in equity for the year ended 31 March 2022

a. Equity Share Capital

Changes in equity for the year ended 31 March 2022

(Rs in lakhs)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
24	-	24	-	24

Changes in equity for the year ended 31 March 2021

(Rs in lakhs)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
24	-	24	-	24

b. Other Equity

Changes in equity for the year ended 31 March 2022

(Rs in lakhs)

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
Balance at the beginning of the current reporting period 01.04.2021	209	161	370
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the current reporting period	209	161	370
Profit / (Loss) for the year	-	16	16
Dividends	-	-	-
Transfer to retained earnings	-	-	-
Any other change (to be specified)	-	-	-
Balance at the end of the current reporting period 31.03.2022	209	177	386

Changes in equity for the year ended 31 March 2021

(Rs in lakhs)

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
Balance at the beginning of the current reporting period 01.04.2020	209	234	443
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the current reporting period	209	234	443
Profit / (Loss) for the year	-	(73)	(73)
Dividends	-	-	-
Transfer to retained earnings	-	-	-
Any other change (to be specified)	-	-	-
Balance at the end of the current reporting period 31.03.2021	209	161	370

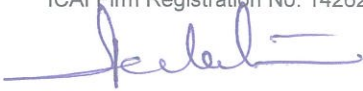
**Welspun Projects (Himmatnagar Bypass) Private Limited**

**Statement of changes in equity for the year ended 31 March 2022**

Notes forming part of the financial statements

1 to 40

As per our report of even date attached  
For **S V Yadav And Associates**  
Chartered Accountants  
ICAI Firm Registration No. 142624W



**Venkatesh S. Yadav**  
Proprietor  
Membership Number 156541



For and on behalf of the Board



**Ajay Hans**  
Director  
DIN : 00391261



**Vinoo Sanjay**  
Director  
DIN : 07470339

UDIN:  
Place: Mumbai  
Date : 10 May 2022

Place: Mumbai  
Date : 10 May 2022

Place: Mumbai  
Date : 10 May 2022

Welspun Projects (Himmatnagar Bypass) Private Limited  
(Formerly known as MSK Projects (Himmatnagar Bypass) Private Limited)

Statement of cash flows for the year ended 31 March 2022

(Rs in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
<b>A. Cash flow from operating activities</b>		
Profit before tax	18	(48)
Adjustments for		
Depreciation & Amortisation	0	59
Finance costs	0	0
Fair value Gain/(loss)	-	2
Interest income on Bank deposits	(19)	(2)
Profit on sale of investment	-	(15)
Provision no longer required	-	(11)
Operating profit before working capital changes	(1)	(15)
Adjustments for :		
Increase / (decrease) in other current liabilities	(1)	(81)
Increase / (decrease) in short term loans & advances	-	0
(Increase) / decrease in trade receivable	-	13
(Increase) / decrease in Other Current Assets	(0)	0
Cash generated from /(used in) operations	(1)	(68)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(2)</b>	<b>(83)</b>
Less: Direct taxes paid	9	(0)
<b>Net cash used in operating activities</b>	<b>7</b>	<b>(83)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of fixed assets	0	4
Gain on sale of investment	-	15
Interest Income on bank deposits	19	2
<b>Net Cash inflow from/ (outflow) from investing activities</b>	<b>19</b>	<b>21</b>
<b>C. Cash flow from financing activities</b>		
Deferred tax	(2)	-
Reserve	-	-
Proceeds from short term Borrowings	2	230
Repayment of short term Borrowings	-	(256)
Finance costs	(0)	(0)
<b>Net cash inflow from/ (outflow) from financing activities</b>	<b>0</b>	<b>(26)</b>
Net Increase / (decrease) in cash and cash equivalent	26	(89)
Cash and cash equivalents at the beginning of the period	432	520
Cash and cash equivalents at the end of the period	458	432

Notes :

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

(Rs in lakhs)

Balances with banks in :-		
Cash and cash equivalents	13	3
Deposits account having original maturity of more than three months & less than 12 months	385	369
Current Investments	60	60
	458	432

**Welspun Projects (Himmatnagar Bypass) Private Limited  
(Formerly known as MSK Projects (Himmatnagar Bypass) Private Limited)**

**Statement of cash flows for the year ended 31 March 2022**

2 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

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

As per our report of even date attached

**For S V Yadav And Associates**

Chartered Accountants

ICAI Firm Registration No. 142624W



**Venkatesh S. Yadav**  
Proprietor  
Membership Number 156541

UDIN:

Place: Mumbai

Date : 10 May 2022



**For and on behalf of the Board**



**Ajay Hans**  
Director  
DIN : 00391261

Place: Mumbai  
Date : 10 May 2022



**Vinoo Sanjay**  
Director  
DIN : 07470339

Place: Mumbai  
Date : 10 May 2022

**Welspun Projects (Himmatnagar Bypass) Private Limited**  
**(Formerly known as MSK Projects (Himmatnagar Bypass) Private Limited)**

**Notes forming part of the financial statements**

**1 Company information**

Welspun Projects (Himmatnagar Bypass) Private Limited (Formerly known as MSK Projects (Himmatnagar Bypass) Private Limited), ('the Company') is domiciled and incorporated in India and is a wholly owned subsidiary company of Welspun Enterprises Limited. The Company is engaged into infrastructure development and on Build, Operate & Transfer (BOT) basis.

The separate financial statements (hereinafter referred to as "Financial Statements") of the Company for the financial year 2021-22 were authorised for issue in accordance with a resolution of board of directors on 10 May 2022.

**2 Basis of preparation**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

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 (Refer accounting policy regarding financial instruments)

The financial statements are presented in Indian Rupees ('INR') with values rounded off to the nearest lakhs, thereof, except otherwise indicated.

**3 Significant accounting policies**

**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.

The company has identified 12 months as its operating cycle.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**I. Revenue from contracts with customers**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. All revenues are accounted on accrual basis except to the extent stated otherwise. Toll revenue from operations is recognised on an accrual basis which coincides with the collection of toll

Amount due in respect of the claim is recognized as revenue only when there are conditions stipulated in the contracts for such claims are evidenced inter-alia by way of confirmation by the customers.

**a) Service Concession Arrangement:**

The Company manages concession arrangement which includes toll road project. The Company maintains and services the infrastructure during the concession period. These concession arrangements set out rights and obligations related to the infrastructure and the service to be provided



**Welspun Projects (Himmatnagar Bypass) Private Limited**  
**(Formerly known as MSK Projects (Himmatnagar Bypass) Private Limited)**

**Notes forming part of the financial statements**

The right to collect toll gives rise to an intangible asset and accordingly the intangible asset model is applied. Intangible Assets i.e. BOT Cost (Toll Collection right) is amortized/ written off over the concession period on the basis of written down value at the rate of 25%.

**b) interest Income:**

For all debt instruments measured at amortized cost and interest bearing financial assets classified as fair value through other comprehensive income, interest income is recognized using the effective interest rate (EIR). 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 is included in 'finance income' in the statement of profit and loss. Interest income on interest bearing financial assets classified as fair value through profit and loss is shown under other income.

**c) Dividend income**

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

**II. Exceptional Item**

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.

**III. Property Plant & Equipments**

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 financial year-end and adjusted prospectively, if appropriate

**iv. Intangible Assets**

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its intangible assets as recognised in its previous GAAP financial statements as deemed cost at the transition date, viz., 1 April 2015

The right to collect toll gives rise to an intangible asset and accordingly the intangible asset model is applied. Intangible Assets i.e. BOT Cost (Toll Collection right) is amortized/ written off over the concession period on the basis of written down value at the rate of 25%.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

**V. Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.



**Welspun Projects (Himmatnagar Bypass) Private Limited**  
**(Formerly known as MSK Projects (Himmatnagar Bypass) Private Limited)**

**Notes forming part of the financial statements**

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognised in the statement of profit and loss.

**VI. Taxes on Income:**

**a). Current Tax**

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

**b). Deferred Tax**

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

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

Deferred income tax is recognised on all temporary difference which are the difference between the carrying amount of and assets or liability on the statement of financial position and its tax base except when the deferred income tax arises from the initial recognition of and assets or liability that effect neither accounting not taxable profit or loss at the time of the transaction.

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

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

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

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

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognized as an asset only when, based on convincing evidence, it is probable that the future economic benefits associated with it will flow to the Company and the assets can be measured reliably.



**Welspun Projects (Himmatnagar Bypass) Private Limited**  
**(Formerly known as MSK Projects (Himmatnagar Bypass) Private Limited)**

**Notes forming part of the financial statements**

**VII. Foreign Currency Transaction:**

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.

**VIII. Cash & Cash equivalent:**

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.

**IX. Earning Per Share**

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

**X. Provision, Contingent Liabilities & Contingent Assets**

**a). Provision**

Provisions are recognized when the Company has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made to the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

**b). Contingent liabilities and contingent assets**

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

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. Contingent assets are disclosed if the inflow of economic benefits is probable.

**XI. Leases**

For arrangements entered into prior to 1st April 2015 the Company has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

**Operating Lease**

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lesser are classified as operating lease. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.





**Welspun Projects (Himmatnagar Bypass) Private Limited**  
**(Formerly known as MSK Projects (Himmatnagar Bypass) Private Limited)**

**Notes forming part of the financial statements**

**XII. Financial Instrument:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**A. Financial Assets:**

**a). Initial recognition & 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.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**b). Subsequent measurement:**

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

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

**c). Debt Instrument**

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

**i) Debt instruments measured at amortised cost**

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

**ii) Debt instruments measured at FVTOCI**

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

**iii) Debt instruments measured at FVTPL**

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

In addition, the group 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 group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

**iv) Equity instruments**

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



**Welspun Projects (Himmatnagar Bypass) Private Limited**  
**(Formerly known as MSK Projects (Himmatnagar Bypass) Private Limited)**

**Notes forming part of the financial statements**

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

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

**B. Derecognition of Financial Assets:**

A financial asset is derecognised only when

- i) The Company has transferred the rights to receive cash flows from the financial asset or
- ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**C. Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- i) Financial assets measured at amortised cost
- ii) Financial assets measured at fair value through other comprehensive income (FVTOCI)

Expected credit losses are measured through a loss allowance at an amount equal to

- i) the twelve months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within twelve after the reporting date) or
- ii) full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

The Company follows 'simplified approach' for impairment loss allowance on trade receivables.

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition, If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on twelve months ECL.

**D. Financial liabilities**

**a) Initial recognition and measurement**

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

**b) Subsequent measurement**

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

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



**Welspun Projects (Himmatnagar Bypass) Private Limited**  
**(Formerly known as MSK Projects (Himmatnagar Bypass) Private Limited)**

**Notes forming part of the financial statements**

**i) Financial liabilities measured at amortised cost**

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

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

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the statement of profit and loss.

**c) Derecognition**

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

**XIII. Government grants**

Government grants (except those existing on transition date) 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.

**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.



Welspun Projects (Himmatnagar Bypass) Private Limited  
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Notes forming part of the financial statements

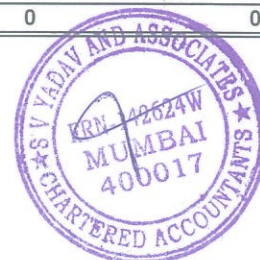
4 (a) Property, plant and equipment.	Toll Equipments					Furniture & Fixture		(Amount in Lakhs)
	Toll Equipments	Vehicles	Office equipments	Computers	Furniture & Fixture	Total		
<b>Gross carrying amount (cost)</b>								
As at 31 March 2020	18	2	0	0	1	21		
Additions	-	-	-	-	-	-		
Disposals	18	-	0	0	0	19		
Transfer to assets held for sale	-	-	-	-	-	-		
As at 31 March 2021	-	2	0	0	0	2		
Additions	-	-	-	-	-	-		
Disposals	-	-	-	-	-	-		
Transfer to assets held for sale	-	-	-	-	-	-		
As at 31 March 2022	-	2	0	0	0	2		
<b>Accumulated depreciation</b>								
As at 31 March 2020	13	1	0	0	0	16		
Additions during the year	1	0	0	-	0	1		
Deletions during the period	14	-	0	0	0	15		
Transfer to assets held for sale	-	-	-	-	-	-		
As at 31 March 2021	(0)	2	0	0	0	2		
Additions during the year	-	0	-	-	0	0		
Deletions during the period	-	-	-	-	-	-		
Transfer to assets held for sale	-	-	-	-	-	-		
As at 31 March 2022	(0)	2	0	0	0	2		
Net carrying amount as at 31 March 2021	0	0	0	0	0	0		
Net carrying amount as at 31 March 2022	0	0	0	0	0	0		



Welspun Projects (Himmatnagar Bypass) Private Limited  
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Notes forming part of the financial statements

		(Rs in lakhs)	
		As at	As at
		31 March 2022	31 March 2021
<b>5 Deferred tax Assets (net)</b>			
Depreciation		2	0
		<u>2</u>	<u>0</u>
<b>6 Non-current tax assets (net)</b>			
		As at	As at
		31 March 2022	31 March 2021
Balance with Government authorities			
- Direct tax (net of provision)		15	26
<b>Total</b>		<u>15</u>	<u>26</u>
<b>7 Investments</b>			
		As at	As at
		31 March 2022	31 March 2021
<b>Quoted</b>			
Investment in Bonds & Mutual Fund		0	0
<b>Total</b>		<u>0</u>	<u>0</u>
Aggregate book value of the Investments		0	0
Aggregate market value of the Investments		0	0
<b>8 Cash and cash equivalents</b>			
		As at	As at
		31 March 2022	31 March 2021
Balances with banks			
- In current accounts		13	3
<b>Total</b>		<u>13</u>	<u>3</u>
<b>9 Bank balances other than (note - 8) above</b>			
		As at	As at
		31 March 2022	31 March 2021
Balance with Banks			
Deposits account having original maturity of more than three months & less than 12 months		385	369
<b>Total</b>		<u>385</u>	<u>369</u>
<b>10 Other current assets</b>			
		As at	As at
		31 March 2022	31 March 2021
(Unsecured considered good, unless otherwise stated)			
Advance against goods and services		0	0
<b>Total</b>		<u>0</u>	<u>0</u>



Welspun Projects (Himmatnagar Bypass) Private Limited  
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Notes forming part of the financial statements

11 Share capital and other equity

11(a) - Equity share capital

	(Rs in lakhs)	
	As at 31 March 2022	As at 31 March 2021
<b>Authorised capital</b>		
2,50,000 (31 March 2021 2,50,000) equity shares of Rs 10 each	25	25
<b>Issued, subscribed and paid up</b>		
2,42,000 (31 March 2021 2,42,000) equity shares of Rs 10 each fully paid up	24	24
<b>Total</b>	<b>24</b>	<b>24</b>

i) Reconciliation of number of shares outstanding

	As at 31 March 2022		As at 31 March 2021	
	Number of equity shares	(Rs in lakhs)	Number of equity shares	(Rs in lakhs)
At the beginning of the period	242,000	24	242,000	24
Add : Issued during the year	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>242,000</b>	<b>24</b>	<b>242,000</b>	<b>24</b>

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.

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 2022		As at 31 March 2021	
	Number of equity shares	% Holding	Number of equity shares	% Holding
Welspun Enterprises Limited and its nominees	242,000	100.00%	242,000	100.00%

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

	As at 31 March 2022		As at 31 March 2021	
	Number of equity shares	% Holding	Number of equity shares	% Holding
Welspun Enterprises Limited and its nominees	242,000	100.00%	242,000	100.00%

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 2022.



Welspun Projects (Himmatnagar Bypass) Private Limited  
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Notes forming part of the financial statements

11 Share capital and other equity

The details of Shareholding of Promoters are as under :-

Shares held by promoters at the end of the year			% Change during the year
Promoter Name	No. of Shares	% of total Shares	
Welspun Enterprises Limited	241,994	100.00%	-
Devendra Patil (Nominee of Welspun Enterprises Limited)	1	0.00%	-
Pradeep Joshi (Nominee of Welspun Enterprises Limited)	1	0.00%	-
Shashikant Thorat (Nominee of Welspun Enterprises Limited)	1	0.00%	-
Priya Pakhare (Nominee of Welspun Enterprises Limited)	1	0.00%	-
Saji Padamanbhan (Nominee of Welspun Enterprises Limited)	1	0.00%	-
Vinoo Sanjay (Nominee of Welspun Enterprises Limited)	1	0.00%	-
<b>Total</b>	<b>242,000</b>	<b>100.00%</b>	

11(b) - Other Equity

	(Rs in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Security Premium	209	209
Retained earnings	177	161
<b>Total</b>	<b>386</b>	<b>370</b>

(i) Security Premium

Opening balance	209	209
During the year	-	-
<b>Closing balance</b>	<b>209</b>	<b>209</b>

(ii) Retained earnings

Opening balance	161	234
Total comprehensive income for the year	16	(73)
<b>Closing balance</b>	<b>177</b>	<b>161</b>

Nature and purpose of reserves :-

**Retained earnings**

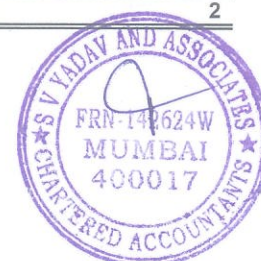
Retained earnings represent the profit made/ loss incurred by the Company for the period.



Welspun Projects (Himmatnagar Bypass) Private Limited  
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Notes forming part of the financial statements

		(Rs in lakhs)	
	As at 31 March 2022	As at 31 March 2021	
<b>12 Long term provision</b>			
Provision for Employee benefits - refer note 30			
- Gratuity	(0)	-	
- Leave Encashment	-	-	
<b>Total</b>	<b>(0)</b>	<b>-</b>	
<b>13 Current financial liability - borrowings</b>			
Short term borrowing - related party - refer note 35	3	0	
<b>Total</b>	<b>3</b>	<b>0</b>	
<b>14 Trade payables</b>			
Total outstanding dues of micro enterprises and small enterprises	-	-	
Total outstanding dues of creditors other than micro enterprises and small enterprises	1	2	
<b>Total</b>	<b>1</b>	<b>2</b>	
<b>15 Current financial liabilities - others</b>			
Payable to employees	0	0	
<b>Total</b>	<b>0</b>	<b>0</b>	
<b>16 Short Term Provisions</b>			
Provision for Employee benefits - refer note 30			
- Gratuity	(0)	-	
- Leave Encashment	-	-	
<b>Total</b>	<b>(0)</b>	<b>-</b>	
<b>17 Other current liabilities</b>			
Creditors for expenses	0	0	
Provision for expenses	0	1	
Statutory dues	1	1	
<b>Total</b>	<b>1</b>	<b>2</b>	

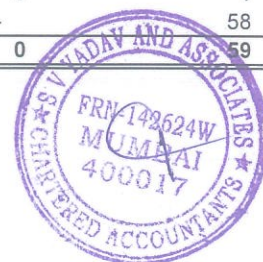




Welspun Projects (Himmatnagar Bypass) Private Limited  
(Formerly known as MSK Projects (Himmatnagar Bypass) Private Limited)

Notes forming part of the financial statements

(Rs in lakhs)		
	Year ended 31 March 2022	Year ended 31 March 2021
<b>18 Revenue from operations</b>		
Toll revenue	-	140
<b>Total</b>	<b>-</b>	<b>140</b>
<b>19 Other income</b>		
Interest income on financial assets at amortised cost		
- On bank deposits	19	2
Provision no longer required written back	-	11
Profit on sale of investments	-	15
Miscellaneous Income	-	0
<b>Total</b>	<b>19</b>	<b>28</b>
<b>20 Sub-contracting costs</b>		
Repair & maintenance of Road	-	83
<b>Total</b>	<b>-</b>	<b>83</b>
<b>21 Employee benefit expenses</b>		
Salaries and wages	-	39
Contribution to provident and other funds	0	4
Staff welfare	-	6
<b>Total</b>	<b>0</b>	<b>49</b>
<b>22 Finance costs</b>		
Interest expenses		
- Others	-	0
Other borrowing costs	0	0
Net defined benefit	-	(0)
<b>Total</b>	<b>0</b>	<b>0</b>
<b>23 Depreciation and amortisation expense</b>		
Depreciation on property, plant and equipment	0	1
Amortisation of intangible assets	-	58
<b>Total</b>	<b>0</b>	<b>59</b>



Welspun Projects (Himmatnagar Bypass) Private Limited  
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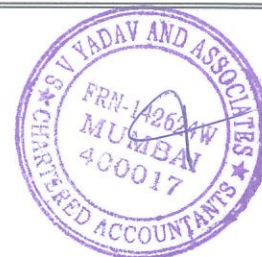
Notes forming part of the financial statements

24 Other expenses

	Year ended 31 March 2022	Year ended 31 March 2021
Stores and spares consumed	-	0
Hire charges	-	1
Site expenses	-	3
Rent	-	1
Repairs and maintenance :-		
- Others	-	1
Power, fuel and water charges	-	1
Legal and professional fees	0	8
Payment to Auditors :-		
- Audit fees	0	1
Insurance costs	-	1
Rates and taxes	0	0
Communication expenses	-	0
Printing and stationary	-	0
Travelling and conveyance expense	-	2
FVTPL Loss	-	2
Miscellaneous expenses	(1)	4
<b>Total</b>	<b>0</b>	<b>25</b>

25 Income tax expense

- Current tax	4	0
- Deferred tax charge/ (credit)	(2)	25
<b>Total</b>	<b>2</b>	<b>25</b>



Welspun Delhi Meerut Expressway Private Limited

Notes forming part of the financial statements

26 Income tax

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

(Rs in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
<b>Current tax</b>		
Current tax on taxable income for the period	4	0
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	(2)	25
MAT credit entitlement	-	-
<b>Total tax expense</b>	<b>2</b>	<b>25</b>

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

(Rs in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Accounting profit before tax	18	(48)
At India's statutory income tax rate	5	(12)
MAT credit (taken)	-	-
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Amortisation of intangibles	0	15
Other items	1	-
Tax losses and other adjustments for which no deferred income tax is recognised	(7)	-
Other non deductible expenses for tax purpose including tax rate difference	-	-
Income tax expenses reported in the statement of profit and loss	(2)	3
(Refer Note 3 (A) (v)) in Significant Accounting Policies		

Since the Company is eligible for 100% tax holiday, tax expenses is recognised under MAT

(c) Deferred tax relates to the following:

(Rs in lakhs)

	Balance Sheet		Recognized in the statement of profit and loss	
	As at 31 March 2022	As at 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
<b>A. Deferred tax assets</b>				
i) Deductible temporary differences	2	0	(2)	25
<b>Total</b>	<b>2</b>	<b>0</b>	<b>(2)</b>	<b>25</b>
<b>Deferred tax charge/(credit)</b>			<b>(2)</b>	



MSKPROJECTS (HIMMATNAGAR BYPASS) PRIVATE LIMITED  
Notes forming part of the financial statements

27 (a) Fair value measurement:

Financial instruments by category	As at 31 March 2022		As at 31 March 2021	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
<b>Current financial assets</b>				
Investments	0	-	0	-
Cash and cash equivalents		13	-	3
Other bank balance		385		369
Loans		-	-	-
Other advances		0	-	0
<b>Total</b>	<b>0</b>	<b>398</b>	<b>0</b>	<b>372</b>
<b>Current financial liabilities</b>				
Borrowings	-	3	-	0
Trade payables	-	1	-	2
<b>Total</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>3</b>

(b) Fair value hierarchy

	Carrying amount as at 31 March 2022	Fair value measurement Level 1
<b>Financial Instrument measured at FVTPL</b>		
Investments	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

	Carrying amount as at 31 March 2021	Fair value measurement Level 1
<b>Financial Instrument measured at FVTPL</b>		
Investments	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

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

1. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

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

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

2. The carrying amounts of loans, trade 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.



**Welspun Projects (Himmatnagar Bypass) Private Limited  
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**28 Ratio Analysis and its elements**

Ratio	Numerator	Denominator	Current period	Previous period	% variance	Reason for variance
(a) Current Ratio (in times)	Current assets	Current liabilities	75	87	-13%	Not relevance, since ratio is less than 25%
(b) Debt-equity ratio	Total Debt	Shareholder's Equity	0.01	0.00	674%	Due to increase in borrowing
(c) Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	493%	-17612%	-103%	Not relevance, since ratio is less than 25%
(d) Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	4%	0.00%	-1288093%	Not relevance, since ratio is less than 25%
(e) Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory Average inventory is (Opening + Closing balance /2)	NA	NA	NA	The ratio establishes the relationship between the cost of goods sold during the period or sales during the period and average inventory held during the period. Since there is no inventory the ratio is not computed.
(f) Trade receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivable	NA	NA	NA	Since there is no trade receivable in the Company hence the ratio is not computed
(g) Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	NA	NA	NA	Since there is no credit purchases in the Company hence the ratio is not computed
(h) Net capital turnover ratio	Net Sales	Working Capital	NA	NA	NA	Since there is no sales in the Company hence the ratio is not computed
(i) Net profit ratio	Net profit	Net Sales	NA	NA	NA	Since there is no sales in the Company hence the ratio is not computed
(j) Return on capital employed	Earning before interest and taxes	Capital Employed	0	(0)	-137%	Not relevance, since ratio is less than 25%
(k) Return on investment	{MV(T1) – MV(T0) – Sum [C(t)]}	{MV(T0) + Sum [W(t) * C(t)]}	NA	NA	NA	Return on investment (ROI) is a financial ratio used to calculate the benefit an investor will receive in relation to their investment cost

T1 = End of time period

T0 = Beginning of time period

t = Specific date falling between T1 and T0

MV(T1) = Market Value at T1

MV(T0) = Market Value at T0

C(t) = Cash inflow, cash outflow on specific date

W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow)

on day 't', calculated as  $[T1 - t] / T1$



**MSKPROJECTS (HIMMATNAGAR BYPASS) PRIVATE LIMITED**  
**Notes forming part of the financial statements**

**29 Significant accounting judgements, estimates 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.

**Judgements**

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

**a) Determination of control**

The management has exercised judgements in determining whether the Company exercises control/ significant influence over the entity.

**Estimates and assumptions**

**a) 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 but are not provided for in the financial statements. There can be no assurance regarding the final outcome of these legal proceedings.

**b) Useful lives and residual values**

The Company uses Schedule II of Companies Act 2013 for estimating the useful lives and residual values of property, plant and equipment, investment property and intangible assets at each financial year end.

**c) 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.

**d) Tax**

a) The Company's tax charge is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.

b) Accruals for tax contingencies require management to make judgments and estimates in relation to tax audit issues and exposures.

c) The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Where the temporary differences are related to losses, the availability of the losses to offset against forecast taxable profits is also considered. Recognition therefore involves judgment regarding the future financial performance of the particular legal entity or tax Company in which the deferred tax asset has been recognized.

**e) Fair Value Measurement**

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

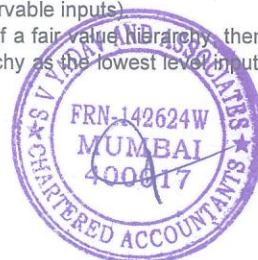
When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

-Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

-Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of a fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.



**MSKPROJECTS (HIMMATNAGAR BYPASS) PRIVATE LIMITED**  
Notes forming part of the financial statements

**30 Disclosures pursuant to adoption of Ind AS 19 Employee Benefits**

The present value of obligation is based on actuarial valuation using the projected unit credit method.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitle to specific benefit. The benefit is based on final salary and service. The benefits of the scheme are paid, as and when, the employee leaves the employment.

The following tables summarises the components of net benefit expense recognised in the statement of profit or loss and the amounts recognised in the balance sheet for the respective plan:

	(Amount in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
<b>Service Cost</b>		
Current service cost	-	-
Interest cost on benefit obligation	-	-
<b>Net benefit expenses (recognised in profit and loss)</b>	<b>-</b>	<b>-</b>
<b>Expenses recognised during the year in other comprehensive income (OCI)</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	-	-
Actuarial (gains) / losses arising from changes in experience assumptions	-	-
<b>Net expenses</b>	<b>-</b>	<b>-</b>
<b>Net liability recognised in the balance sheet</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
Present value of obligation	-	-
Liability recognized in balance sheet	-	-
<b>Reconciliation of opening and closing balances of defined benefit obligation</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
Defined benefit obligation as at the beginning of the year	-	11
Current service cost	-	-
Interest cost	-	-
Actuarial (gain) / loss on obligation	-	-
Liability transferred in/ (paid)	-	-
Benefits paid by the company	-	-
Provision no longer required written back	-	(11)
Defined benefit obligation at the end of the year	<b>-</b>	<b>-</b>
<b>Reconciliation of opening and closing balance of plan asstes</b>		
Fair value of plan assets at the Begaining of the Year	-	-
Acturial gain/ (loss)	-	-
Benefit paid	-	-
Fair value of plan assets as at 31 March 2020	<b>-</b>	<b>-</b>
<b>Net liability to be recognized in Balnace Sheet</b>		
	(Amount in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
Present value of obligation	-	-
Present value of plan assets	-	-
<b>Liability Recognized in Balance Sheet</b>	<b>-</b>	<b>-</b>



**MSKPROJECTS (HIMMATNAGAR BYPASS) PRIVATE LIMITED**

Notes forming part of the financial statements

**Reconciliation for other comprehensive income**

	(Amount in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
Net cumulative unrecognized actuarial (gain)/loss opening	-	-
Actuarial gain / (loss) for the year on PBO	-	-
Actuarial gain / (loss) for the year on Asset	-	-
<b>Unrecognized actuarial gain/ (loss) at the end of the year</b>	-	-

A quantitative sensitivity analysis for significant assumption as at 31 March 2022 is as shown below:

	(Amount in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
<b>Impact of change in discount rate</b>		
Present value obligation at the end of the period	-	-
Impact due to increase of 0.50%	-	-
Impact due to decrease of 0.50%	-	-
<b>Impact of change in salary increase</b>		
Present value obligation at the end of the period	-	-
Impact due to increase of 0.50%	-	-
Impact due to decrease of 0.50%	-	-

Sensitivities due to mortality & withdrawals are insignificant & hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

**Maturity Policy of Defined benefit obligation**

	(Amount in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
Year ended		
31-Mar-20	-	-
31-Mar-21	-	-
31-Mar-22	-	-
31-Mar-23	-	-
31-Mar-24	-	-
31-Mar-25	-	-

The average duration of defined benefit obligation is 8.81 years (Previous Year: 8)

The principal assumptions used in determining gratuity obligation are shown below:

	(Amount in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
<u>Economic assumptions</u>		
Discount rate	0.00%	0.00%
Salary Escalation Rate	0.00%	0.00%
<u>Demographic assumptions</u>		
Mortality	Indian assured lives Mortality (2006-08)	Indian assured lives Mortality (2006-08)
Retirement Age	The employees retire at 60 years of age.	The employees retire at 60 years of age.
Attrition Rate	11% up to age 30, 4% up to age 44 and 1% thereafter	11% up to age 30, 4% up to age 44 and 1% thereafter

**31 Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, instruments entirely equity in nature (compulsorily convertible debentures) and all other equity reserves attributable to the shareholders of the Company. The primary objective of the Company's capital management is to maximise the shareholders value.





**MSKPROJECTS (HIMMATNAGAR BYPASS) PRIVATE LIMITED**
**Notes forming part of the financial statements**

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants, if any. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing borrowings, trade and other payables, less cash and cash equivalents.

(Amount in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Borrowings	3	0
Trade payables	1	2
Less : Current Investments	(0)	(0)
Less : Cash and cash equivalents (incl other Bank balances)	(398)	(372)
<b>Net Debt</b>	<b>(394)</b>	<b>(369)</b>
Equity	24	24
Other equity	386	370
<b>Total Capital</b>	<b>410</b>	<b>394</b>
<b>Capital and net debt</b>	<b>16</b>	<b>25</b>
<b>Gearing Ratio</b>	<b>-2421%</b>	<b>-1491%</b>

**32 Contingent liabilities (to the extent not provided for)**

There is no contingent liabilities as on 31st March 2022

**33 Segment Information**

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

**34 Earnings per share (EPS)**

(Rupees in Lakhs)

		As at 31 March 2022	As at 31 March 2021
Net profit after tax available for equity shareholders	A	16	(73)
Weighted average number of equity shares of Rs. 10 each outstanding during the year used for calculating basic EPS (Number of shares)	B	242,000	242,000
Weighted average number of equity shares of Rs. 10 each outstanding during the year used for calculating diluted EPS (Number of shares)	C	-	-
Basic earnings per share	A/ B	6.69	(30.10)
Diluted earnings per share	A/C	6.69	(30.10)

**35 Disclosure as required by Ind AS 24 - Related Party disclosures**
**a) Particulars of Holding Company**

(Rupees in Lakhs)

Name of the entities	Extent of holding		Relationship
	As at 31 March 2022	As at 31 March 2021	
Welspun Enterprises Limited	100%	100%	Parent

**b) Directors / Key managerial Personnel (KMP)**

Name of the Related Parties	
Mr. Sandeep Garg #	Director
Mr. Harish Gupta	Director
Mr. Vishal Tandon	Director
Mr. Ajay Hans *	Additional Director

# Ceased to be Director with effect from 31 March 2022

\* Appointed as Director with effect from 01 April 2022



MSKPROJECTS (HIMMATNAGAR BYPASS) PRIVATE LIMITED

Notes forming part of the financial statements

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

(Amount in Lakhs)

Nature of transactions	Year ended 31 March 2022	Year ended 31 March 2021
Loan given during the year Welspun Enterprises Limited	2	230
Loan repaid during the year Welspun Enterprises Limited	-	256
Corporate Gaurateen discharged for performance security Welspun Enterprises Limited	-	10

d) Closing Balances as at 31 March 2022

	As at 31 March 2022	As at 31 March 2021
Short term borrowing Welspun Enterprises Limited	3	0

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.

36 On the basis of information available with the Company and intimation received from suppliers (Trade Payable and other payable), there are no dues payable as on 31 March 2022 (31 March 2021: Nil) to Micro, Small and Medium enterprises development act, 2006.

37 Reconciliation between opening & closing balance in the balance sheet for liabilities arising from financial activities as required by Ind As 7 "Statement of cash flows as under"

	Equity Share Capital	Borrowings
As at 31 March 2021	24	1
Cash Inflow	-	2
Cash outflow	-	-
As at 31 March 2022	24	3

	Equity Share Capital	Borrowings
As at 31 March 2020	24	27
Cash Inflow	-	230
Cash outflow	-	(256)
As at 31 March 2021	24	1

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

- a) 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  
b) There are no investments other than as disclosed forming part of the financial statements.

39 Estimation of uncertainty relating to COVID - 19 Outbreak

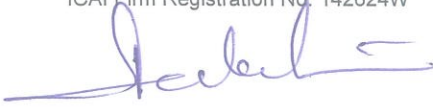
The Company, based on internal & external sources of information including market research, economic forecast and other information, has assessed that as a result of Covid-19 outbreak, there is no significant financial impact on the financial statements for the year ended March 31, 2022 as at the date of approval of these financial statements. Due to the nature of the pandemic, the Company will continue to monitor developments to Identify significant uncertainties in future periods, if any.



**MSKPROJECTS (HIMMATNAGAR BYPASS) PRIVATE LIMITED**  
**Notes forming part of the financial statements**

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 **S V Yadav And Associates**  
**Chartered Accountants**  
ICAI Firm Registration No. 142624W



Venkatesh S. Yadav  
**Proprietor**  
Membership Number 156541

UDIN:  
Place: Mumbai  
Date : 10 May 2022



For and on behalf of the Board



Ajay Hans  
**Director**  
DIN : 00391261

Place: Mumbai  
Date : 10 May 2022



Vinoo Sanjay  
**Director**  
DIN : 07470339

Place: Mumbai  
Date : 10 May 2022