

**WELSPUN MIDDLE EAST DMCC
(A LIMITED LIABILITY COMPANY)**

MANAGEMENT CERTIFIED FINANCIAL STATEMENTS

PERIOD COVERING FROM 25 JANUARY 2011 TO 31 MARCH 2011

WELSPUN MIDDLE EAST DMCC
(A LIMITED LIABILITY COMPANY)

FINANCIAL STATEMENTS
MARCH 31, 2011

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WELSPUN MIDDLE EAST DMCC
(A LIMITED LIABILITY COMPANY)

BALANCE SHEET
AS AT 31 MARCH 2011

	Notes	2010-11	
		Rupees	USD
<u>ASSETS</u>			
Current assets:			
Cash and cash equivalents		3,995,444	89,594
Total assets		3,995,444	89,594
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>			
Current liabilities:			
Due to related parties (Holding Company – Welspun Mauritius Holdings Limited)	1	1,782,195	39,964
Total liabilities		1,782,195	39,964
Shareholders' equity:			
Share capital		2,764,533	61,992
Retained earnings		(551,283)	(12,362)
Total shareholders' equity		2,213,250	49,630
Total liabilities and shareholders' equity		3,995,444	89,594

Note : The exchange rate used is 1USD = 44.595 Rupees

For Welspun Middle East DMCC

S.D/-
B.R.Jaju
Director

WELSPUN MIDDLE EAST DMCC
(A LIMITED LIABILITY COMPANY)

BALANCE SHEET
AS AT 31 MARCH 2011

	Period from 25 January to 31 March 2011	
	Rupees	USD
General and administrative expenses	(523,813)	(11,746)
Operating loss	(523,813)	(11,746)
Finance charges, net	(27,471)	(616)
Net loss for the period	(551,283)	(12,362)

For Welspun Middle East DMCC

S.D/-
B.R.Jaju
Director

WELSPUN MIDDLE EAST DMCC
(A LIMITED LIABILITY COMPANY)

BALANCE SHEET
AS AT 31 MARCH 2011

	Period from 25 January to 31 March 2011	
	Rupees	USD
Cash flows from operating activities:		
Net loss for the period	(551,283)	(12,362)
Changes in operating assets and liabilities:		
Due to related parties (Holding Company – Welspun Mauritius Holdings Limited)	1,782,195	39,964
Net cash generated from operating activities	1,230,911	27,602
Cash flows from financing activities:		
Shares issued	2,764,533	61,992
Net cash flows generating from financing activities	2,764,533	61,992
Net increase in cash flows during the period	3,995,444	89,594
Cash and cash equivalents at beginning of the period	-	-
Cash and cash equivalents at the end of period	3,995,444	89,594

For Welspun Middle East DMCC

S.D/-
B.R.Jaju
Director

In USD	Share capital	Accumulated losses	Total
Shares capital issued	61,992	-	61,992
Loss for the period	-	(12,362)	(12,362)
Balance at 31 March 2011	61,992	(12,362)	49,630

In Rupees	Share capital	Accumulated losses	Total
Shares capital issued	2,764,533	-	2,764,533
Loss for the period	-	(551,283)	(551,283)
Balance at 31 March 2011	2,764,533	(551,283)	2,213,250