



DIRECTORS' REPORT

To,
The Members,
Welspun Tradings Limited

Your Directors have pleasure in presenting their 12th Annual Report and audited statement of accounts for the year ended 31st March, 2013.

FINANCIAL RESULTS

(Amount in Rupees)

Particulars	For the Financial Year ended on 31.03.2013	For the Financial Year ended on 31.03.2012
Income	27,509,133,572	5,482,918,150
Expenses	27,411,509,822	5,442,732,823
Profit (Loss) Before Tax	97,623,750	40,185,327
Provision For Tax Current Tax	32,099,775	12,601,402
Profit (Loss) After Tax	65,523,974	27,583,925
Tax Paid For Earlier Years	1,553,294	0
Profit Loss For The Year Carried to Balance Sheet	63,970,680	27,583,925

PERFORMANCE

During the financial year Sales increased in terms of Rupee by 402% (Rs. 2203 Crore) & quantity by 314 % (356796 MT) compared to previous year. Major Order executed during the year Cardon IV, Dodsai Engg, and Seaway Crude line.

DIVIDEND

Your Directors do not recommend any dividend for the year ended March 31, 2013.

DIRECTORS

Since the last Report, the following changes took place in the Board of Directors of the Company:

- Mr. Lal T.Hotwani resigned from the directorship w.e.f. December 13, 2012.
- Mr. Rajkumar Jain was appointed as an additional director w.e.f. December 13, 2012.
- Mr. K.H.Viswanathan was appointed as an additional director w.e.f. December 13, 2012.
- Mr. Utsav Baijal was appointed as an additional director w.e.f. December 13, 2012.
- Mr. Ramgopal Sharma was appointed as an additional director w.e.f. May 29, 2013.

Your directors place on record its appreciation of services rendered by Mr. Hotwani during his tenure as a director. The Board welcomes new directors on board.



Corporate office:

Welspun House, 5th floor
Kamala City,
Senapati Bapat Marg,
Parel (West),
Mumbai - 400013

Page 1 of 3

Tel: +91 2266136000 / 24908000
Fax: +91 2224908020 / 66603031
www.welspun.com



In accordance with the provisions of the Companies Act, 1956 and Articles of Association, Mr. Abhishek Mandawewala, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible have been recommended for re-appointment.

The term of appointment of Mr. Rajkumar Jain, Mr. K. H. Viswanathan, Mr. Utsav Bajjal and Mr. Ramgopal Sharma as additional directors expire in the forthcoming Annual General Meeting. A notice under Section 257 of the Companies Act, 1956 has been received from a shareholder of the Company recommending their appointment.

RESERVES

The Company does not intend to transfer any amount of the profit to the General Reserves of the Company.

PUBLIC DEPOSITS

The Company has not accepted any public deposits within the meaning of Section 58A of the Companies Act, 1956 and Companies (Acceptance of Deposits) Rules, 1975 and Reserve Bank of India Rules, if any. Hence, no amount on account of principal or interest on public deposit was outstanding on the date of the Balance Sheet.

AUDITORS

M/s. Sureka Associates, Chartered Accountants, Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Shareholders are requested to consider their reappointment and fix their remuneration by passing an ordinary resolution under Section 224 of the Companies Act, 1956.

AUDITORS' REPORT

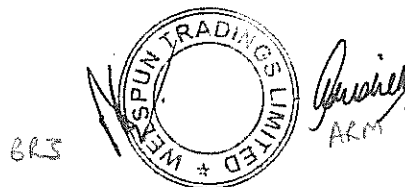
The notes on account referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further comments.

COMPANY SECRETARY

As per the provisions of Section 383A of the Companies Act, 1956, the Company is required to appoint a full time Company Secretary. After making its best efforts to recruit a suitable person as Company Secretary, the Company has appointed Mr. Nilesh Javker as the Company Secretary w.e.f. March 19, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Since the Company is a not a manufacturing unit, the particulars relating to Conservation of Energy, Research and Development and Technology Absorption are not applicable.



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Page 2 of 3 Parel (West),
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Total foreign exchange used and earned:

Used : Rs. 2,420,693,614
 Earned : Rs. 21,501,853,231

PARTICULARS OF EMPLOYEES

As per the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rule, 1975 as amended, the names and other particulars of the employees are set out in the Annexure to the Directors' Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and the Accounts are being sent to all the shareholders of the Company excluding the aforesaid information. Any shareholder interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, your directors hereby confirm that:


- (i) in the preparation of the accounts for the financial year ended March 31, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the accounts for the financial year ended March 31, 2013 on a going concern basis.


ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the valuable support and assistance received by your Company from Banks, Government and their departments.

Mumbai
 July 9, 2013




 Brijgopal Jaju
 Director


 Abhishek Mandawewala
 Director

Corporate office:

Welspun House, 5th floor
 Kamala City,
 Senapati Bapat Marg,
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Welspun Tradings Limited – Statement u/s 217(2A) of the Companies Act, 1956 (for the year 2012-13)

Sr No.	NAME	Age	DESIGNATION	Whether Relative of a director	Nature of Employment	Qualification	DOJ	DOL	GROSS SALARY	No. of equity shares held 217(2A) a(iii)	No. of years in the Company	Past Experience		No. of years
												Company	Designation	
1	VIPUL MATHUR	43	DIRECTOR		Permanent	MBA (Marketing)	01-Oct-12	NA	12,000,010		12.2	MAN Industries Ltd, Delhi	Vice President (Marketing)	10.9



Signature
ARM

Signature

Corporate office:

Welspun House, 5th floor
Kamala City,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai - 400013

Tel: +91 2266136000 / 24908000
Fax: +91 2224908020 / 66603031
www.welspun.com

SUREKA ASSOCIATES
CHARTERED ACCOUNTANTS

45 C, MANDHANA MANOR, MOGAL LANE,
MATUNGA ROAD (W), MUMBAI 400 016.
TEL.: 2430 6150, 2432 7608 FAX: 2432 7608
EMAIL: surekas@vsnl.com

INDEPENDENT AUDITOR'S REPORT

To the Members of Welspun Tradings Limited

Report on the Financial Statements

1. We have audited the accompanying financial statement of **Welspun Tradings Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion


4. In our opinion and to the best of our information and according to the explanations given to us, the 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:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
 - (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

5. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order:
6. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books,
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ;
 - e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For and on behalf of
SUREKA ASSOCIATES
Chartered Accountants
Firm's Registration No.: 110640W


Suresh Sureka
Partner



Membership No.: 34132
Place : Mumbai
Date : 29 MAY 2013

SUREKA ASSOCIATES
CHARTERED ACCOUNTANTS

45 C, MANDHANA MANOR, MOGAL LANE,
MATUNGA ROAD (W), MUMBAI 400 016.
TEL.: 2430 6150, 2432 7608 FAX: 2432 7608
EMAIL: surekas@vsnl.com

ANNEXURE TO THE AUDITORS' REPORT

Statement referred to in paragraph (5) of our report of even date to the members of Welspun Tradings Limited on the accounts for the year ended 31st March, 2013

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets of the Company have been physically verified by the Management during the year. No material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.

(c) In our opinion and according to the information and explanation given to us, a substantial part of the fixed assets has not been disposed of by the Company during the year.
2. (a) The inventories have been physically verified by the management during the year except stock lying with third parties in respect of whom confirmation have been obtained. The frequency of verification is reasonable.

(b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of the business.

(c) On the basis of our examination of the records and in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
3. (a) The Company has not granted any loans, secured or unsecured, to any company, firm or other parties covered in the register maintained under section 301 of the Act. As such, the requirements regarding the quantum of amount of loan, rate of interest, repayment of principal and interest and overdue amounts are not applicable.

(b) The Company has not taken any secured / unsecured loans from any company, firm or other parties covered in the register maintained under Section 301 of the Act. As such, the requirements regarding the quantum of amount of loan, rate of interest, repayment of principal and interest are not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with size of the company and the nature of its business for purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weaknesses were noticed in the internal control system in respect above areas.
5. According to the information and explanation given to us, there is no contract or arrangement the particulars of which are required to be entered into the register in pursuance of section 301 of the Act.
6. The Company has not accepted any deposit from the Public.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. The Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for the company.




SUREKA ASSOCIATES
CHARTERED ACCOUNTANTS

9. (a) According to the records of the Company, the Company has been regular in depositing undisputed statutory dues with the appropriate authorities.

(b) Based on our audit procedures and according to the information and explanations given to us, there are no undisputed arrears of statutory dues which has remained outstanding as at 31st March, 2013 for a period of more than six months from the date they became payable.
10. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. In our opinion and according to the information and explanation given to us, the Company does not have any borrowing from Bank / financial institution. Hence, the question of default does not arise.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a Chit Fund, Nidhi or Mutual Benefit fund/ Society and therefore the requirements pertaining to such class of Company are not applicable.
14. The Company is not dealing or trading in shares, securities, debentures and other investments.
15. In our opinion, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
16. The Company has not taken any term loans during the year.
17. According to the information and explanation given to us by the management and on an overall examination of the balance sheet of company, we report that no funds raised on short term basis have been used for long term investment.
18. The Company has not made any preferential allotment of shares during the year to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. In our opinion and according to the information and explanations given to us, the Company has not issued debentures for which any security or charge needs to be created.
20. The Company has not made any public issues during the year and therefore, the question of disclosing the end use of money does not arise.
21. Based upon the audit procedures performed and according to the information and explanations given and representations made by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For and on behalf of
SUREKA ASSOCIATES
Chartered Accountants
Firm's Registration No.: 110640W


Suresh Sureka
Partner



Membership Number: 34132

Place : Mumbai

Date **29 MAY 2013**

Welspun Tradings Limited
Balance Sheet as at 31st March, 2013

(Amount in Rupees)

Particulars	Note No.	As at March 31st, 2013	As at March 31st, 2012
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	50,134,020	50,134,020
(b) Reserves and Surplus	3	313,953,302	249,982,622
2 Non-Current liabilities			
(a) Deferred tax liabilities (net)	4	70,494	-
(a) Long term provisions	5	2,597,020	-
3 Current liabilities			
(a) Trade Payables	6	5,165,045,604	1,589,757,281
(b) Other current liabilities	7	1,254,173,505	2,510,583,422
(c) Short-term provisions	8	37,606	-
TOTAL		6,786,011,551	4,400,457,344
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	3,269,800	-
(ii) Intangible assets	9	28,223	-
2 Non-current assets			
(a) Long-term loans and advances	10	85,000	85,000
3 Current assets			
(a) Inventories	11	327,562,224	2,033,710,655
(b) Trade receivables	12	4,313,633,814	1,560,780,372
(c) Cash and bank balances	13	270,301,310	3,811,448
(d) Short-term loans and advances	14	1,719,867,211	802,069,869
(e) Other current assets	15	151,263,970	-
TOTAL		6,786,011,551	4,400,457,344
Notes Forming Part of Financial Statements	1-25		

As per our Report of even date
For SUREKA ASSOCIATES
Firm Registration No 110640W
Chartered Accountants

SURESH SUREKA

Partner

Membership No 34132

Place: Mumbai

Date:

29 MAY 2013



FOR AND ON BEHALF OF THE BOARD

DIRECTOR

DIRECTOR



29 MAY 2013

Nitesh Jankar
COMPANY SECRETARY

Welspun Tradings Limited
Statement of Profit and loss for the year ended 31st March, 2013

(Amount in Rupees)

Particulars	Note No.	Year ended 31st March, 2013	Year ended 31st March, 2012
I. Revenue from Operations	16	27,470,749,825	5,459,076,355
II. Other Income	17	38,383,747	23,841,795
III. Total Revenue		27,509,133,572	5,482,918,150
IV. Expenses:			
Purchase of Stock-in-trade	18	22,729,014,198	7,152,420,407
Changes in inventories of Stock-in-trade	19	1,706,148,432	(2,004,799,398)
Employee benefits expense	20	42,880,438	-
Finance Cost	21	111,957,180	1,779,430
Depreciation and amortization expense	9	69,852	-
Other Expenses	22	2,821,439,723	293,332,383
Total Expenses		27,411,509,822	5,442,732,823
V. Profit before tax		97,623,750	40,185,327
VI. Tax expense:			
(1) Current Tax		32,029,281	12,601,402
(2) Deferred tax		70,494	-
(3) Excess Tax Provision For Earlier Year Written Off/(Written Back)		1,553,294	-
VII. Profit (Loss) for the period from continuing operations		63,970,680	27,583,925
VIII. Profit/(loss) from discontinuing operations		-	-
IX. Tax expense of discontinuing operations		-	-
X. Profit/(loss) from Discontinuing operations (after tax)		-	-
XI. Profit (Loss) for the period		63,970,680	27,583,925
XII. Earnings per equity share of 10 each fully paid up. Basic and Diluted	23	12.76	5.50
Notes Forming Part of Financial Statements	1-25		

As per our Report of even date
For SUREKA ASSOCIATES
Registration No 110640W
Chartered Accountants

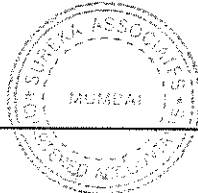
SURESH SUREKA
Partner

Membership No 34132

Place : Mumbai,

Date:

29 MAY 2013



FOR AND ON BEHALF OF THE BOARD

DIRECTOR

DIRECTOR

29 MAY 2013

NILESH JAVKER
COMPANY SECRETARY



Notes Forming Part of Financial Statements
Share Capital

Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31st March, 2012
Share Capital		
Authorised		
5,050,000 (Previous Year 5,050,000) Equity Shares of Rs. 10 each	50,500,000	50,500,000
Issued, Subscribed and Fully paid up		
5,013,402 (Previous Year 5,013,402) Equity Shares of Rs. 10 each fully paid up.	50,134,020	50,134,020
Total	50,134,020	50,134,020

(b) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	Number	Amount in Rupees	Number	Amount in Rupees
Equity shares outstanding at the beginning of the period	5,013,402	50,134,020	5,013,402	50,134,020
Equity shares outstanding at the end of the period	5,013,402	50,134,020	5,013,402	50,134,020

(c) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Name of shareholder	As at March 31, 2013		As at March 31, 2012	
	No. of Equity shares held	% of holding	No. of Equity shares held	% of holding
Holding Company				
Welspun Corp Limited	5,013,402	100	5,013,402	100
Total	5,013,402	100	5,013,402	100

(d) Details of Shareholders holding more than 5% shares of the aggregate shares in the Company

Name of Shareholders	As at 31st Mar 2013		As at 31st Mar 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Welspun Corp Limited (Holding Company)	5,013,402	100	5,013,402	100
TOTAL	5,013,402	100	5,013,402	100

(e) Terms/right attached to Equity shares

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuing Annual General Meeting. In the event of Liquidation of the company, the holder of the equity shares will be entitled to receive remaining assets of the company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(f) 3402 Equity share of 10 Each have been issued for consideration other than cash to give effect to Scheme of Demerger Dated 14th September 2009.

Note 3 Reserves And Surplus

Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31 March, 2012
Surplus in the the Statement of Profit and Loss		
Balance As per Last Balance Sheet	249,982,622	222,398,697
Add: Net Profit/(Net Loss) For the current period	63,970,680	27,583,925
Net Surplus in the statement of profit and Loss	313,953,302	249,982,622
Total	313,953,302	249,982,622

Note 4 Deferred Tax Liabilities (net)

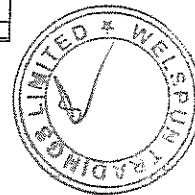
Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31 March, 2012
Deferred Tax Liabilities(Net)		
Fiscal Allowance on fixed Assets	70,494	-
Total	70,494	-

Note 5 Long-term provisions

Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31 March, 2012
Provision for Employee Benefits		
Leave encashment	2,597,020	-
Total	2,597,020	-

Note 6 Trade Payables

Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31 March, 2012
Trade Payables		
Sundry Creditors (Other than Acceptances)	5,165,045,604	1,589,757,281
Total	5,165,045,604	1,589,757,281



Notes Forming Part of Financial Statements

Note 7 Other Current Liabilities

Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31 March, 2012
Other Payables		
Statutory dues	2,879,372	258,969
Income received in advance		4,249,609
Advances from customers	749,413,743	2,431,730,352
Creditors for expenses	501,880,390	74,344,492
Total	1,254,173,605	2,610,583,422

Note 8 Short-term Provisions

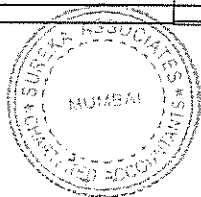
Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31 March, 2012
Provision for Employee Benefits leave encashment	37,606	-
Total	37,606	-

Note 10 Long Term Loans and Advances

Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31 March, 2012
(Unsecured, considered good)		
(a) Security Deposits	10,000	10,000
(b) Other loans and advances		
Sales Tax Deposit	75,000	75,000
Total	85,000	85,000

Note 11 Inventories

Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31 March, 2012
Stock in trade	327,562,224	2,033,710,655
Total	327,562,224	2,033,710,655



Note 12

Notes Forming Part of Financial Statements
Trade Receivables

Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31 March, 2012
Trade Receivables (Unsecured, Considered Good)		
More than six months	127,132,710	-
Less than six months	4,185,501,104	1,560,780,372
Total	4,313,833,814	1,560,780,372

Note 13

Cash and Bank balances

Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31 March, 2012
(a) Cash and cash equivalents		
Balance with banks - in current accounts	23,499,585	3,656,958
Deposits having original maturity period of less than three months	99,039,057	-
Cash on hand	37,462	11,922
(b) Other Bank Balances		
Deposits having maturity period of more than three month but less than twelve months	113,013,673	142,568
Margin Money Deposits	34,711,533	-
Total	270,301,310	3,811,448

Note 14

Short Term Loans and Advances

Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31 March, 2012
Other loans and advances (Unsecured, considered good)		
Balances with Government Authorities	1,710,737,808	603,802,799
Prepaid Insurance	1,913,838	-
Advance to Employees	1,440,537	-
Loans and Advances to Others	5,775,028	198,267,070
Total	1,719,867,211	802,069,869

Note 15

Other current assets

Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31 March, 2012
Interest Receivable	12,812,343	-
Export Benefit receivable	138,451,627	-
Total	151,263,970	-

Note 16

Revenue from Operations

Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31 March, 2012
(a) Sale of products		
Export Sales	21,648,253,440	4,412,684,054
Local Sales	4,889,439,981	1,046,382,301
(b) Other Operating Revenue		
DJ Coating & Rail Freight Claim	933,056,404	-
Total	27,470,749,825	5,459,076,355

Note 17

Other Income

Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31 March, 2012
Interest Income	38,383,747	6,489,548
Dividend Income	-	2,319,953
Sundry Balance Written Off/Written Back-Net	-	15,032,294
Total	38,383,747	23,841,795

Note 18

Purchase of Goods

Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31 March, 2012
Pipes and bends	14,499,596,305	2,069,623,436
Plates	2,202,212,984	2,367,238,514
Excise Duty -Pipes	101,843,485	13,127,707
Excise Duty -Plates	233,885,608	185,756,193
Job Work-Pipes	1,158,749,092	205,591,411
HR Coils	4,532,716,032	2,187,508,928
TMT Bars	-	122,568,914
VAT Plates (ITC Reversal)	-	5,305
CST Pipe	10,691	-
Total	22,729,014,198	7,162,420,407

Note 19

Changes In Inventories of Stock-In -trade

Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31 March, 2012
Opening Stock	2,033,710,655	28,911,258
Less: Closing Stock	327,562,224	2,033,710,655
Total	1,706,148,432	(2,004,799,398)

Note 20

Employee benefits expense

Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31 March, 2012
Salaries and Wages	37,238,149	-
Contribution to Provident and other Funds	5,619,928	-
Staff Welfare Expenses	22,361	-
Total	42,880,438	-

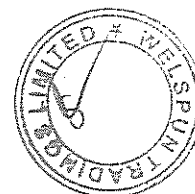
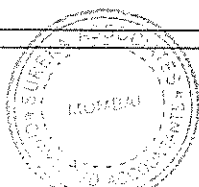
Note 21

Finance Costs

Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31 March, 2012
Other borrowing costs	111,957,180	1,779,430
Total	111,957,180	1,779,430

Note 22

Other Expenses



Notes Forming Part of Financial Statements

Particulars	(Amount in Rupees)	
	As at 31st March, 2013	As at 31 March, 2012
Audit Fees (Including Tax Audit)	1,280,904	561,800
Director's sitting fees	72,000	-
Coating and Other Job Charges	1,054,731,954	-
Commission on Sales	149,938,267	4,357,551
Freight, Material handling and Transportation	1,562,108,119	247,813,207
Legal and Professional fees	5,584,934	1,331,117
Exchange difference - Net	5,559,373	36,934,132
Membership and Subscription	131,146	54,635
Office expenses	563,167	272,050
Rent, Rates & Taxes	18,573,571	1,058,519
Survey Fees	3,593,694	949,372
Insurance Premium	1,249,581	-
Communication expenses	67,911	-
Travelling and Conveyance Expenses	17,984,701	-
Total	2,821,439,723	293,332,383

Note 23

Basic and Diluted Earning Per Share

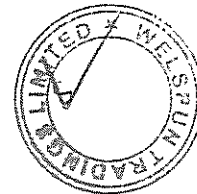
For the purpose of calculation of Basic and Diluted Earning Per Share the following amounts are considered :

Particulars	(Amount in Rupees)	
	Year ended 31 March, 2013	Year ended 31 March, 2012
Basic Earnings Per Share		
Net Profit after tax (A)	63,970,680	27,583,925
Weighted average number of equity shares (Nos.) (B)	5,013,402	5,013,402
Basic Earnings Per Share of face value of Rs.10/- each (A) / (B)	12.76	5.50
Diluted Earnings Per Share		
Amount available for calculation of Diluted EPS (A)	63,970,680	27,583,925
Weighted average number of equity shares (Nos.) (B)	5,013,402	5,013,402
Number of Shares used for calculating Diluted EPS (B)	5,013,402	5,013,402
Diluted Earnings Per Share of face value of Rs.10/- each (A) / (B)	12.76	5.50

Note 24

Contingent Liabilities and Commitments (To the extent not provided for)

Particulars	As at 31 March 2013	As at 31 March 2012
(a) Contingent Liabilities :		
(i) Other Money for which the Company is contingently liable		
Inland Bills purchased/ discounted	146,113,057	-
Total	146,113,057	



WELSPUN TRADINGS LIMITED
Note 9 Fixed Assets

Particulars	(Amount in Rupees)									
	Gross Block					Depreciation/Amortisation				
	Balance as on 1st April, 2012	Additions	Deletions	Balance as At 31st March, 2013	Depreciation upto 1st April, 2012	Additions	Deletions	Depreciation upto 31st March, 2013	Net Block as At 31st March, 2013	
Tangible Assets										
Furniture & Fixture	-	79,737	-	79,737	-	14,501	-	14,501	65,236	
Vehicle	-	3,120,195	-	3,120,195	-	44,666	-	44,666	3,075,529	
Office Equipments	-	53,759	-	53,759	-	2,545	-	2,545	51,214	
Computers	-	83,414	-	83,414	-	5,594	-	5,594	77,821	
Total Previous Year	-	3,337,105	-	3,337,105	-	67,306	-	67,306	3,269,800	
Intangible Assets										
Computer Software	-	30,769	-	30,769	-	2,546	-	2,546	28,223	
Total Previous Year	-	30,769	-	30,769	-	2,546	-	2,546	28,223	
Total	-	3,367,874	-	3,367,874	-	69,852	-	69,852	3,298,023	



WELSPUN TRADINGS LIMITED

Note - 1

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

I. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The Financial Statements have been prepared in accordance with the Generally Accepted Accounting Principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all aspects with the accounting standards notified under section 211 (3c) Companies (Accounting Standards) Rules, 2006 as amended and the other relevant provisions of the Companies Act, 1956.

2. Use of Estimates

The preparation of Financial Statements in accordance with the generally accepted accounting principles require the management to make estimates and assumptions that affect the reported amounts of the assets and liabilities, disclosures of contingent liabilities as of the date of financial statements. Actual result could differ from these estimates. Any revision of such accounting estimate is recognized prospectively in current and future periods.

3. Tangible and Intangible Assets

Tangible fixed assets are stated at Original cost of acquisition / installation net of accumulated depreciation, amortization, and Impairment loss. The cost of tangible assets includes cost of acquisition and other incidental expenses related to the acquisition and installation including trial run expense (net of revenue) and borrowing cost incurred during preoperational period.

Intangible assets acquired are measured on initial recognition at cost. Intangible assets are carried at cost less accumulated amortization and impairment loss, if any.

4. Borrowing Costs

Borrowing costs as attributable to the acquisition or construction of qualifying assets is capitalized as part of cost of such assets. All other borrowing costs are charged to revenue.

5. Depreciation/ Amortization on Tangible and Intangible Assets

Depreciation on tangible fixed assets is provided on straight line method at the rates prescribed in Schedule XIV to the Companies Act, 1956 except mobile phones which are depreciated on the basis of estimated useful life of 3 years. Software is amortized over 5 years. All assets costing below Rs.5000/- are depreciated entirely in the year of purchase.

6. Investments

Investments intended to be held for more than a year, from the date of acquisition, are classified as long term and are stated at cost. Provision for diminution in value of long term investments is made to recognize a decline other than temporary in nature. Current Investments are stated at lower of cost and fair value.

7. Inventories

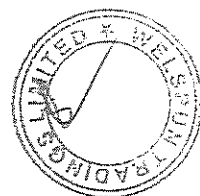
Inventories are valued at lower of cost and net realizable value.

8. Revenue Recognition

a) Revenue from sales is recognized when significant risks and rewards of ownership are transferred to customer, which is generally on dispatch. Export Sales are accounted for on the basis of date of Bill of Lading/ Airway bill.

b) **Export Benefits:** Status Holder Incentive Scheme and Incremental Incentive are accounted on accrual basis.

c) Dividend is accounted for when dividend is received.



d) Interest Income is recognized on a time proportion basis taking into account outstanding amount and the applicable interest rate.

9. Taxes on Income

Accounting for Taxes on income: Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognised, subject to consideration of prudence in respect of deferred tax assets on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

10. Foreign Currency Transactions:

Foreign Currency transactions are recognized at the rate of exchange on the date of transaction. Foreign Currency assets and liabilities at the year end to the extent not covered by forward contracts are realigned at the year end exchange rates and any difference on realignment is recognized in the profit and loss account, except in cases where they relate to fixed assets.

11. Employee Benefits

Short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

Post employment and long term benefits are recognized as an expense in the statement of profit and loss of the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and long term benefits are recognized in the Statement of Profit and Loss.

Payment to defined contribution retirement benefit schemes are charged as expenses as and when they fall due.

12. Operating Lease

Lease payments under operating leases are recognized as an expense on accrual basis in accordance with the respective lease agreements.

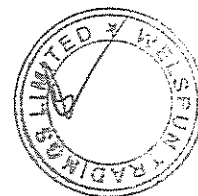
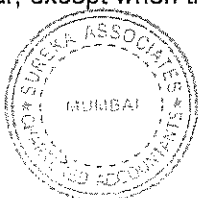
13. Provisions, Contingent Liabilities and Contingent Assets

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation. Contingent liabilities, if material, are disclosed in the financial accounts.

Contingent assets are not recognized or disclosed in the financial statements.

14. Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except when the results would be anti-dilutive



NOTE NO 25

OTHER NOTES TO ACCOUNTS

1. In the opinion of the Management, the current assets, loans & advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated. Provision for all the known liabilities is adequate and not in excess of the amount reasonably necessary.
2. **Disclosures pursuant to adoption of Accounting Standard 15 (Revised 2005) Employee Benefits**

The Employee gratuity fund scheme managed by Kotak Mahindra Old Mutual Life Insurance Limited is a defined benefit plan. The present value of obligation is based on actuarial valuation using the projected unit credit method. The obligation for leave encashment is recognized in the same manner as gratuity.

Defined Benefit Plan

Details of defined benefit plan of Gratuity (Funded) and Leave Encashment (Non-Funded) are as follows :

I. Actuarial Assumptions

Economic Assumptions

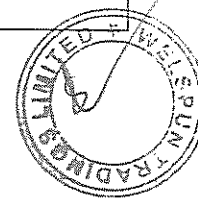
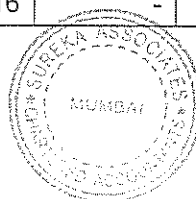
Major Assumption	2012-13(% p.a)	2011-12(% p.a)
Discount Rate (p.a)	8.25	Nil
Expected Return on Assets	10.00	Nil
Salary Escalation Rate	5.75	Nil

II. Demographic Assumptions

Major Assumptions	
Mortality	Latest Compiled Table of LIC (1994-96)
Retirement Age	60 years for all staff and workers (except Presidents and above retirement age is 62 years)
Attrition rate	2% up to age 44 and 1% thereafter

III. Expenses recognized in the Statement of profit and Loss

Particulars	(Amount in Rupees)			
	Gratuity (Funded) 2013	Gratuity (Funded) 2012	Leave Encashment (Funded) 2013	Leave Encashment (Unfunded) 2012
Current Service Cost	716,859	-	662,240	-
Interest Cost	84,200	-	51,187	-
Expected Return on Plant Assets	-	-	-	-
Net Actuarial Losses (Gains) recognized in the period	(679,668)	-	(560,601)	-
Expenses/(Income) recognized in the Profit & Loss Account	4,203,816	-	2,634,627	-



IV. Value of Plan Assets

(Amount In Rupees)

Particulars	Gratuity (Funded) 2013	Gratuity (Funded) 2012
Fair Value of Plan Assets as at April 1, 2012	-	-
Expected Return on Plan Assets	-	-
Actuarial (Gain)/Losses on Obligations	-	-
Contributions	4,203,816	-
Benefits Paid	-	-
Fair Value of Plan Assets as at March 31,2013	4,203,816	-

V. Change in the Present Value of Obligation.

(Amount In Rupees)

Particulars	Gratuity (Funded) 2013	Gratuity (Funded) 2012	Leave Encashment (Funded) 2013	Leave Encashment (Unfunded) 2012
Present Value of Obligation as at April 1, 2012	-	-	-	-
Projected Benefit Obligations	4,082,425	-	2,481,801	-
Current Service Cost	716,859	-	662,240	-
Interest Cost	84,200	-	51,187	-
Benefits Paid	-	-	-	-
Actuarial (Gain)/Losses on Obligations	(679,668)	-	(560,601)	-
Projected Benefit Obligation as at March 31,2013	4,203,816	-	2,634,627	-

3. Auditors' Remuneration includes

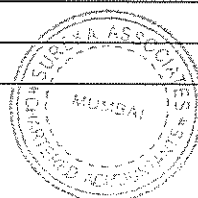
Particulars	31st March 2013	31st March 2012
Audit fees (including Tax Audit fees)	898,880	561,800
Other Services	382,024	-
Total	1,280,904	561,800

4. Related party disclosures

As per Accounting Standard 18, the disclosure of transactions with related parties as defined in the Accounting Standard are given below:

Directors /Key Management Personnel:

Name of the Related Party	Nature of Relationship
Mr. Abhishek Mandawewala	Director
Mr. Brijgopal Jaju	Director
Mr. Rajkumar Jain	Director
Mr. K.H.Viswanathan	Director
Mr. Utsav Bajjal	Director



Related parties with whom transactions have taken place during the year and balances outstanding as on the last day of the year.

Welspun Corp Ltd (**Holding Company**), Welspun Global Trade Ltd., Welspun Tubular LLC, Welspun Steels Ltd, Welspun Developers and Infrastructure Pvt. Ltd., Welspun India Ltd, Welspun Realty Pvt Ltd. Welspun Middle East Pipes LLC.

Disclosure in respect of transaction which are more than 10% of the Total Transaction of the same type with related party during the Year.

- Purchase of Goods from Welspun Corp Ltd Rs. 22,729,014,198 (Rs 7,029,851,493)
- Purchase of Goods from Welspun Steels Ltd. Rs. Nil (Rs 122,568,914)
- Sales of Goods includes to Welspun Corp Ltd. Rs 1,039,150 (Rs.652,587)
- Sales of Goods includes to Welspun Middle East Pipes LLC. Rs 582,377,984(Rs. Nil)
- Rent paid during the year to Welspun Realty Private Limited Rs.2,949,450 (Rs. Nil)
- Rent paid during the year to Welspun India Limited Rs.44,944 (Rs.Nil)
- Rent paid during the year to Welspun Infrastructure and Development Limited Rs.36,000 (Rs.36,000)
- Coating Charges Payable to Welspun Tubular LLC Rs.234,342,757 (Rs. Nil)
- Other Reimbursements Payable to Welspun Tubular LLC Rs.86,335,360 (Rs. Nil)
- Expenses Recovered from Welspun Tubular LLC Rs.379,932,212 (Rs .Nil)

Disclosures of closing Balance as at 31st March, 2013

- Sundry Creditors includes - Welspun Corp Ltd. 5,031,141,619 (1,555,818,024), Welspun Global Trade LLC Rs Nil (Rs 19,525,818), Welspun Tubular LLC Rs Nil (Rs 273,154), Welspun Steel Ltd. Rs 1,536,747 (Rs 6,960,053), Welspun Developers and Infrastructure Pvt Ltd. Rs. 9,000 (Rs.Nil)
- Trade Receivables includes-Welspun Tubular LLC Rs. 180,141,993 (Rs. Nil).Welspun Middle East Pipe LLC Rs. 18,893,883 (Rs. Nil).

Note: The above transactions with Related Parties are at Arm's Length in view and as disclosed by the management and relied upon by the auditors.

5. The company is engaged in the trading activity of steel products which in the opinion of the management is considered the only business segment in the context of Accounting Standard 17 on "Segment Reporting"

6. Earnings in Foreign Exchange

(Amount in Rupees)

Particulars	For the year ended 31.03.2013	For the year ended 31.03.2012
FOB Value of Exports	20,565,409,205	4,093,491,695
DJ Coating & Rail Freight Claim	933,056,404	-
Recovery of Expenses	3,387,622	-



7. Expenditure in Foreign Currency

(Amount in Rupees)

Particulars	For the year ended 31.03.2013	For the year ended 31.03.2012
Freight, Material Handling and Transportation	1,207,232,544	202,561,633
Coating and Other Job Charges	1,054,731,954	---
Legal and Professional	4,162,866	---
Survey Fees and other financial expenses	1,964,678	781,235
Commission on exports	140,549,188	1,138,636
Travelling and Other Expenses	12,052,384	---

8. Operating Lease

The Company leases office under operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. The initial tenure of lease is generally for eleven months.

(Amount in Rupees)

Particulars	31 st March 2013	31 st March 2012
Lease Rental charges for the year (Including Service Tax)	3,030,394	36,000
Future lease rental obligations payable (under non-cancelable leases)		
Not Later than one year	6,870,468	27,000
Later than one year but not later than five years	27,110,224	-
Later than five years	20,224,800	-
Total	57,235,886	63,000

15. As per the information available with the company, no amount at the end of the year is due to any Micro, Small and Medium undertaking.
16. Previous year's figures have been regrouped, rearranged, wherever necessary to conform to the current year's presentation.

FOR SUREKA ASSOCIATES
Firm Registration No 110640W
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

SURESH SUREKA
(Partner)

Membership No. 34132

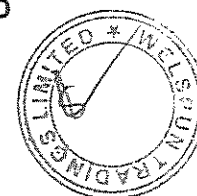
Place: Mumbai

Date:

29 MAY 2013

DIRECTOR

DIRECTOR



NILESH JAVKAR
COMPANY SECRETARY



29 MAY 2013

WELSPUN TRADINGS LIMITED
CASH FLOW STATEMENT
ANNEXED TO THE BALANCE SHEET FOR THE YEAR ENDED 31.03.2013

Particulars	31.03.2013 (RS.)	31.03.2012 (RS.)
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and exceptional items	97,623,750	40,185,327
Adjustments for:		
Depreciation	69,852	-
Dividend income	-	(2,319,953)
Interest expenses	111,957,180	1,779,430
Interest Income	(38,383,747)	(6,489,548)
Operating Profit before working capital changes	171,267,035	33,155,257
Miscellaneous expenditure	-	
Trade and other receivables	(3,821,914,754)	(1,045,471,296)
Inventories	1,706,148,432	(2,004,799,398)
Trade and other payables	2,321,583,527	2,972,398,492
	205,817,204	(77,872,203)
Cash generated from operations	377,084,239	(44,716,946)
Taxes paid (net)	(33,653,069)	(12,601,402)
NET CASH GENERATED FROM OPERATING ACTIVITIES	343,431,170	(57,318,348)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets (Including capital work in progress)	(3,367,874)	
Interest received	38,383,747	6,489,548
Dividend received	-	2,319,953
NET CASH USED IN INVESTING ACTIVITY	35,015,872	8,809,501
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid (Net)	(111,957,180)	(1,779,430)
NET CASH FROM FINANCING ACTIVITY	(111,957,180)	(1,779,430)
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALANTS	266,489,862	(50,288,277)
Cash and cash equivalent Opening balance	3,811,448	54,099,725
Cash and cash equivalent Closing balance	270,301,310	3,811,448

Notes:

1. The cash flow has been prepared under the "Indirect Method" as set out in Accounting Standard-3 on Cash flow statements issued by the Institute of Chartered Accountants of India.

FOR SUREKA ASSOCIATES
CHARTERED ACCOUNTANTS
 Firm Registration No 110640W

FOR AND ON BEHALF OF THE BOARD


(SURESH SUREKA)
 PARTNER


 DIRECTOR

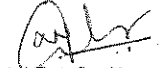

 DIRECTOR

Membership No. FCA 34132

Place : Mumbai

Date : **29 MAY 2013**

29 MAY 2013


NILESH JAVIED
 COMPANY SECRETARY

