

DIRECTORS' REPORT

To,
The Members,
Welspun Tradings Limited

Your directors have pleasure in presenting their 14th Annual Report and audited standalone financial statement for the financial year ended 31st March, 2015.

FINANCIAL RESULTS

(Amount in Rs. million)

Particulars	Standalone	
	For the year ended	
	31.03.2015	31.03.2014
Income	26,509.90	21,663.97
Expense	26,382.36	21,556.44
Profit / (Loss) before tax	127.54	107.53
Less: Provision for tax Current Tax	43.52	35.63
Profit / (Loss) After Tax	84.01	71.89
Profit / Loss For The Year Carried to Balance Sheet	84.01	71.89

PERFORMANCE

During the financial year standalone sales increased in terms of value by 22.37% & quantity by 33.76% compared to previous year. Standalone Profit after Tax increased by 16.86% compared to last year.

There was an increase in expenses mainly on account of coating charges paid by the Company for coating jobs in respect of orders executed during the year. Better credit terms of supply to customers have resulted in reduction in finance cost.

RESERVES AND DIVIDEND

Your Directors do not recommend any dividend for the year ended March 31, 2015.

DETAILS OF SUBSIDIARY.

The Company has 1 subsidiary viz. Welspun Middle East DMCC, Dubai (UAE). A report on the performance and financial position of the subsidiary is included in the un-audited consolidated financial statement is presented in Form AOC-1 annexed to this Report as Annexure 1.

PUBLIC DEPOSITS

The Company has not accepted any deposit within the meaning of the Chapter V to Companies Act 2013. Further, no amount on account of principal or interest on deposit was outstanding as at the end of the year under report.

SHARE CAPITAL

The Company does not have any equity shares with differential rights and hence disclosures as required in Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 are not required. The Company has not issued any sweat equity and stock options.

AUDITORS

i) Statutory Auditors:

Your Company's Auditors M/s. Price Waterhouse Chartered Accountants LLP, who have been appointed up to the conclusion of the 18th Annual General Meeting subject to ratification by the Members of the Company at every Annual General Meeting, have given their consent to continue to act as the Auditors of the Company for the remaining tenure. Members are requested to consider their re-appointment as the Auditors of the Company and to fix their remuneration by passing an ordinary resolution under Section 139 of the Companies Act, 2013.

ii) Secretarial Auditors:

The Board of Directors has re-appointed M/s. M Siroya and Company, Practicing Company Secretary, as the Secretarial Auditor of your Company for the year 2015-16.

AUDITORS' REPORT

(a) Statutory Auditors' Report

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

(b) Secretarial Audit Report

Secretarial Audit Report given by M/s. M Siroya and Company, Company Secretaries is annexed with the report as Annexure 2.

CORPORATE SOCIAL RESPONSIBILITY

Disclosures as required under Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are annexed to this report as Annexure 3.

DIRECTORS AND MANAGERIAL PERSONNEL

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

- Mr. Abhishek Mandawewala resigned from the directorship w.e.f. January 1, 2015.
- Ms. Kushboo Abhishek Mandawewala joined with effect from August 6, 2014.

Your directors place on record its appreciation of services rendered by Mr. Mandawewala during his tenure as a director and welcome Ms. Mandawewala on the Board.

COMPANY SECRETARY

During the year - Ms. Priya Pakhare resigned from the post of Company Secretary w.e.f. July 31, 2014 and Mr. Pradeep Joshi Company Secretary of Welspun Corp Limited, the Parent Company) was appointed as the Company Secretary w.e.f. August 6, 2014.

DECLARATION BY INDEPENDENT DIRECTOR(S).

The independent directors have individually declared to the Board that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 at the time of their respective appointment and there is no change in the circumstances as on the date of this report which may affect their status as an independent director.

FORMAL ANNUAL EVALUATION

The evaluation process was led by the Chairman of the Nomination and Remuneration Committee with specific focus on the performance vis-à-vis the plans, meeting challenging situations, performing leadership role within, and effective functioning of the Board. The evaluation process invited, through IT enabled platform, and graded responses to a structured questionnaire for each aspect of evaluation viz. time spent by each of the directors; accomplishment of specific

responsibilities and expertise; conflict of interest; integrity of the Director; active participation and contribution during discussions. For the financial year 2014-15, the annual performance evaluation was carried out which included evaluation of the Board, independent directors, non-independent directors, executive directors, Chairman, Committees of the Board, quantity, quality and timeliness of information to the Board. The independent directors evaluated all non-independent directors, the Board, the Committees, the Chairman and the information to the Board. The Nomination and Remuneration Committee and Board evaluated performance of the independent directors, the Board itself, the Chairman, the Executive Directors, the Committees of the Board, the information provided to the Board. All results were satisfactory.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Company's Board comprises of mix of Executive and Non-Executive Directors with considerable experience and expertise across a range of fields such as finance, accounts, legal, and general management and business strategy. Except independent directors, all other directors are liable to retire by rotation as per the provisions of the Companies Act, 2013.

The composition and category of directors and relevant details relating them are given below:

Name of the Director	Category	Board Meetings Attended during the Year 2014-15	Attendance at the Last AGM	No. of other Directorship (as last declared to the Company)			Member / Chairman in No. of Board/ Committees including other Companies (as last declared to the Company)@
				Pub.	Pvt	Other Body Corpo rate	
(1) Mr. Srinivasan Krishnan	E, NI	2/4	No	Nil	Nil	Nil	-
(2) Mr. K.H.Viswanathan	NE, I	5/5	Yes	3	4	Nil	1C,2M
(3) Mr. Rajkumar Jain	NE, I	4/5	Yes	5	2	Nil	2C,2M
(4) Mr. Ram Gopal Sharma	NE, I	5/5	Yes	5	1	Nil	2C,1M
(5) Mr. Utsav Bajjal- Nominee of the Investor	NE, I	3*/5	No	5	1	Nil	-
(6) Mr. Abhishek Mandawewala@	NE, P	0/3	No	3	12	Nil	2M
(7) Mrs.Kushboo Abhishek Mandawewala	NE, P	0/2#	No	3	Nil	Nil	-

@ Chairmanship/membership of the Audit Committee and the Share Transfer, Investors' Grievance and Stakeholders' Relationship Committee alone considered.

* Out of 5 meetings, 3 meetings attended by the Observer.

@resigned from 01.01.2015

2 meetings held since her appointment.

Abbreviations:

P = Promoter, I = Independent, NI = Non Independent, E = Executive Director, NE = Non-Executive Director, L = Lenders, C=Chairman, M=Member.

4 meetings of the Board of Directors were held during the financial year 2014-15 on the following dates: April 28, 2014, August 6, 2014, October 20, 2014, and January 21, 2015.

In addition to the above, a meeting of the Independent Directors was held on March 31, 2015 in compliance with the Section 149(8) read with Schedule V to the Companies Act, 2013. The said meeting was attended by Mr. Ramgopal Sharma, Mr. Rajkumar Jain, Mr. K.H.Viswanathan and Mr. Utsav Baijal and the Company Secretary was also invited to join the meeting.

It is confirmed that there is no relationship between the directors inter-se.

COMMITTEES OF THE BOARD OF DIRECTORS

Information on the Audit Committee, the Nomination and Remuneration Committee and meetings of those committees held during the year is as under:

AUDIT COMMITTEE:

The Committee comprises 4 non-executive directors having accounting and finance back-ground. The majority of them are independent. The Chairman of the Committee is an independent director. The composition of the Committee and attendance of the members is given hereunder:

Name of the Member	Member/ Chairman	Number of Meetings Attended
Mr. Rajkumar Jain	Chairman	7/8
Mr. K.H.Viswanathan	Member	8/8
Mr. Ram Gopal Sharma	Member	8/8
Mr. Ustav Baijal*	Member	4/8

* Appointed Observer to attend 4 meetings of the Committee.

The Company Secretary of the Company, Mr. Pradeep Joshi acts as the Secretary of the Committee.

8 meetings of the Audit Committee of the Board of Directors were held during the financial year 2014-15 on following dates: April 19, 2014, April 28, 2014, August 6, 2014, August 23, 2014, October 20, 2014, January 10, 2015, January 21, 2015 and March 28, 2015.

None of recommendations made by the Audit Committee were rejected by the Board.

Terms of Reference: The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained under Section 177 of the Companies Act, 2013.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES.

The Company has a Whistle Blower Policy and Vigil Mechanism for its directors and employees and no personnel have been denied access to the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Company had constituted the Nomination and Remuneration Committee consisting of non-executive directors majority of which are independent director. During the year under review, 2 meeting of the Committee were held on April 28, 2014 and January 21, 2015.

Terms of reference: To recommend appointment of, and remuneration to, Managerial Personnel and review thereof from time to time.

Composition of the Committee: The Committee comprises of 3 independent and non-executive directors as on date of this Report viz. Mr. Rajkumar Jain, Mr. K. H. Viswanathan and Mr. Ram Gopal Sharma.

PARTICULARS OF EMPLOYEES

- A) Details of the every employee of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. - Nil
- B) Any director who is in receipt of any commission from the company and who is a Managing Director or Whole-time Director of the Company shall receive any remuneration or commission from any Holding Company or Subsidiary Company of such Company subject to its disclosure by the Company in the Board's Report.

Particulars of remuneration to the executive directors including the details of remuneration paid/payable to the executive directors for the financial year 2014-15 are as under: Nil

No remuneration or perquisite was paid to, and no service contract was entered into with, but the sitting fees were paid to, the following directors/ nominating institutions for attending meetings of Board / Committees of the Board.

	Name of the Director	Sitting Fees (Rs.)
1	Mr. K. H. Viswanathan	212,000
2	Mr. Rajkumar Jain	132,000
3	Mr. Ram Gopal Sharma	217,000

The above mentioned sitting fees paid to the non-executive Directors was within the limits prescribed under the Companies Act, 2013 for payment of sitting fees.

None of the directors had any transaction with the Company.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS MADE / GIVEN UNDER SECTION 186 DURING THE FINANCIAL YEAR ARE AS UNDER

Loans to	Amount in Rs. Million
Welspun Middle East DMCC	95.85 (US\$1.55m)

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the year under report were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

Disclosures as required under the Companies Act, 2013 are given in Form AOC-2 annexed as Annexure 4 to this Report.

EXTRACT OF THE ANNUAL RETURN

An extract of the annual return in Form MGT-9 of the Companies (Management and Administration) Rules, 2014 is attached to this report as **Annexure - 5**.

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.

Total foreign exchange used and earned:

Used : Rs. 3876.32 million

Earned : Rs. 25602.37 million

INTERNAL CONTROLS.

Your Company has adequate internal control system, which is commensurate with the size, scale and complexity of its operations. Your Company has designed and implemented a process driven framework for Internal Financial Control ("IFC") within the meaning of the explanation of Section 134 (5) (e) of the Companies Act, 2013. For the year ended March 31, 2015 the Board is of the opinion that your Company has sound IFC commensurate with the nature of its business operations including in build controls through newly implemented SAP (ECC-6) version; wherein controls are in place and operating effectively and no material weakness exists. Your Company has a process in place to continuously monitor existing controls and identify gaps and implement new and / or improved controls wherever the effect of such gaps would have a material effect of your Company's operation.

MISCELLANEOUS DISCLOSURES:

During the year under report, there was no change in the general nature of business of your Company.

No material change or commitment has occurred which would have affected the financial position of your Company between the end of the financial year of your Company to which the financial statements relate and the date of the report.

No significant and material order was passed by the regulators or courts or tribunals which would have impacted the going concern status and your Company's operations in future.

Your Company has not made any provision of money for the purchase of, or subscription for, shares in your Company or its holding company, to be held by or for the benefit of the employees of your Company and hence the disclosure as required under Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is not required.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) & 134(5) of the Companies Act, 2013, your directors hereby confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had 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 and loss of the Company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;
- e. ~~being a listed company,~~ the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

Your directors thank the Government Authorities, Financial Institutions, Banks, Customers, Suppliers, Shareholders, Employees and other business associates of the Company, who through their continued support and co-operation, have helped as the partner in your company's progress and achievement of its objectives.

Mumbai
April 27, 2015

S. Krishnan
Director
DIN - 06829167

Ram Gopal Sharma
Director
DIN - 00026514

Annexure 1.

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rupees in million)

1. Sl. No.	1
2. Name of the subsidiary :	Welspun Middle East DMCC
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period :	N.A.
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. :	USD*
5. Share capital :	3.36
6. Reserves & surplus:	-62.54
7. Total assets :	73.71
8. Total Liabilities :	132.89
9. Investments~ :	-
10. Turnover :	-
11. Profit before taxation :	15.46
12. Provision for taxation:	Nil
13. Profit after taxation:	15.46
14. Proposed Dividend:	Nil
15. % of shareholding	100.00%

* Closing rate US\$1=INR 62.50; Average Rate US\$1=INR 61.1471

~ Investment in subsidiary excluded

Names of subsidiaries which are yet to commence operations - Not Applicable

Name of subsidiaries which have been liquidated or sold during the year - Not Applicable

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: Not applicable

**Form No. MR-4
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Welspun Tradings Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Welspun Tradings Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the applicable provisions of:

- (i) The Companies Act, 1956 (the Old Act) and the rules made thereunder;
- (ii) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment. There is no Foreign Direct Investment and External Commercial Borrowing in the Company; and
- (iv) Based on representation made by the Company and its officers, the Company has adequate system and process in place for compliance under the other applicable Laws, Acts, Rules, Regulations, Circulars, Guidelines and Standards. Major heads/groups of Acts, Laws, Rules, Regulations, Guidelines and Standards as applicable to the Company are given below:
 - (i) Labour Laws and other incidental laws related to employees appointed by the Company on its payroll as related to gratuity, provident fund etc.;
 - (ii) Acts as prescribed under Direct Tax and Indirect Tax;
 - (iii) Labour Welfare Act of respective States; and
 - (iv) Such other Local laws etc. as may be applicable in respect of various offices of the Company.

The Company is an unlisted Company and therefore compliance with listing agreement is not applicable. The Institute of Company Secretaries of India has not prescribed any Secretarial Standards which are mandatory for the year 2014-15.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except that Mr. Utsav Bajjal, a Director of the Company, has vacated his office as such under Section 167(1)(b) after having absented himself from all the meetings of the Board of Directors of the Company held during the financial year 2014-15. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and none of the board members dissented to any resolutions/recommendations during the year.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has undertaken following event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:

- (i) Pursuant to the special resolution under Section 180(1)(a) and (c) of the Companies Act, 2013 passed by the members at their annual general meeting held on September 25, 2014, the Board of Directors have been authorised to borrow moneys (apart from temporary loan from the bankers in the ordinary course of business) and create charges subject to maximum limit of INR 1500 crores.

**For M Siroya and Company
Company Secretaries**

**Sd/-
Mukesh Siroya
Proprietor
FCS No.: 5682
CP No.: 4157**

Date: April 27, 2015
Place : Mumbai

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** herewith and forms an integral part of this report.

To,
The Members,
Welspun Tradings Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For M Siroya and Company
Company Secretaries**

**Sd/-
Mukesh Siroya
Proprietor
FCS No.: 5682
CP No.: 4157**

Date: April 27, 2015
Place : Mumbai

Annexure 3.

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Company is not only committed for doing Corporate Social Responsibility but it aimed at creating Corporate Social value. The CSR vision is enshrined in the 3E's i.e.:

- i) Education;
- ii) Empowerment of women; and
- iii) Environment and Health.

These 3E's are implemented through:

- The programs organized by the trust created by the group;
- Tie-ups with Non-Governmental Organizations / Developmental Agencies / Institutions; and
- Facilitating Government initiatives.

The Company does not have any website.

2. The Composition of the CSR Committee.

The Committee comprises of 3 non-executive directors as on date of this Report viz. 1) Mr. Ramgopal Sharma - an Independent Director as the Chairman; 2) Mr. Krishnan Srinivasan-Member; and 3) Mrs. Khushboo Abhishek Mandawewala-Member, Mr. Pradeep Joshi-Company Secretary.

3. Average net profit of the Company for last three financial years: Rs. 81.77 million.
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) Rs. 1.64 million.
5. Details of CSR spent during the financial year.
 - a. Total amount to be spent for the financial year: Rs. 1.64 million.
 - b. Amount unspent , if any: Rs. Nil
 - c. Manner in which the amount spent during the financial year is detailed below

Sr.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs	Amount Outlay (Budget) project or programs wise	Amount spent on the projects or programs	Cumulative exp. Up to the date reporting period	Amount spent : Direct or through implementing agency
			(Location)		Sub-heads: (1) Direct expenditure on projects or programs 2) Overheads		
1	Quality Education Project with 20 Government Schools	Education	Anjar	853,002		853,002	Through Welspun Foundation for Health & Knowledge
2	Adult Literacy	Education	Anjar	50,825		903,827	Through Welspun Foundation for Health & Knowledge
3	Quality Education Program	Education	Anjar	731,752		1,635,579	Through Welspun Foundation for Health & Knowledge

It is hereby confirmed by and on behalf of the Corporate Social Responsibility Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

For and on Behalf of the Board

S. Krishnan
Whole-time Director
DIN - 06829167

Ram Gopal Sharma
Chairman of CSR Committee
DIN - 00026514

Annexure 4**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis.
Not applicable

2. Details of material contracts or arrangement or transactions at arm's length basis which are more than 10% of the total transactions of the same type:

Name(s) of the related party and nature of relationship	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any:	Amount (Rs. Million)
1) Purchase of Goods					
Welspun Corp Limited	Ongoing	Based on transfer pricing guidelines	06.08.2014	Nil	21,705.54
2) Commission Payment					
Welspun Middle East DMCC	Ongoing	Based on transfer pricing guidelines	-	Nil	177.26
3) Loan given to Subsidiary					
Welspun Middle East DMCC	36 months	Based on transfer pricing guidelines	09.08.2012	Nil	95.86
4) Interest on Loan Receivable from Subsidiary					
Welspun Middle East DMCC	36 months	Based on transfer pricing guidelines	09.08.2012	Nil	4.16
5) Sale of Goods					
Welspun Middle East Pipes LLC	Ongoing	Based on transfer pricing guidelines	-	Nil	11362.64
6) Rent Paid					
Welspun Corp Limited	3 years	Based on transfer pricing guidelines	-	Nil	4.38

S. Krishnan
Whole-time Director
DIN - 06829167

Ram Gopal Sharma
Director
DIN - 00026514

Form No. MGT - 9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on March 31, 2015
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

- i. CIN :- U72200GJ2001PLC039513
- ii. Registration Date : May 09, 2001
- iii. Name of the Company : Welspun Tradings Limited
- iv. Category / Sub Category of the Company : Public Company/
Company having Share Capital and Limited by Shares
- v. Address of the Registered office and contact details: Welspun City,
Village Versamedi, Taluka Anjar. Dist. Kutch, Gujarat-370110.
Contact: The Company Secretary, Tele.: 02836-662079; email
Companysecretary_WTSL@welspun.com.
- vi. Whether listed company: No.
- vii. Name, address and contact details of Registrar and Transfer Agent, if
any.
N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company are Trading in Welded Pipes & allied steel products (NIC code 2004: 51909 (Other wholesale n.e.c.)), 99.95% to total turnover of the Company.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	Name And Address Of The Company	CIN / GLN	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section
1	Welspun Corp Limited	L27100GJ1995PLC025609	Holding	100%	2(46)
2	Welspun Middle East DMCC	Not Applicable	Subsidiary	100%	2(87)(ii)

IV. SHARE HOLDING PATTERN (equity share capital break-up as percentage of Total Equity).

i. Category-wise share holding

Sr. No.	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Number of shares held in dematerialized form	Number of shares held in Physical form	Total number of shares	% of total shares	Number of shares held in dematerialized form	Number of shares held in Physical form	Total number of shares	% of total shares	
(A)	Shareholding of Promoter and Promoter Group²									
1	Indian									
(a)	Individuals/ Hindu Undivided Family	-	-	-	-	-	-	-	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	50,13,396	-	50,13,396	100.00	50,13,396	-	50,13,396	100.00	-
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(e)	Any Others (Individual) Nominees for Promoter)	-	6	6	0.00	-	6	6	0.00	-
	Sub Total(A)(1)	50,13,396	6	50,13,402	100.00	50,13,396	6	50,13,402	100.00	-

ii. Shareholding of Promoters

Sl. No	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	Welspun Corp Limited	50,13,396	100.00	Nil	50,13,396	100.00	Nil	0.00
	Total of Promoters	50,13,396	100.00	Nil	50,13,396	100.00	Nil	0.00

iii. Change in Promoters' shareholding (please specify, if there is no change)

Sr. No	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	No Change			

iv. Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S.No.	Name of the Shareholders	Shareholding at the beginning of the year		Date-wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.).	Cumulative shareholding during the year.		At the end of the year (or on the date of separation, if separated during the year)	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Not Applicable								

v. Shareholding of Directors and Key Managerial Personnel :

S.No.	Name of the Director / KMP	Shareholding at the beginning of the year		Date-wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.).	Cumulative shareholding during the year.		At the end of the year (or on the date of separation, if separated during the year)	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Directors								
1	K.H.Viswanathan	-	-	-	-	-	-	-
2	Rajkumar Jain	-	-	-	-	-	-	-
3	Ramgopal Sharma	-	-	-	-	-	-	-
4	Ustav Bajjal	-	-	-	-	-	-	-
5	S.Krishnan (Whole-time Director)	-	-	-	-	-	-	-
6	Kushboo Mandawewala	-	-	-	-	-	-	-
Key Managerial Personnel								
1	Pradeep Joshi-CS (as nominee of Welspun Corp Limited)		-		1	-	1	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment.

	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	2,396.60	-	-	2,396.60
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	2,396.60	-	-	2,396.60
change in indebtedness during the financial year.				
• Addition	-	-	-	-
• Reduction	2,396.60	-	-	2,396.60
Net change	2,396.60			2,396.60
Indebtedness at the end of the financial year				
i. Principal Amount	-	-	-	-
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ ii + iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.

A. Remuneration to Managing Director, whole-time directors and/or Manager

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager
		Whole time Director (Mr. S. Krishnan)
1	Gross Salary	Nil
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act 1961.	
	b) Value of perquisites u/s. 17(2) Income Tax Act, 1961	
	c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	
2	Stock Option	
3	Sweat equity	
4	Commission	
	- As % of profit	
	- Others, specify.....	

5	Others, please specify	
	Total (A)	Nil
	Ceiling as per the Act.	1% of the Net profits of the Company (exclusive of any fees payable to directors for attending meetings of the Board or Committee thereof provided that the amount of such fees does not exceed Rs. one lakh rupees per meeting of the Board or committee thereof.)

B. Remuneration to other directors (details will be filled in after finalization of accounts.

Sr. No.	Particulars of Remuneration	Name of Directors				Total amount
		RGS	KHV	RKJ	UB	
	1. Independent Directors					
	• Fee for attending board committee meetings	217,000	212,000	132,000	Nil	561,000
	• Commission					
	• Others, please specify					
	Total (1)	217,000	212,000	132,000	Nil	561,000
	2. Other Non-Executive Directors					
	• Fee for attending board committee meetings	AM	KM			
	• Commission					
	• Others, please specify					
		Nil	Nil			Nil
	Total (2)	Nil	Nil			Nil
	Total (B) = (1 + 2)	217,000	212,000	132,000	Nil	561,000
	Total Managerial Remuneration	217,000	212,000	132,000	Nil	561,000
	Overall Ceiling as per the Act.	1% of the Net profits of the Company (exclusive of any fees payable to directors for attending meetings of the Board or Committee thereof provided that the amount of such fees does not exceed Rs. one lakh rupees per meeting of the Board or committee thereof.)				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil

	b) Value of perquisites u/s. 17(2) Income Tax Act, 1961				
	c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961				
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission - As % of profit - Others, specify	Nil	Nil	Nil	Nil
5	Others, please specify				
	Total	NIL	NIL	NIL	NIL

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of penalty / punishment / compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
B. DIRECTORS					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF Welspun Tradings Limited Report on the Financial Statements

1. We have audited the accompanying financial statements of **Welspun Tradings Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. 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 to give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF Welspun Tradings Limited Report on the Financial Statements

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Other Matter

9. The financial statements of the Company as at March 31, 2014 and for the year then ended were audited by another firm of chartered accountants under the Companies Act, 1956 who, vide their report dated April 28, 2014 expressed an unmodified opinion on those financial statements.

Report on Other Legal and Regulatory Requirements

10. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF Welspun Tradings Limited Report on the Financial Statements

(f) 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 knowledge and belief and according to the information and explanations given to us:

i. The Company has disclosed the impact of pending litigations as at March 31, 2015 on its financial position in its financial statements.

ii. The Company has long-term contracts as at March 31, 2015 for which there were no material foreseeable losses. The Company does not have long-term derivative contracts as at March 31, 2015.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2015.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N / N500016



Mehul Desai
Partner
Membership No. 103211

Mumbai
April 27, 2015

Price Waterhouse Chartered Accountants LLP

Annexure to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Welspun Tradings Limited on the financial statements as of and for the year ended March 31, 2015

- i. (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 and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- ii. (a) The inventory excluding stocks with third parties has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
(b) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax and sales tax as at March 31, 2015 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Gujarat Value Added Tax, 2003	Interest	1,522,989	2009-10	Joint Commissioner of Commercial Taxes
Income Tax Act, 1961	Income Tax	474,000	2010-11	Dy. Commissioner of Income Tax



Price Waterhouse Chartered Accountants LLP

Annexure to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Welspun Tradings Limited on the financial statements for the year ended March 31, 2015

Page 2 of 2

- c) There are no amounts required to be transferred by the Company to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- viii. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- ix. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- x. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 3(x) of the Order are not applicable to the Company.
- xi. The Company has not raised any term loans. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N / N500016



Mehul Desai
Partner
Membership No. 103211

Mumbai
April 27, 2015

WELSPUN TRADINGS LIMITED

Balance Sheet

(Amount in Rupees)

Particulars	Note	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	50,134,020	50,134,020
Reserves and surplus	4	481,815,362	385,846,329
Non-current liabilities			
Deferred tax liabilities (Net)	12	-	49,974
Long-term provisions	5	1,353,383	1,102,614
Current liabilities			
Short-term borrowings	6	-	2,396,600,000
Trade payables	7	5,953,948,599	746,364,312
Other current liabilities	8	44,325,990	593,806,672
Short-term provisions	9	15,340,124	8,062,241
TOTAL		6,546,917,478	4,181,966,162
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	2,590,195	2,945,286
Intangible assets	10	15,915	22,069
Non-current investments	11	3,361,177	3,361,177
Deffered Tax Assets (Net)	12	623,185	-
Long-term loans and advances	13	468,992,506	169,297,694
Other non-current assets	14	40,393,815	37,363,508
Current assets			
Inventories	15	26,997,442	264,045,022
Trade receivables	16	4,752,402,172	1,552,500,539
Cash and bank balances	17	126,594,354	51,955,799
Short-term loans and advances	18	1,111,421,149	2,098,224,952
Other current assets	19	13,525,568	2,250,116
TOTAL		6,546,917,478	4,181,966,162

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N / N500016


Mehul Desai

Partner
Membership No. 103211

Date: April 27, 2015
Mumbai

For and on behalf of the Board


S. Krishnan
Whole Time Director


Rajkumar Jain
Director


Pradeep Joshi
Company Secretary

Date: April 27, 2015
Mumbai



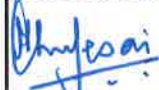
WELSPUN TRADINGS LIMITED
Statement of Profit and Loss

(Amount in Rupees)

Particulars	Note	Year ended March 31, 2015	Year ended March 31, 2014
Revenue from operations	20	26,495,404,918	21,386,107,481
Other income	21	14,493,411	277,859,500
Total		26,509,898,329	21,663,966,981
Expenses:			
Purchases of Stock-in-Trade	22	21,716,433,799	18,268,150,213
Changes in inventories of Stock in Trade	23	237,047,580	63,517,202
Employee benefits expense	24	42,084,481	52,337,699
Other expenses	25	4,317,636,784	3,009,513,166
Total		26,313,202,644	21,393,518,280
Profit before depreciation and amortization, finance cost and Tax		196,695,685	270,448,701
Depreciation and amortization expense	10	466,427	582,680
Finance costs	26	68,692,000	162,338,275
Profit before tax		127,537,258	107,527,746
Tax expense:			
Current tax		44,197,384	35,655,240
Deferred tax		(673,159)	(20,520)
Profit for the year		84,013,033	71,893,026
Earnings per equity share: (Nominal value per Share Rs. 10) Basic and Diluted	35	16.76	14.34
The accompanying notes are an integral part of the financial statements.			

As per our attached report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N / N500016



Mehul Desai
Partner
Membership No. 103211

Date: April 27, 2015
Mumbai

For and on behalf of the Board


S. Krishnan
Whole Time Director


Pradeep Joshi
Company Secretary

Date: April 27, 2015
Mumbai


Rajkumar Jain
Director



WELSPUN TRADINGS LIMITED
CASH FLOW STATEMENT

(Amount in Rupees)

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES		
Net Profit before tax	127,537,258	107,527,746
Adjustments for:		
Depreciation	466,427	582,680
Dividend income	(2,625,563)	(4,946,742)
Interest expenses	12,050,140	549,612
Discounting Charges	56,641,860	161,788,663
Interest Income	(9,697,192)	(270,321,402)
Provision for doubtful debts	1,947,477	-
Loss on Sale of Fixed Assets	157	-
Operating Profit / (Loss) before working capital changes	186,320,564	(4,819,443)
Adjustments for		
Trade and other receivables	(2,510,427,161)	2,412,376,171
Inventories	237,047,580	63,517,201
Trade and other payables	4,658,355,821	(5,080,567,838)
	2,384,976,240	(2,604,674,466)
Cash generated from operations	2,571,296,804	(2,609,493,909)
Taxes paid (net)	(37,071,009)	(27,605,301)
Net cash generated from/(used in) operating activities (A)	2,534,225,795	(2,637,099,210)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(108,139)	(252,013)
Sale of fixed assets	2,800	-
Interest received	3,184,536	280,883,628
Dividend received	2,625,563	4,946,742
Proceeds from maturity of fixed deposit	21,800,000	-
Investment in Subsidiaries	-	(3,361,177)
Net cash from investing activities (B)	27,504,760	282,217,180
CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES		
Interest paid (Net)	(12,050,140)	(549,612)
Discounting charges	(56,641,860)	(161,788,663)
Proceeds from short term borrowings	-	2,396,600,000
Repayment of short term borrowings	(2,396,600,000)	-
Net cash (used in)/from financing activities (C)	(2,465,292,000)	2,234,261,725
Net changes in Cash and Cash equivalents (A+B+C)	96,438,555	(120,620,305)
Cash and cash equivalents at the beginning of the year	1,955,799	122,576,104
Cash and cash equivalent at the end of the year	98,394,354	1,955,799

Notes:

- The Cash Flow Statement has been prepared under the "Indirect method" as set out in Accounting Standard 3 on Cash Flow Statements as notified under section 211 (3C), Companies (Accounting Standards) Rules, 2006 as amended.
- Previous year figures have been regrouped/ rearranged wherever necessary to make them comparable to those for current year.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N / N500016




Mehul Desai
Partner
Membership No. 103211

Date: April 27, 2015
Mumbai

For and on behalf of the Board


S. Krishnan
Whole Time Director


Rajkumar Jain
Director


Pradeep Joshi
Company Secretary

Date: April 27, 2015
Mumbai



Welspun Tradings Limited
Notes to the Financial Statements

1 General Information

Welspun Tradings Limited (the "Company"), is a wholly owned subsidiary of Welspun Corp Limited, engaged in the business of trading and marketing of High Grade Submerged Arc Welded Pipes.

2 Summary of Significant Accounting Policies

a 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. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply.

Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

b Tangible Assets

Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses.

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets which are lower than or equal to the useful lives prescribed under Schedule II to the Companies Act, 2013.

Asset	Useful Life
Office Equipment	3 Years
Computers	3 Years
Furniture and Fixtures	10 Years
Vehicle	8 Years

c Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives of five years.

d Impairment of Assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

e Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

f Inventories

Inventories are stated at lower of cost and net realisable value. The cost of stock in trade comprises of procurement cost and other direct costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.



Welspun Tradings Limited
Notes to the Financial Statements

g Foreign Currency Transactions

Foreign Currency transactions are recorded at the exchange rate prevailing on the date of such transaction. Monetary assets and liabilities in foreign currency as at the Balance sheet date are translated at the exchange rates prevailing at the date of Balance Sheet. Gains and Losses arising on account of difference in foreign exchange rates on settlement/ Translation of monetary assets and liabilities are recognized in the statement of Profit & Loss.

Forward Exchange Contracts :The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract are recognised as income or as expense for the period.

h Derivative Instruments and hedge accounting

In respect of forward exchange contracts taken to hedge the risks associated with foreign currency fluctuations relating to firm commitments and highly probable forecast transactions, the Company has adopted Accounting Standard 30 'Financial Instruments: Recognition and Measurement". Accordingly, forward exchange contracts relating to firm commitments and highly probable forecast transactions are fair valued at each reporting date.

Changes in the fair value of these hedging instruments that are designated and considered as effective hedges of highly probable forecasted transactions are recognised directly in shareholders' funds under 'Hedging Reserve Account' to be recognised in the Statement of Profit and Loss when the underlying transaction occurs. Changes in the fair value of the hedging instruments that do not qualify for hedge accounting are recognised in the Statement of Profit and Loss as they arise.

i Revenue recognition

a) Sale of goods: Sales are recognised when the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract.

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

c) Dividend income is recognised when the right to receive dividend is established.

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

j Employee Benefits

Provident Fund: Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Superannuation Fund: Contribution towards superannuation fund for certain employees is made to SBI Life Insurance Company where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from contribution made on monthly basis.

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

k Operating Leases

Leases in which significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of Profit and Loss on a straight-line basis over the period of the lease.



Welspun Tradings Limited
Notes to the Financial Statements

l Provisions, contingent liabilities and contingent assets

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is possible that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

m Current and Deferred Tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

n Earning Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of the equity shares outstanding during the period. Earning considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of the equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus share, other than the conversion of the potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earning 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 is adjusted for the effects of all dilutive potential equity shares.

o Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

p Use of Estimates

The Preparation of the financial statement in accordance with generally accepted accounting principles requires the management to make estimates and assumption that affect the reported assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amount of revenue and expenses of the year. Actual results could differ from those estimates. Any revision of such accounting estimates is recognized prospectively in current and future period.



Welspun Tradings Limited
Notes to the Financial Statements

3. Share Capital

(Amount in Rupees)

Particular	As at March 31, 2015	As at March 31, 2014
Authorised		
5,050,000 (5,050,000) Equity Shares of Rs. 10 each	50,500,000	50,500,000
Total	50,500,000	50,500,000
Issued, subscribed and fully paid up shares		
5,013,402 (5,013,402) Equity Share of Rs. 10 each fully paid up	50,134,020	50,134,020
Total	50,134,020	50,134,020

a) Reconciliation of number of shares

Particular	As at March 31, 2015		As at March 31, 2014	
	Number of Shares	Amount Rs.	Number of Shares	Amount Rs.
Equity shares outstanding at the beginning of the year	5,013,402	50,134,020	5,013,402	50,134,020
Add: Shares Issued during the year	-	-	-	-
Equity shares outstanding at the end of the year	5,013,402	50,134,020	5,013,402	50,134,020

b) Rights, Preferences and restrictions attached to shares

Equity Shares: The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

c) Shares held by the holding Company:

Name of Shareholder	As at March 31, 2015	As at March 31, 2014
Welspun Corp Limited	5,013,402	5,013,402
Total	5,013,402	5,013,402

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

Name of Shareholders	As at March 31, 2015		As at March 31, 2014	
	Number of Shares	%	Number of Shares	%
Welspun Corp Limited	5,013,402	100	5,013,402	100
TOTAL	5,013,402	100	5,013,402	100

4. Reserves and Surplus

(Amount in Rupees)

Particular	As at March 31, 2015	As at March 31, 2014
Hedging Reserve		
Balance as at the beginning of the year	-	-
Add: Additions during the year	11,956,000	-
Balance as at the end of the year	11,956,000	-
Surplus in the Statement of Profit and Loss		
Balance as per last financial statement	385,846,329	313,953,303
Profit for the year	84,013,033	71,893,026
Net surplus in the Statement of Profit and Loss	469,859,362	385,846,329
Total	481,815,362	385,846,329



Welspun Tradings Limited
Notes to the Financial Statements

5. Long Term Provisions

Particular	(Amount in Rupees)	
	As at March 31, 2015	As at March 31, 2014
Provision for Compensated Absenses	1,353,383	1,102,614
Total	1,353,383	1,102,614

6. Short Term Borrowings

Particulars	(Amount in Rupees)	
	As at March 31, 2015	As at March 31, 2014
Unsecured Loans Repayable on demand From Bank	-	2,396,600,000
(The above loan is backed by Corporate Guarantee given by Welspun Corp Limited)		
Total	-	2,396,600,000

7. Trade Payables

Particulars	(Amount in Rupees)	
	As at March 31, 2015	As at March 31, 2014
Trade Payables	5,953,948,599	746,364,312
Total	5,953,948,599	746,364,312

Disclosure of payable to suppliers as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such suppliers under the said Act, as per the intimation received from them on request made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous year.

8. Others Current Liabilities

Particulars	(Amount in Rupees)	
	As at March 31, 2015	As at March 31, 2014
Other Payables		
Statutory dues	1,121,763	6,381,785
Advances from customers	43,091,032	587,013,583
Employee Benefits payable	113,195	411,304
Total	44,325,990	593,806,672

9. Short Term Provisions

Particulars	(Amount in Rupees)	
	As at March 31, 2015	As at March 31, 2014
Provision for Compensated absences	13,749	12,302
Provision for Taxation (net of advance tax of Rs. 28,871,009, previous year Rs. 27,605,301)	15,326,375	8,049,939
Total	15,340,124	8,062,241



WELSPUN TRADINGS LIMITED
10. Fixed Assets

Particulars	(Amount in Rupees)									
	Gross Block					Depreciation/Amortisation				
	April 1, 2014	Additions	Deletions	Balance as At March 31, 2015	April 1, 2014	Additions	Deletions	Accumulated upto March 31, 2015	Net Block as At March 31, 2015	Net Block as At March 31, 2014
Tangible Assets										
Furniture & Fixture	285,050	-	-	285,050	224,063	6,743	-	230,806	54,244	60,987
Vehicle	3,120,195	-	-	3,120,195	341,084	382,973	-	724,057	2,396,138	2,779,111
Office Equipments	100,459	108,139	3,500	205,098	49,205	39,187	543	87,849	117,249	51,254
Computers	83,414	-	-	83,414	29,480	31,370	-	60,850	22,564	53,934
Total (a)	3,589,118	108,139	3,500	3,693,757	643,832	460,273	543	1,103,562	2,590,195	2,945,286
Intangible Assets										
Computer Software	30,769	-	-	30,769	8,700	6,154	-	14,854	15,915	22,069
Total (b)	30,769	-	-	30,769	8,700	6,154	-	14,854	15,915	22,069
Total (a + b)	3,619,887	108,139	3,500	3,724,526	652,532	466,427	543	1,118,416	2,606,110	2,967,355
Previous Year	3,367,874	252,013	-	3,619,887	69,852	582,680	-	652,532		

Note:

Consequent to the enactment of the Companies Act, 2013 (the Act) and its applicability for accounting periods commencing from April 1, 2014, the Company has, wherever required, to reflect the actual usage, realigned the remaining useful lives of few assets in accordance with the provisions prescribed under Schedule II to the Act.

As a result of above change, depreciation for the current year is higher by Rs.66,698 and profit before tax for the current year is lower by Rs. 66,698 with a consequential impact on profit after tax for the current year.



Welspun Tradings Limited
Notes to the Financial Statements

11. Non Current Investments

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Trade Investments (Unquoted, valued at cost unless stated otherwise)		
Investment in Subsidiary Welspun Middle East DMCC (200 shares of AED1,000 each)	3,361,177	3,361,177
Total	3,361,177	3,361,177

12. Deferred Tax Assets / (Liabilities) (Net)

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Deferred Tax Assets Provision for doubtful debts	661,948	-
Less: Deferred Tax Liabilities Depreciation	38,763	49,974
Total	623,185	(49,974)

13. Long Term Loans and Advances

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
(Unsecured, considered good)		
Security Deposits	2,010,000	2,010,000
Loan to Welspun Middle East DMCC	129,178,563	28,306,254
Sales Tax Deposit	80,025	80,025
Balances with Government Authorities (Refer Note 28)	336,009,461	137,337,019
Advance Tax (Net of Provision of Rs. 125,381,719, previous year Rs. 89,726,479)	1,714,457	1,564,396
Total	468,992,506	169,297,694

14. Other Non-Current Assets

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Margin Money Deposit (Including Accrued Interest Rs. 7,393,815, Previous Year : Rs. 4,363,508)	40,393,815	37,363,508
Total	40,393,815	37,363,508

15. Inventories

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Stock in Trade (Valued at lower of cost and net realisable value)	26,997,442	264,045,022
Total	26,997,442	264,045,022
Details of Stock in trade		
Coated Pipe - LSAW	26,997,442	264,045,022
Total	26,997,442	264,045,022



Welspun Tradings Limited
Notes to the Financial Statements

16. Trade Receivables

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
(Unsecured and Considered Good, unless otherwise stated)		
Unsecured, considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	23,946,746	15,208,837
Others	4,728,455,426	1,537,291,702
	4,752,402,172	1,552,500,539
Unsecured, considered doubtful		
Outstanding for a period exceeding 6 months from the date they are due for payment	41,972	-
Others	1,905,505	-
	1,947,477	-
Less: Provision for Doubtful debts	1,947,477	-
	-	-
Total	4,752,402,172	1,552,500,539

17. Cash and Bank Balances

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Cash and cash equivalents		
Cash on hand	16,114	-
Balances with banks:		
In Current Accounts	98,378,240	1,955,799
	98,394,354	1,955,799
Other bank balances		
Deposits having original maturity period of more than three months but less than twelve months	28,200,000	50,000,000
Total	126,594,354	51,955,799

18. Short Term Loans and Advances

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
(Unsecured, considered good)		
Advances to Welspun Corp Limited	-	733,901,652
Advance to Employees	587,638	881,224
Prepaid Expenses	68,399,418	626,461
Balances with Government Authorities	1,040,381,881	908,780,806
Loans and Advances to Others (Refer Note 29)	2,052,212	454,034,809
Total	1,111,421,149	2,098,224,952

19. Other Current Assets

(Amount in Rupees)

Particulars	As at March 31, 2015	As at March 31, 2014
Mark to Market gain on forward Contract	11,956,000	-
Interest Receivable		
- Fixed Deposit	446,564	1,881,677
- VAT Refund	1,123,004	368,439
Total	13,525,568	2,250,116



Welspun Tradings Limited
Notes to the Financial Statements

✓ 20. Revenue from Operation

(Amount in Rupees)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
(a) Sale of Products		
Export Sales	26,483,914,399	21,317,954,895
Local Sales	-	68,152,586
	26,483,914,399	21,386,107,481
(b) Other Operating Revenue		
Inspection Charges	11,490,519	-
	11,490,519	-
Total	26,495,404,918	21,386,107,481
Details of sale of Traded Goods		
Bare Pipe - LSAW	16,958,947,192	2,080,179,899
Coated Pipe - LSAW	9,524,967,207	19,302,181,791
Plates	-	3,745,791
Total	26,483,914,399	21,386,107,481

✓ 21. Other Income

(Amount in Rupees)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Interest Income	9,697,192	270,321,402
Dividend Income	2,625,563	4,946,742
Net gain on foreign currency transaction and translation	2,167,248	-
Provision written back on Gratuity	-	1,901,123
Miscellaneous Income	3,408	690,233
Total	14,493,411	277,859,500

22. Purchases of Stock-in-Trade

(Amount in Rupees)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Purchases of Stock-in-Trade	21,716,433,799	18,268,150,213
Total	21,716,433,799	18,268,150,213

23. Changes in inventories of Stock-in-trade

(Amount in Rupees)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Opening Stock	264,045,022	327,562,224
Less: Closing Stock	26,997,442	264,045,022
Total	237,047,580	63,517,202



Welspun Tradings Limited
Notes to the Financial Statements

24. Employee Benefit Expenses

(Amount in Rupees)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Salary, Wages and Bonus	39,477,604	49,553,735
Contribution to Provident and other funds	2,210,195	2,671,542
Gratuity	50,064	-
Staff welfare Expenses	346,618	112,422
Total	42,084,481	52,337,699

25. Other Expenses

(Amount in Rupees)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Coating and Other Job Charges	2,128,352,464	580,079,045
Commission on Sales	699,172,701	160,662,016
Freight, Material handling and Transportation	1,367,050,179	2,215,420,914
Survey Fees	-	9,068,041
Rent	4,525,906	7,105,906
Product Compensation and Claims	76,728,240	-
Insurance	940,283	2,283,514
Rates and Taxes	200,075	1,727,662
Travelling and Conveyance	7,820,988	17,868,154
Directors' sitting fees	780,900	342,900
Donation	-	600,000
Auditors Remuneration		
Audit Fee	1,200,000	786,520
Tax Audit Fee	300,000	112,360
Other Services	79,225	404,496
Reimbursement of expenses	-	1,876
Expenditure towards corporate social responsibility activities	1,635,579	-
Legal and Professional fees	20,260,511	3,376,305
Membership and Subscription	690,562	753,417
Communication	523,759	1,554,748
Net loss on foreign currency transaction and translation	-	1,106,046
Provision for doubtful debts	1,947,477	-
Miscellaneous expenses	5,427,935	6,259,246
Total	4,317,636,784	3,009,513,166

26. Finance Costs

(Amount in Rupees)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Interest Expense on Borrowing	12,050,140	549,612
Discounting and Bank Charges	56,641,860	161,788,663
Total	68,692,000	162,338,275



Welpsun Tradings Limited
Notes to the Financial Statements

27. Commitments

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
(A) Total amount payable by the Company under a non-cancellable agreement with a vendor	16,899,371	19,025,495

(B) The company has committed to provide continued need based financial support to its wholly owned subsidiary.

28 . Incremental Export Incentives

The Company has applied for and accrued incentives under Incremental Export Incentivization Scheme (IEIS) aggregating to Rs. 87,501,145. However, the Regional Authority has restricted this amount to Rs. 2,000,000. For the balance incentive the Company has filed an appeal with the Director General of Foreign Trade (DGFT) and is confident of receipt of the same.

29 .Disclosures under Accounting Standard 15 (Revised 2005) "Employee Benefits"

(A) Defined Contribution Plans

The Company has recognised the following amounts in the Statement of Profit and Loss for the year :

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Contribution to Provident Fund	1,548,173	2,057,214
Contribution to Pension Scheme	405,692	378,643
Contribution to Superannuation Scheme	256,330	235,685
	2,210,195	2,671,542

(B) Defined Benefit Plans Gratuity :

Particulars	Year ended March 31, 2015 (% p.a.)	Year ended March 31, 2014 (% p.a.)
Discount Rate	7.85	9.00
Rate of Return on Plan Assets	8.00	5.00
Salary Escalation rate	5.00	6.00

(i) Changes in Present value of Obligation

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Present value of Obligation at the beginning of the year	2,122,402	4,203,816
Interest Cost	209,403	357,325
Current Service Cost	817,074	973,813
Benefit paid	(165,877)	(3,242,223)
Actuarial (Gains)/ Loss	(122,740)	(170,329)
Present value of Obligation at the end of the year	2,860,262	2,122,402

(ii) Changes in Fair value of Plan Assets

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Present value of Plan Assets at the beginning of the year	4,023,525	4,203,816
Expected Return on Plan Assets	333,983	310,779
Contribution made	-	(320,741)
Benefit paid	(165,877)	(170,329)
Actuarial Gain/ (Loss)	519,690	-
Present value of Plan Assets at the end of the year	4,711,321	4,023,525



Welspun Tradings Limited
Notes to the Financial Statements

(iii) Assets recognised in the Balance Sheet

Particulars	(Amount in Rupees)	
	Year ended March 31, 2015	Year ended March 31, 2014
Present value of Obligation	2,860,262	2,122,402
Fair Value of Plan Assets	4,711,321	4,023,525
Asset recognised in the Balance Sheet	1,851,059	1,901,123
Recognised under:		
Short Term loans and advances (Refer Note 18)	1,851,059	1,901,123

(iv) Expenses recognised in the Statement of Profit and Loss

Particulars	(Amount in Rupees)	
	Year ended March 31, 2015	Year ended March 31, 2014
Current Service Cost	817,074	973,813
Expected Return on Plan Assets	(333,983)	(310,779)
Interest Cost	209,403	357,325
Net Actuarial (Gain)/ Loss	(642,430)	(2,921,482)
Total Expenses / write back of provision recognised in the Statement of Profit and Loss (Refer Note 24, Previous year Refer Note 21)	50,064	(1,901,123)

(v) Disclosure as required under Para 120 (n) of AS - 15 * :

Particulars	(Amount in Rupees)		
	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Present value of the Defined Benefit Obligation	2,860,262	2,122,402	4,203,816
Fair value of Plan Assets as at the end of the year	4,711,321	4,023,525	4,203,816
Surplus/(Deficit) in the Plan	(1,851,059)	(1,901,123)	-
On Plan Liabilities	(134,424)	(2,623,732)	(679,668)
On Plan Assets	277,656	(100,588)	-
Total Experience Adjustment	(412,080)	(2,523,144)	(679,668)

* Employees enrolled in the year 2012-13 hence the data is provided for three years

C.) Other long term employee benefit plan:

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Provision for Compensated absences	1,367,132	1,114,916

30. Related party disclosures

a) Enterprises where control exist

- I Holding Company
Welspun Corp Limited
- II Subsidiary Company
Welspun Middle East DMCC
- III Fellow subsidiaries
Welspun Tubular LLC
Welspun Middle East Pipe LLC

b) Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise

Name of the Person	Nature of Relationship
B. K. Goenka *	Chairman - Holding Company

c) Key Management Personnel

Name of the Person	Nature of Relationship
S Krishnan *	Whole time Director

* No transactions during the year

d) Enterprises over which any person described in (b) or (c) is able to exercise significant influence.

Name of related parties
Welspun Steel Ltd
Welspun India Ltd
Welspun Infrastructure and Development Limited
Welspun Foundation for Health & Knowledge



Welspun Tradings Limited
Notes to the Financial Statements

(Amount in Rupees)

	Transactions		Balances	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Holding Company				
Welspun Corp Ltd			(4,774,590,985)	733,901,652
Purchases of Goods	21,705,544,173	18,133,292,391		
Transfer of Licence	1,970,000	30,365,855		
Rent paid	4,382,040	4,382,040		
Reimbursement of Expenses (Payable) / Receivable	(84,578,066)	496,000,432		
Security Deposit Given	-	2,000,000	2,000,000	2,000,000
Fellow subsidiaries				
Welspun Tubular LLC			(335,571)	(307,301,124)
Coating Charges	-	867,389,980		
Welspun Middle East Pipe LLC			2,821,406,973	-
Sale of Goods	11,362,635,815	-		
Reimbursement of Expenses (Payable) / Receivable	(42,993,602)	-		
Subsidiary				
Welspun Middle East DMCC				
Investment			3,361,177	3,361,177
Commission on Sales	177,257,688	-	(50,926,962)	-
Loan given (Loan A/c)	95,857,050	26,961,750	125,000,000	28,306,254
Loan Interest	4,162,898	-	4,178,563	-
Welspun Steel Ltd			(1,536,747)	(1,536,747)
Welspun India Ltd			-	-
Sale of Licences	-	34,666,671		
Rent paid	107,866	107,866		
Welspun Infrastructure and Development Limited				
Rent paid	36,000	36,000	-	9,000
Welspun Foundation for Health & Knowledge				
Expenditure towards corporate social responsibility activities	1,635,579	-	-	-
Donation	-	600,000	-	-

Negative amounts in "Balances" represent payable

31. Earnings in Foreign Exchange

(Amount in Rupees)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
FOB Value of Exports	25,585,737,247	19,325,244,149
Interest Income	5,141,697	235,869,382
Other Operating Income	11,490,519	32,287,076

32. Expenditure in Foreign Currency

(Amount in Rupees)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Freight, Material Handling and Transportation	917,813,662	2,065,788,918
Coating and Other Job Charges	2,118,438,318	580,079,045
Legal and Professional Fees	8,770,581	824,800
Survey Fees	-	9,068,041
Interest and Discounting Charges	49,125,197	150,881,604
Product Compensation and Claims	76,728,240	-
Commission on Sales	699,172,701	160,662,016
Travelling and Other Expenses	6,268,231	7,924,134



Welsun Tradings Limited
Notes to the Financial Statements

33. Segment Reporting

- i) In accordance with Accounting Standard 17 "Segmental Reporting", the Company has determined its business segment as "Trading of steel pipes". Since 100% of the Company's business is from trading activities, there are no other primary reportable segments. Thus, the segment revenue, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge of depreciation and amortisation during the year are all as reflected in the financial statements as of and for the year ended March 31, 2015.
- ii) Information about Secondary-Geographical Segment

	Year ended March 31, 2015			Year ended March 31, 2014		
	Within India	Outside India	Total	Within India	Outside India	Total
Sale of Products	-	26,483,914,399	26,483,914,399	68,152,586	21,317,954,895	21,386,107,481
Carrying amount of segment assets	1,661,975,567	4,884,941,911	6,546,917,478	2,597,798,192	1,584,167,970	4,181,966,162
Capital expenditure	108,139	-	108,139	252,013	-	252,013

34. Operating Lease

The Company has entered into cancellable lease arrangements for office and residential premises, renewable by mutual consent on mutually agreeable terms. The lease rentals of Rs. 4,525,906 (Previous year Rs. 7,105,906) have been included under the head Rent under Note 25 in the Statement of Profit and Loss.

35. Earnings per share

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Profit after Taxation (Rupees)	84,013,033	71,893,026
Weighted average number of shares	5,013,402	5,013,402
Earnings Per Share (Rupees) Basic and Diluted	16.76	14.34
Face Value Per Share (Rupees)	10	10

36. Derivative Instruments outstanding as at March 31, 2015 :

The Company is exposed to foreign currency fluctuations on foreign currency assets/ liabilities, receivables/payables denominated in foreign currency. In line with the company's risk management policies and procedures, the Company enters into foreign currency forward contracts, to manage its exposure.

(a) The following are outstanding foreign currency forward contracts, swaps and other derivative contracts against the future forecasted receivables/payables.

Designated Cash Flow Hedges	March 31, 2015		March 31, 2014	
	USD	Rupees	USD	Rupees
Forward Contracts (Sell)	5,000,000	326,031,000	-	-

(b) Net Mark to Market (Fair Value) recognised in Hedging Reserve as on 31st March 2015 amounting to Rs. 11,956,000 is expected to be recycled to the statement of Profit and Loss by March 2016.

(c) As at the Balance Sheet date, following foreign currency exposures are not hedged by a derivative instrument or otherwise:

Particulars	(Amount in Rupees)	
	As at March 31, 2015	As at March 31, 2014
Short term Receivables	4,754,307,675	2,069,465,331
Short term Payables / Borrowings	1,165,885,304	3,763,007,748
Long term Receivables	132,539,740	31,667,431

37. Previous year figures have been reclassified to conform to this year's classification.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N / N500016
Chartered Accountants


MEHUL DESAI
Partner
Membership No 103211

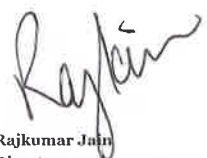
Date: April 27, 2015
Mumbai

FOR AND ON BEHALF OF THE BOARD


S. Krishnan
Director


Pradeep Joshi
Company Secretary

Date: April 27, 2015
Mumbai


Rajkumar Jain
Director

