

# SUREKA ASSOCIATES

*Chartered Accountants*

45 C, Mandhana Manor, Mogal Lane,  
Matunga Road (W), Mumbai 400 016  
TEL: : 2430 6150, 2432 7608  
EMAIL : suresh@surekas.com

## INDEPENDENT AUDITOR'S REPORT

To,

**The Trustees of Welspun Enterprises Employees Welfare Trust**

### **Opinion**

We have audited the financial statements of **Welspun Enterprises Employees Welfare Trust**, (hereinafter referred as "the Trust") which comprise the Balance Sheet as at 31st March, 2024, and the Income and Expenditure Account for the period then ended.

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In case of Balance Sheet, of the state of affairs of the Trust as at 31st March, 2024; and
- b) In case of Income and Expenditure Account, of the deficit for the period ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with Standards on Auditing (SAs). 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 entity in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Management is responsible for the preparation of the financial statements in accordance with the applicable accounting standards issued by the Institute of Chartered Accountants of India (ICAI). In preparing the financial statements, management is responsible for assessing the entity'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 entity or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the entity's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



# SUREKA ASSOCIATES

*Chartered Accountants*

45 C, Mandhana Manor, Mogal Lane,  
Matunga Road (W), Mumbai 400 016

TEL: : 2430 6150, 2432 7608

EMAIL :suresh@surekas.com

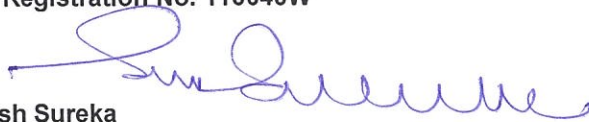
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust'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 Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence.

For and behalf of  
**SUREKA ASSOCIATES**  
Chartered Accountants  
Firm Registration No. 110640W



Suresh Sureka  
Partner  
Membership No. 034132

UDIN: 24034132BkFGCH9082

Place: Mumbai  
Date : 15 May 2024



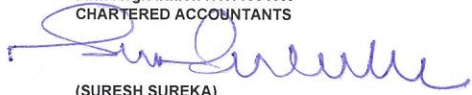


**WELSPUN ENTERPRISES EMPLOYEES WELFARE TRUST**  
**BALANCE SHEET AS AT 31 MARCH 2024**

Previous Year Ended 31/03/2023	Liabilities	Rs	Current Year Ended 31/03/2024	Rs.	Previous Year Ended 31/03/2023	Assets	Rs	Current Year Ended 31/03/2024
-	<b>Trust fund account</b>					<b>Investments</b>		
1,000	Opening balance	1,000				Investment - Quoted	287,600,334	
1,000	Add: Contribution during the year	-	1,000	-		Investment - Mutual Fund - Quoted	1,549,546	289,149,880
(332,179)	<b>Opening</b>	(332,179)				<b>Bank Balances</b>		
(332,179)	Add: Transferred from Income & expenditure account	(4,997,262)	(5,329,441)	-	1,021	Cash at Bank	9,201,878	9,201,878
(331,179)			(5,328,441)			<b>Other Current Assets</b>		
2,200	<b>Loan &amp; Liabilities</b>					TDS Certificate	200,000	200,000
	Welspun Enterprises LTD - Loans		303,135,200					
-	<b>Sundry creditors</b>							
	Sundry creditors		10,800					
27,000	<b>Provision for expenses</b>							
-	Audit fees	27,000						
-	Internal audit Fees	51,480						
-	Trustee fees	360,000						
270,000	Professional fees	-						
33,000	Statutory dues- 194J	49,720						
-	Provision for tax AY 23-24	246,000	734,200					
<b>1,021</b>			<b>298,551,759</b>		<b>1,021</b>			<b>298,551,759</b>

As per our report of even date

FOR SUREKA ASSOCIATES  
Firm Registration No.110640W  
CHARTERED ACCOUNTANTS



(SURESH SUREKA)  
PARTNER  
PLACE : MUMBAI  
Date : 15 May 2024

FOR WELSPUN ENTERPRISES EMPLOYEES WELFARE TRUST



Paras Mal Jain



Yogesh Mehta

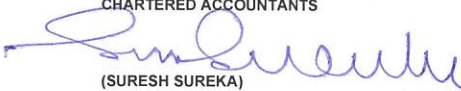


**WELSPUN ENTERPRISES EMPLOYEES WELFARE TRUST**  
**INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 31 MARCH 2024**

Previous Period From 12/07/2022 to 31/03/2023	Expenditure	Year Ended 31/03/2024	Previous Period From 12/07/2022 to 31/03/2023	Income	Year Ended 31/03/2024
30,000	Audit fees	40,000	21	Interest income - Bank	40,954
-	Professional fees	457,200	-	Dividend Income	2,000,000
300,000	Retainership fees	-	-	Gain on fair value	49,619
2,200	Registration charges	-			
	Loss on sale of investments	6,336,860			
	Stamp duty charges	73			
	Rates and taxes	7,200			
	Bank charges	35			
	Income Tax	246,000			
	Miscellaneous expenses	467			
		-		Transferred to balance sheet (Expenditure in excess of income)	4,997,262
			<b>332,179</b>		
<b>332,200</b>		<b>7,087,835</b>	<b>332,200</b>		<b>7,087,835</b>

As Per our report of even date

FOR SUREKA ASSOCIATES  
 Firm Registration No.110640W  
 CHARTERED ACCOUNTANTS

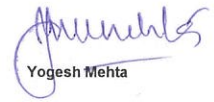


(SURESH SUREKA)  
 PARTNER  
 PLACE : MUMBAI  
 Date : 15 May 2024

FOR WELSPUN ENTERPRISES EMPLOYEES WELFARE TRUST



Paras Mal Jain



Yogesh Mehta



## WELSPUN ENTERPRISES EMPLOYEES WELFARE TRUST

### Notes forming part of the financial statements

#### 1 Background

Welspun Enterprises Employees Welfare Trust (hereinafter referred to as "Trust") was approved by the Board of Director and the shareholders of Welspun Enterprises Limited ("the Company") at their meeting held on July 28, 2022 and August 29, 2022 respectively. The Trust was incorporated with the objective to enhance the employee engagement, to reward the employees for their association and performance as well as to motivate them to contribute to the growth and profitability of the Company and to retain the key employees and to create a sense of ownership and participation amongst them through acquiring and holding of shares (through Direct allotment from the Company and/or from secondary acquisition from the market) of the Company for the purpose of implementing the "Welspun Enterprises Employee Benefit Scheme -2022".

#### 2 Material accounting policies

##### I. Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with accounting principles generally accepted in India and comply with the accounting standards issued by the Institute of Chartered Accountants of India (ICAI).

##### II. Uses of estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

##### III. Investments

Long -term investments are stated at cost of acquisition. Provision for diminution is made if such diminution is considered as being other than temporary in nature.

##### IV. Revenues recognition

###### profit on issue of securities

Income is recognized on the basis of the profit on issue of securities to its beneficiary holders.

It is determined on the basis of difference of amount realized from the holders to its cost of acquisition, in the year in which the amount is received from the beneficiary holders.

###### Dividend income

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

###### Interest income

Interest income on investments (including deposits with banks and other institutions) are recognised in the statement of Income and Expenditure Account on accrual basis.

##### V. Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is present obligation as a result of past events and when a reliable estimate of the amounts of obligation can be made. Contingent liability is disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Trust or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized ion the financial statements since this may result in the recognition of income that may never realized.

#### 3 Other Notes to Accounts

1. In the opinion of the Trustees, the current assets, loans & advances will realize a value not less than the amounts stated on the Balance Sheet, if realized in the ordinary course of business.

2. The balance with the banks in current accounts was confirmed by the respective banks.

3. Previous year figures have been regrouped /reclassified wherever necessary to suit the current year's layout.

