

NOTICE

NOTICE is hereby given that the 17th Annual General Meeting of the members of Welspun Tradings Limited will be held at the Registered Office of the Company at Welspun City, Village Versamedi, Taluka Anjar, Gujarat - 370110 on **Tuesday, August 14, 2018 at 2:00 pm** to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited Financial Statements for the financial year ended March 31, 2018 and the Directors' Report and the Auditors' Report thereon.
2. To appoint a Director in place of Mr. S. Krishnan (DIN - 06829167), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution.

"RESOLVED THAT subject to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountant (Firm Registration Number with the Institute of Chartered Accountants of India - 012754N/N500016), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2018-19 on such remuneration as may be determined by the Board of Directors."

**By Order of the Board
For Welspun Tradings Limited**

Place: Mumbai
Date: April 25, 2018

**Sd/-
Pradeep Joshi
Company Secretary**

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013

1. Item No. 2- Brief Resume Mr. S. Krishnan.

Mr. S. Krishnan is an executive director. Mr. Krishnan is a qualified CA, CS and ICWA. He has over 3 decades of experience in global finance function, global investor relation and business development, etc. In addition, he has expertise in internal control, auditing, legal, project management, mergers & acquisitions, contract manufacturing, product supply & marketing.

He is involved in overseeing accounts, finance and other administrative functions of the Company.

Except being Executive Director and CEO (Plate & Coil Mill Division) of Welspun Corp Limited and member of the Board of Welspun Middle East Pipes LLC, Welspun Middle East Pipes Coating LLC and Welspun Middle East, DMCC, he does not hold directorship / membership of the Committees of the Board of any other company.

He does not hold any equity shares in the Company.

Shareholders' approval is sought by way of ordinary resolution proposed under Item no. 2 of the accompanying Notice.

Except Mr. Krishnan, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 2.

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the Meeting.
2. Proxy shall not have the right to speak and shall not be entitled to vote except on a poll.

**By Order of the Board
For Welspun Tradings Limited**

**Sd/-
Pradeep Joshi
Company Secretary**

Place: Mumbai
Date: April 25, 2018

WELSPUN TRADINGS LIMITED

Regd. Office: Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370 110, Telephone : +91 2836 662079 Fax : +91 2836 279060

Corp. Office: Welspun House, 5th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013
Telephone : +91 22 66136000 Fax : +91 22 24908021

CIN - U7220GJ2001PLC039513, Email id - companysecretary_wtstl@welspun.com, Website - www.welspuncorp.com

ATTENDANCE SLIP

Name of the sole / first named member :

Address of sole / first named member:

Registered folio no.

DP ID no. / Client ID no.

Number of shares held

I hereby record my presence at the 17th Annual General Meeting of the Company held on Tuesday, August 14, 2018 at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110 at 2:00 pm.

Signature of Shareholder/ Proxy
Present :

--

Note: Members are requested to bring duly signed attendance slip and hand it over at the venue of the Meeting.

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 17th Annual General Meeting of the Company to be held on **Tuesday, August 14, 2018 at 2:00 p.m.** at the Registered Office of the Company at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Subject of the Resolution	Voting	
		For	Against
1	Consider and adopt Audited Financial Statement, Report of the Board of Directors and Auditors thereon.		
2	Re-appointment of Mr. S. Krishnan (DIN - 06829167) as a director of the Company, liable to retire by rotation.		
3	Appointment of M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountant as Statutory Auditors and fixing their remuneration.		

Signed this day of2018.

Affix Re. 1 Revenue stamp

Signature of shareholder _____

Signature of Proxy Holder(s) : 1) _____ 2) _____ 3) _____

Note:

- 1) Please complete all the details including details of member(s) in the above Box before submission.
- 2) It is optional to put "X" in the appropriate column against the Resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/ she thinks appropriate.
- 3) **A proxy can act on behalf of such number of member or members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company. Provided that a member holding more than 10%, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.**
- 4) The Form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

DIRECTORS' REPORT

To,
The Members,
Welspun Tradings Limited

Your directors have pleasure in presenting their 17th Annual Report and audited standalone financial statement for the financial year ended 31st March, 2018.

FINANCIAL RESULTS

(Rs.in million)

Particulars	For the year ended	
	31.03.2018	31.03.2017
Income	23,658.83	20,092.34
Expense	23,476.69	19,954.24
Profit / (Loss) before tax	182.14	138.10
Less: Provision tor tax Current Tax and Deferred Tax	63.45	48.28
Profit / (Loss) After Tax	118.69	89.82

PERFORMANCE

Performance highlights for the year under Report are as under:

Product	(Sales in MT)	
	FY 2017-18	FY 2016-17
Pipes / H. R. Plates & Coils	4,63,621	3,57,645

RESERVES AND DIVIDEND

Your Directors do not recommend any dividend for the year ended March 31, 2018.

DETAILS OF SUBSIDIARY

As per the MCA notification dated 27.07.2016, a company whose ultimate holding company files the consolidated financial statements with the Registrar of Companies, then the said subsidiary companies is not required to file the consolidated financial statements with the Registrar. The Company has 1 subsidiary viz. Welspun Middle East DMCC, Dubai (UAE). The Company's ultimate holding Company files its consolidated financial statements with the Registrar. A report on the performance and financial position of the subsidiary is presented in Form AOC-1 as annexed to this Report as Annexure 1.

PUBLIC DEPOSITS

During the year under Report, 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 or stock options. 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.

No frauds or instances of mismanagement were reported by the Statutory Auditor under Section 143 (12) 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 2018-19.

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

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Krishnan Srinivasan retires by rotation at the forthcoming Annual General Meeting and being eligible, has been recommended for re-appointment.

Apart from the above, there is no change in Key Managerial Personnel (i.e. Whole-time Director & Company Secretary) and directors.

Details about the director being re-appointed are given in the Notice of the forthcoming Annual General Meeting being sent to the members along with the Annual Report.

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 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 2017-18, the annual performance evaluation was carried out by the Independent Directors, Nomination and Remuneration Committee and the Board, 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. All the results were satisfactory.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Company's Board comprises of mix of Executive, Non-Executive, Independent and Non-independent Directors with considerable experience and expertise across a range of fields such as finance, accounts 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 2017-18	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 Corporate	
(1) Mr. Srinivasan Krishnan	E, NI	2/4	No	1	Nil	3	-
(2) Mr. K.H.Viswanathan	NE, I	4/4	Yes	6	-	-	3C, 5M
(3) Mr. Rajkumar Jain	NE, I	4/4	Yes	4	1	-	2C, 2M
(4) Mr. Ram Gopal Sharma	NE, I	4/4	No	7	1	-	4C, 5M
(5) Ms. Revathy Ashok	NE, I	4/4	Yes	9	2	-	2C, 5M

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

Abbreviations:

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 year under review on the following dates: April 28, 2017, July 26, 2017, October 26, 2017 and January 29, 2018.

In addition to the above, a meeting of the Independent Directors was held on March 26, 2018 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, Ms. Revathy Ashok and Mr. K. H. Viswanathan 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:

A. AUDIT COMMITTEE:

The Committee comprises 3 non-executive directors having accounting and finance back-ground. All of the members are independent. 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	8/8
Mr. K. H. Viswanathan	Member	8/8
Mr. Ram Gopal Sharma	Member	8/8

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 year under review on following dates: April 28, 2017, July 10, 2017, July 26, 2017, September 21, 2017, October 26, 2017, December 21, 2017, January 29, 2018 and March 29, 2018.

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.

B. NOMINATION AND REMUNERATION COMMITTEE

The Company had constituted the Nomination and Remuneration Committee consisting of non-executive directors all of whom are independent director. During the year under review, 3 meetings of the Committee were held on April 26, 2017 July 26, 2017 and December 21, 2017.

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-Chairman, Mr. K. H. Viswanathan-Member and Mr. Ram Gopal Sharma-Member.

The Committee comprises of 3 non-executive, independent directors. 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	3/3
Mr. Ram Gopal Sharma	Member	3/3
Mr. K.H.Viswanathan	Member	3/3

During the year under review, 3 meetings of the Committee were held on 26.04.2017, 26.07.2017 and 21.12.2017.

Policy: The Company follows a policy on remuneration of directors and senior management employees, the salient features thereof are as under:

Appointment of Directors:

The Committee identifies the person who qualifies to become directors and who may be appointed in senior management in accordance with the criteria as mentioned in the Nomination and Remuneration policy formulated by Nomination and Remuneration Committee.

Remuneration of Directors, Key Managerial Personnel, senior management personnel:

- The remuneration to executive directors, Key Managerial Personnel and senior management personnel at the time of appointment shall be mutually agreed. The Committee shall consider top industry indicators, requirements of role, qualification and experience of candidate, expected contribution of executive to the profitability challenges specific to the Company and such other matters as the Committee may deem fit.
- The Non-Executive directors shall not be eligible for any remuneration / commission, unless specifically approved by the Board of Directors on recommendation of the Nomination and Remuneration Committee and by the shareholders.
- The Non- Executive Directors including independent directors may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. 100,000 per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Besides, the Committee shall take into consideration performance of the concerned executive as well as the Company, to the growth of business, profitability, company potentiality and critical role played / initiatives taken while considering pay hike / increment to the concerned executives.

The Policy is available on your Company's website at: www.welspuncorp.com

PARTICULARS OF EMPLOYEES

A) Details of the top ten employees in terms of remuneration drawn and the name of every other employee as required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under:

Name	Designation	DOB	Age (years)	DOJ	Remuneration	Qualification	Previous Company	Nature of Employment	% Of Equity Shares held in the Company	Relative of any Director/ Manager of the Company
Bhavesh Karia	Senior Vice President	18/02/1974	44	24/10/2016	9,274,028	B.Sc in Production engineering/ Post Diploma in Materials Management/Diploma in Production Engineering	L & T Ltd	Permanent	0%	No
Manish Pathak	President	20/01/1968	50	01/08/2015	8,020,690	BE Mech	Man Industries (India) Ltd	Permanent	0%	No
Sourav Das	Senior Vice President	06/06/1968	50	01/10/2012	6,066,256	PGDBM/CA - Inter	The Tata Iron & Steel Co. Ltd.	Permanent	0%	No
Shalin Agrawal	Senior General Manager	07/01/1976	42	01/09/2015	4,436,778	PGDM/B.Tech	Gujarat State Petronet Ltd.	Permanent	0%	No
Tushar Paranjape	Associate General Manager	24/04/1976	42	01/08/2017	3,134,514	MBA Mktg	Zenith Birla India Ltd	Permanent	0%	No
Amol Adhye	General Manager	27/10/1981	36	01/10/2012	2,676,101	BE/PGDBM	Tata Strategic Magt Group	Permanent	0%	No
Ashish Guwalani	Associate Vice President	06/07/1978	40	01/08/2017	2,733,333	BE Mech/PGDBM Mktg	Campus	Permanent	0%	No
Umesh Dubey	Associate General Manager	17/01/1971	47	01/10/2012	2,455,451	M Tech	Man Industries (India) Ltd	Permanent	0%	No
Praveen Kumar	Associate General Manager	28/02/1983	35	01/10/2012	1,950,088	BE (Marine) / MBA Marketing & Finance	Infosys Technology Limited	Permanent	0%	No
Harshit Shah	Senior Manager	07/12/1979	39	01/10/2012	1,841,996	B.Sc	Metal Junction Services Limited	Permanent	0%	No

B) Whole-time Director of the Company was not in receipt of any commission from the Company and at the same time, remuneration or commission from the Company's holding or subsidiary Company.

Particulars of remuneration to the executive directors including the details of remuneration paid/payable to the executive directors for the financial year 2017-18: not applicable.

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 for attending meetings of Board / Committees of the Board.

	Name of the Director	Sitting Fees (Rs.)
1	Mr. K. H. Viswanathan	347,000
2	Mr. Rajkumar Jain	333,000
3	Mr. Ram Gopal Sharma	335,000
4	Ms. Revathy Ashok	142,000

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.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OUTSTANDING AS AT MARCH 31, 2018 ARE AS UNDER:

Loans (including interest accrued) to	Amount in Rs. Million
Investment in	
Welspun Middle East DMCC	3.36

Loan was availed by the above subsidiary for general corporate purpose.

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.

Except receiving sitting fees for attending meetings of the Board and the Committee, 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. 16,364.24million

Earned : Rs. 1,279.12 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 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 has occurred or commitment made 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; and
- 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. 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, 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.

For and on behalf of the Board of Directors

Mumbai
April 25, 2018

Sd/-
S. Krishnan
Director
DIN - 06829167

Sd/-
K.H.Viswanathan
Director
DIN: 00391263

Form AOC-1**Annexure 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. Date when subsidiary was acquired :	November 26, 2013
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period :	N.A.
5. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. :	USD*
6. Share capital :	3.36
7. Reserves & surplus:	17.15
8. Total assets :	22.25
9. Total Liabilities :	1.74
10. Investments :	Nil
11. Turnover :	42.47
12. Profit / (Loss) before taxation :	(18.94)
13. Provision for taxation:	Nil
14. Profit / (Loss) after taxation:	(18.94)
15. Proposed Dividend:	Nil
16. % of shareholding	100%

* Closing rate US\$1=INR 65.175; Average Rate US\$1=INR 64.4474

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

For and on behalf of the Board

Sd/-
S. Krishnan
Director
DIN - 06829167

Sd/-
Rajkumar Jain
Director
DIN: 00026544

Sd/-
Pradeep Joshi
Company Secretary
FCS-4959

Annexure 2

M Siroya and Company
Company Secretaries

A-103, Samved Building (Madhukunj), Near EktaBhoomi Gardens, Rajendra Nagar, Borivali (E), Mumbai - 400 066
Tel.:+91 22 28706523/24; 28546523(D); Cel.:+91 9324310151; E-mail: siroyam@gmail.com; www.msiroya.com

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial 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, 2018 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, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder, as may be applicable;
- (ii) 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
- (iii) As confirmed by the management, there are no other laws specifically applicable in relation to the business of the Company.

We have also examined the compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India,
- ii. The Company is an unlisted Company and therefore compliance with listing agreement is not applicable.

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

Other statutes, Acts, laws, Rules, Regulations, Guidelines and Standards etc., as applicable to the Company are given below:



M Siroya and Company
Company Secretaries

A-103, Samved Building (Madhukunj), Near EktaBhoomi Gardens, Rajendra Nagar, Borivali (E), Mumbai - 400 066
Tel.:+91 22 28706523/24; 28546523(D); Cel.:+91 9324310151; E-mail: siroyam@gmail.com; www.msiroya.com

- (i) Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
- (ii) Acts as prescribed under Direct Tax and Indirect Tax;
- (iii) Land Revenue laws of Maharashtra and Gujarat State;
- (iv) Labour Welfare Act of Maharashtra State; and
- (v) Local laws as applicable to the offices of the Company.

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. 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.

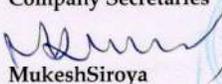
Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation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

During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

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 not undertaken any events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For M Siroya and Company
Company Secretaries


Mukesh Siroya
Proprietor
FCS No.: 5682
CP No.: 4157



Date: April 25, 2018
Place: MUMBAI

M Siroya and Company
Company Secretaries

A-103, Samved Building (Madhukunj), Near EktaBhoomi Gardens, Rajendra Nagar, Borivali (E), Mumbai - 400 066
Tel.:+91 22 28706523/24; 28546523(D); Cel.:+91 9324310151; E-mail: siroyam@gmail.com; www.msiroya.com

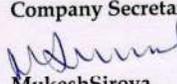
Annexure A'

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


Mukesh Siroya
Proprietor
FCS No.: 5682
CP No.: 4157



Date: 25 April, 2018
Place: Mumbai

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) Mr. K.H. Viswanathan -Member, Mr. Pradeep Joshi-Company Secretary.

3. Average net profit of the Company for last three financial years: Rs. 126.12 million.
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) Rs.2.52 million.
5. Details of CSR spent during the financial year.
 - a. Total amount to be spent for the financial year: Rs. 2.52 million.
 - b. Amount unspent, if any: Rs. Nil
 - c. Manner in which the amount spent during the financial year is detailed below

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<i>Sr. No</i>	<i>CSR Project / Activity undertaken</i>	<i>Sector in which the project is identified</i>	<i>State and District where project was undertaken</i>	<i>Amount of outlay budget</i>	<i>Direct Expenditure on program / Over Heads (Rs. in lakhs)</i>	<i>Cumulative expenditure up to 31.3.18 (Rs. in lakhs)</i>	<i>Amount spent Direct or through implementing agency</i>	<i>Whether qualified as per Sch VII Of Co's Act.</i>
1	Administrative support to Schools	Promoting Education	Gujarat/ Dist- Kutch Anjar	--	24.25	24.25	Through implementing agency	YES
2	Skill Centre development	Development of Vocational Skill	Gujarat/ Dist- Kutch/ Anjar	--	0.94	0.94	Through implementing agency	YES
			TOTAL		25.20	25.20		

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

Sd/-
Ram Gopal Sharma
Director
DIN - 00026514

Sd/-
S. Krishnan
Director
DIN: 06829167

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) Sale of goods					
Welspun Tubular LLC (Fellow subsidiary)	Ongoing	Based on transfer pricing guidelines	28.04.2017	Nil	12,011.21
2) Interest Income					
Welspun Middle East DMCC (Subsidiary)	3 Years (Closed)	Based on transfer pricing guidelines	09.08.2012	Nil	1.65
3) Purchase of goods and services					
Welspun Corp Limited (Holding)	Ongoing	Based on transfer pricing guidelines	06.08.2014	Nil	20,517.59
Welspun Wasco Coatings Private Limited	Ongoing	Based on transfer pricing guidelines	28.04.2017	Nil	1,307.17
4) Rent paid					
Welspun Realty Limited (Other Related Party)	3 Years	Based on transfer pricing guidelines	03.05.2016	Nil	4.57
MGN Agro Properties Private Limited (Earlier Welspun Fintrade Private Limited which got merged in to MAPL)	3 Years	Based on transfer pricing guidelines	03.05.2016	Nil	0.04
5) Corporate Social	Ongoing	Contribution under section 135	26.07.2017	Nil	2.52

responsibility expenditure Welspun Foundation For Health & Knowledge		of the Companies Act, 2013			
6) Commission on Sales Welspun Middle East DMCC	Ongoing	Based on transfer pricing guidelines	01.11.2012	Nil	10.87
Welspun Global Trade LLC	Ongoing	Based on transfer pricing guidelines	28.04.2017	Nil	97.65
7) Repayment of Loan Welspun Middle East DMCC	3 Years (Closed)	Based on transfer pricing guidelines	09.08.2012	Nil	136.41
8) Reimbursement of expenses Welspun Corp Limited	Ongoing	Based on transfer pricing guidelines	28.04.2017	Nil	53.40

Sd/-
Ram Gopal Sharma
Director
DIN - 00026514

Sd/-
S. Krishnan
Director
DIN: 06829167

Form No. MGT - 9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2018

[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 (NIC code 2004: 51909 (Other wholesale n.e.c.), 100% 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 Group ²									
1	Indian									
(a)	Individuals/ Hindu Undivided Family	-	-	-	-	-	-	-	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	50,13,396	1	50,13,396	100.00	50,13,396	1	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	7	50,13,402	100.00	50,13,396	7	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				

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
1								
2								
3								
4				Not Applicable				
5								
5								
6								
7								
8								
9								
10								

iv. 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	S. Krishnan (Whole-time Director)	-	-	-	-	-	-	-
5	Revathy Ashok	-	-	-	-	-	-	-
Key Managerial Personnel								
6	Pradeep Joshi-CS (as nominee of Welspun Corp Limited)	1	-	-	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	Nil	Nil	Nil	Nil
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	Nil	Nil	Nil	Nil
change in indebtedness during the financial year.				
• Addition	-	-	-	-
• Reduction	-	-	-	-
Net change	Nil	Nil	Nil	Nil
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)	Nil	Nil	Nil	Nil

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 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	Nil
3	Sweat equity	Nil
4	Commission - As % of profit	Nil
	Commission - 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

Sr. No.	Particulars of Remuneration	Name of Directors				Total amount
		RGS	KHV	RKJ	RA	
	1. Independent Directors <ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 	335,000	347,000	333,000	142,000	1,157,000
	Total (1)	335,000	347,000	333,000	142,000	1,157,000
	2. Other Non-Executive Directors <ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 	-				
		Nil				
	Total (2)	Nil				
	Total (B) = (1 + 2)					1,157,000
	Total Managerial Remuneration					1,157,000
	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 <ul style="list-style-type: none"> 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 	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission <ul style="list-style-type: none"> - 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.

Welspun Tradings Limited
Financial statements - March 31, 2018

Financial statements

- Balance sheet as at March 31, 2018
- Statement of profit and loss for the year ended March 31, 2018
- Statement of changes in equity for the year ended March 31, 2018
- Statement of cash flows for the year ended March 31, 2018
- Notes comprising significant accounting policies and other explanatory information

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

To the Members of Welspun Tradings Limited

Report on the Indian Accounting Standards (Ind AS) Financial Statements

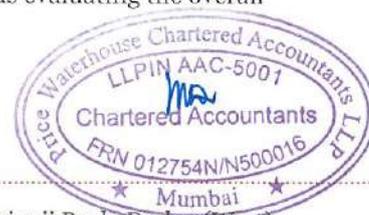
1. We have audited the accompanying financial statements of Welspun Tradings Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS 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 and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the Ind AS financial statements 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 Ind AS 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 Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. 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 Ind AS financial statements.



Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West)

Mumbai - 400 028

T: +91 (22) 66691500, F: +91 (22) 66547804 / 07

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
Page 2 of 3

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (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 B a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT
To the Members of Welspun Tradings Limited
Report on the Financial Statements
Page 3 of 3

- (g) With respect to the other matters to be included in the Auditors' 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, if any, of pending litigations as at March 31, 2018 on its financial position in its Ind AS financial statements - Refer note 35.
 - ii. The Company has long-term contracts as at March 31, 2018 for which there were no material foreseeable losses. The Company does not have any long-term derivative contracts as at March 31, 2018.
 - 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, 2018.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Mehul Desai
Partner
Membership Number: 103211

Place: Mumbai
Date: April 25, 2018

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) 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, 2018

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Welspun Tradings Limited (the "Company") as of March 31, 2018, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) 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, 2018

Page 2 of 2

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Mehul Desai
Partner
Membership No. 103211

Place: Mumbai
Date: April 25, 2018

Welspun Tradings Limited

Balance Sheet

(All amounts in Rupees million, unless otherwise stated)

	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	3	1.33	1.72
Intangible assets	4	-	-
Equity investment in subsidiary	5	3.36	3.36
Financial assets			
Other financial assets	6(a)	0.09	0.09
Deferred tax assets (net)	7	4.00	-
Other non-current assets	8(a)	3.04	84.05
Total non-current assets		11.82	89.22
Current assets			
Inventories	9	390.58	373.45
Financial assets			
Investments	10	83.03	50.01
Trade receivables	11	4,178.80	6,364.40
Cash and cash equivalents	12	452.80	498.57
Bank balances other than cash and cash equivalents	13	18.41	44.02
Loans	14	0.27	136.61
Other financial assets	6(b)	-	56.44
Current tax assets (net)	15	1.06	1.42
Other current assets	8(b)	353.38	755.71
Total current assets		5,476.33	8,281.23
Total assets		5,488.15	8,370.45
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16(a)	50.13	50.13
Other equity			
Reserves and surplus	16(b)	759.97	641.29
Other reserves	16(c)	-	36.90
Total equity		810.10	728.32
Liabilities			
Non-current liabilities			
Provisions	17(a)	0.39	0.65
Deferred tax liabilities (net)	18	-	15.52
Total non-current liabilities		0.39	16.17
Current liabilities			
Financial liabilities			
Trade payables	19	3,897.15	7,619.83
Provisions	17(b)	2.96	2.70
Other current liabilities	20	777.55	3.43
Total current liabilities		4,677.66	7,625.96
Total liabilities		4,678.05	7,642.13
Total equity and liabilities		5,488.15	8,370.45

The above balance sheet should be read in conjunction with the accompanying notes.

This is the balance sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No: 012754N / N500016



Mehul Desai

Partner

Membership No. 103211

For and on behalf of the Board



S. Krishnan

Whole Time Director

DIN: 06829167



Rajkumar Jain

Director

DIN: 00026544




Pradeep Joshi

Company Secretary

FCS-4959

Place: Mumbai

Date: April 25, 2018

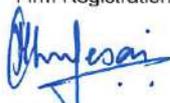
Welspun Tradings Limited
Statement of profit and loss
(All amounts in Rupees million, unless otherwise stated)

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Revenue from operations	21 (a)	23,588.52	19,894.08
Other operating revenue	21 (b)	-	3.97
Other income	22	70.31	194.29
Total income		23,658.83	20,092.34
Expenses			
Purchases of stock-in-trade	23	21,824.76	18,318.14
Changes in inventories of stock-in-trade	24	(17.13)	(373.45)
Employee benefit expense	25	63.27	50.97
Depreciation and amortisation expense	26	0.42	0.45
Other expenses	27	1,572.32	1,887.75
Finance costs	28	33.05	70.38
Total expenses		23,476.69	19,954.24
Profit before tax		182.14	138.10
Income tax expense			
Current tax	29(a)	63.43	50.66
Deferred tax	29(b)	0.02	(2.38)
Total income tax expense		63.45	48.28
Profit for the year (A)		118.69	89.82
Other comprehensive income			
Items that may be reclassified to profit or loss	16(c)		
Deferred gains/ (losses) on cash flow hedges (net)		(56.43)	86.05
Income tax relating to this item		19.53	(29.78)
		(36.90)	56.27
Items that will not be reclassified to profit or loss	16(b)		
Remeasurements of post employment benefit obligations		(0.02)	(0.80)
Income tax relating to this item		0.01	0.28
		(0.01)	(0.52)
Other comprehensive (loss)/ income for the year, net of tax (B)		(36.91)	55.75
Total comprehensive income for the year (A+B)		81.78	145.57
Earnings per equity share:			
Basic and diluted earnings per share (in Rupees)	37	23.67	17.92

The above statement of profit and loss should be read in conjunction with the accompanying notes.

This is the statement of profit and loss referred to in our report of even date.

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



Mehul Desai
Partner
Membership No. 103211

For and on behalf of the Board



S. Krishnan
Whole Time Director
DIN: 06829167



Rajkumar Jain
Director
DIN: 00026544



Pradeep Joshi
Company Secretary
FCS-4959

Place: Mumbai
Date: April 25, 2018



Welspun Tradings Limited
Statement of changes in equity
(All amounts in Rupees million, unless otherwise stated)

A. Equity share capital

Particulars	Notes	Amount
Balance as at April 01, 2016		50.13
Changes in equity share capital during the year	16(a)	-
Balance as at March 31, 2017		50.13
Changes in equity share capital during the year	16(a)	-
Balance as at March 31, 2018		50.13

B. Other equity

	Reserves and surplus	Other reserves	Total
	Retained earnings	Cash flow hedging reserve	
As at April 01, 2016	551.99	(19.37)	532.62
Profit for the year	89.82	-	89.82
Other comprehensive income/ (loss)	(0.52)	56.27	55.75
Total comprehensive income for the year	89.30	56.27	145.57
Balance as at March 31, 2017	641.29	36.90	678.19
Profit for the year	118.69	-	118.69
Other comprehensive loss	(0.01)	(36.90)	(36.91)
Total comprehensive income/ (loss) for the year	118.68	(36.90)	81.78
Balance as at March 31, 2018	759.97	-	759.97

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is the statement of changes in equity referred to in our report of even date.

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



Mehul Desai
 Partner
 Membership No. 103211

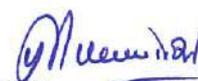
For and on behalf of the Board



S. Krishnan
 Whole Time Director
 DIN: 06829167



Rajkumar Jain
 Director
 DIN: 00026544



Pradeep Joshi
 Company Secretary
 FCS-4959

Place: Mumbai
 Date: April 25, 2018



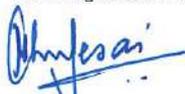
Welspun Tradings Limited
Statement of cash flows
(All amounts in Rupees million, unless otherwise stated)

	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flow used in operating activities		
Profit before tax	182.14	138.10
Adjustments for:		
Depreciation and amortisation expense	0.42	0.45
Interest expense	-	12.83
Interest income	(7.42)	(175.77)
Profit on sale of investments (net)	(16.65)	(6.94)
Bad and doubtful debts	2.35	4.72
Net exchange differences (unrealised)	23.80	63.08
Fair valuation gain on investments (net)	(0.45)	-
Total	184.19	36.47
Changes in operating assets and liabilities		
Decrease in other non-current financial assets	-	2.00
(Increase)/ decrease in other current financial assets	-	(271.77)
Decrease in other non current assets	81.01	103.62
Decrease/ (increase) in other current assets	402.35	1,365.01
Decrease/ (increase) in inventories	(17.13)	(373.45)
(Increase)/ decrease in trade receivables	2,183.27	(6,165.41)
Increase in non-current provisions	(0.28)	1.16
(Decrease)/ increase in current provisions	0.26	(0.02)
Increase/ (decrease) in trade payables	(3,746.48)	6,910.08
(Decrease)/ increase in other current liabilities	774.11	(2,757.85)
Cash used in operations	(138.70)	(1,150.16)
Income taxes paid	(63.07)	(61.57)
Net cash outflow from operating activities (A)	(201.77)	(1,211.73)
Cash flow from investing activities		
Payments for property, plant and equipment	(0.03)	(0.02)
Interest received	15.91	175.77
Repayment of loan by subsidiary and employees (net)	129.85	0.09
Sale / (purchase) of current investments (net)	(15.92)	137.16
Proceeds from maturity of fixed deposits (net)	26.20	3,287.39
Net cash inflow from investing activities (B)	156.01	3,600.39
Cash flow used in financing activities		
Interest paid	-	(12.83)
Repayment of borrowings	-	(1,892.50)
Net cash outflow from financing activities (C)	-	(1,905.33)
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(45.76)	483.33
Cash and cash equivalents at the beginning of the financial year	498.57	15.24
Cash and cash equivalents at the end of the year	452.81	498.57
Net (decrease)/ increase in cash and cash equivalents	(45.76)	483.33

The above statement of cash flows should be read in conjunction with the accompanying notes.

This is the statement of cash flows referred to in our report of even date.

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



Mehul Desai
 Partner
 Membership No. 103211

For and on behalf of the Board



S. Krishnan
 Whole Time Director
 DIN: 06829167



Rajkumar Jain
 Director
 DIN: 00026544



Pradeep Joshi
 Company Secretary
 FCS-4959

Place: Mumbai
 Date: April 25, 2018



Welspun Tradings Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018

Background

Welspun Tradings Limited (the "Company") is a Company limited by shares incorporated on May 09, 2001 and domiciled in India under the Companies Act, 2013. Its registered office and principal place of business is located at Welspun City, Village Versamedi, Taluka Anjar, Anjar, Gujarat, GJ 370110, India. The Company is a wholly owned subsidiary of Welspun Corp Limited and is engaged in the business of trading and marketing of steel pipes and coils.

These financial statements are presented in rupees and are authorised for issue by the directors on April 25, 2018.

Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on an accrual and going concern basis. The financial statements have been prepared on a historical cost basis, except for the following items:

Items	Measurement Basis
Certain financial assets and liabilities (including derivatives instruments)	Fair Value
Share based payment arrangements	Fair Value
Net defined benefit (asset)/ liability	Fair Value of plan assets less present value of defined benefit obligations

(b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company assesses the financial performance and position of the Company, and makes strategic decisions. The chief operating decision maker is the plant head of the Company.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The financial statements are presented in Indian rupee, which is the functional and presentation currency of the Company.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Foreign exchange differences regarded as on adjustments to borrowing costs are presented in the settlement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income/ other expenses as applicable.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

The Company has elected to apply the exemption in respect of accounting policy followed for long term foreign currency monetary items. Accordingly, long term foreign currency monetary items in the books till the period ended March 31, 2016 have been accounted for as per the policy adopted under previous GAAP as given below.

Foreign exchange differences on account of depreciable assets are adjusted in the cost of depreciable assets and depreciated over the balance life of the assets.

(d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added tax, good and service tax (GST) and amounts collected on behalf of third parties.

The Company recognizes revenue from sale of goods when:

- the Company has transferred to the buyer the significant risk and reward of ownership of goods;
 - the Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold;
 - the amount of revenue can be reliably measured; and
 - it is probable that future economic benefits associated with the transaction will flow to the Company.
- (e) the cost incurred or to be incurred in respect of the transaction can be measured reliably.



Welspun Tradings Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018

(e) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(f) Leases

As a lessee:

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(g) Impairment of assets

All assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(h) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet, if any.

(i) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(j) Inventories

Traded goods are stated at the lower of cost and net realisable value. Cost of traded goods comprises cost of purchases. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. 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.

(k) Investments and other financial assets

(l) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at (either through comprehensive income, or through profit or loss); and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

For investments in debt instruments, this will depend on the business model in which the investment is held.

For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.



Welspun Tradings Limited

**Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018**

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

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

- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income/ other expenses as applicable. Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income/ other expenses as applicable in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 32 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

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

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

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

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividend income

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.



Welspun Tradings Limited

**Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018**

(l) Derivatives and hedging activities

In order to hedge its exposure to foreign exchange, the Company enters into forward contract financial instruments. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated. The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions (cash flow hedges).

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

(i) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other income/ other expenses (as applicable).

When forward contracts are used to hedge forecast transactions, the Company generally designates the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place).

When the hedged forecast transaction results in the recognition of a non-financial asset the amounts accumulated in equity are transferred to profit or loss as follows. With respect to gain or loss relating to the effective portion of the change in fair value of forward contracts, the deferred hedging gains and losses are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss within other income/ other expense (as applicable).

(ii) Derivatives that are not designated as hedges

The Company enters into derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss.

(m) Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods and estimated useful lives

Depreciation is calculated using straight-line method over the estimated useful life of the assets as given below. These estimated useful lives are in accordance with those prescribed under Schedule II to the Companies Act, 2013 which is as stated below:

Assets	Estimated Useful Life
Computers	3 years
Office and other equipments	3 years
Vehicles	8 years
Furniture and fixtures	10 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/ other expense (as applicable).

(n) 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 life. Intangible assets comprise of computer software which is amortised on a straight-line basis over its expected useful life.

Assets	Estimated Useful Life
Computer Software	5 years



Welspun Tradings Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018

(o) Trade and other payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 to 180 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income.

(q) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(r) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

(s) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current provision in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as provisions in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund and employee's pension scheme.
- superannuation funds

Defined Benefit Plans

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method.

The present value of the defined benefit obligation denominated in rupees million is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.



Welspun Tradings Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018

Defined contribution plans

(a) Provident fund and employee pension scheme

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

(b) Superannuation fund

The Company contributes on a defined contribution basis to superannuation towards post employment benefits, which is administered by SBI Life Insurance Corporation (LIC) administered superannuation fund and has no further obligation beyond making its contribution, which is expensed in the year to which it pertains.

(t) Contributed equity

Equity shares are classified as equity.

(u) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(v) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the rupees million as per the requirement of Schedule III (Division II), unless otherwise stated.

Note 2: Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

1. Useful life of property, plant and equipment and intangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life, considering useful life as per Companies Act 2013. Increasing an asset's expected life would result in a reduced depreciation charge in the income statement.

The useful lives of the Company's assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

Historically, changes in useful lives have not resulted in material changes to the Company's depreciation charge.

2. Actuarial valuation

Employee benefits requires that certain assumptions are made in order to determine the amount to be recorded for retirement benefit obligations and plan assets, in particular for defined benefit plans. These are mainly actuarial assumptions such as expected long-term increase in salary costs and discount rates. Substantial changes in the assumed development of any one of these variables may significantly change the Company's retirement benefit obligation and pension assets.



Welspun Tradings Limited

Notes annexed to and forming part of the balance sheet as at March 31, 2018

and the statement of profit and loss for the year ended March 31, 2018

*(All amounts in Rupees million, unless otherwise stated)***Note 3: Property, plant and equipment**

	Computers	Office and other equipments	Vehicles	Furniture and fixtures	Total
Year ended March 31, 2017					
Gross carrying amount					
Opening gross carrying amount as at April 01, 2016	0.02	0.14	2.40	0.05	2.61
Additions	-	0.02	-	-	0.02
Closing gross carrying amount as at March 31, 2017	0.02	0.16	2.40	0.05	2.63
Accumulated depreciation					
Opening accumulated depreciation as at April 01, 2016	0.02	0.06	0.38	0.01	0.47
Depreciation charge during the year	-	0.05	0.38	0.01	0.44
Closing accumulated depreciation as at March 31, 2017	0.02	0.11	0.76	0.02	0.91
Net carrying amount as at March 31, 2017	-	0.05	1.64	0.03	1.72
Year ended March 31, 2018					
Gross carrying amount					
Opening gross carrying amount as at April 01, 2017	0.02	0.16	2.40	0.05	2.63
Additions	-	0.03	-	-	0.03
Disposals	-	- *	-	-	-
Closing gross carrying amount as at March 31, 2018	0.02	0.19	2.40	0.05	2.66
Accumulated depreciation					
Opening accumulated depreciation as at April 01, 2017	0.02	0.11	0.76	0.02	0.91
Depreciation charge during the year	-	0.03	0.38	0.01	0.42
Disposals	-	- *	-	-	-
Closing accumulated depreciation as at March 31, 2018	0.02	0.14	1.14	0.03	1.33
Net carrying amount as at March 31, 2018	-	0.05	1.26	0.02	1.33

* Amount is below the rounding norms adopted by the Company



Welspun Tradings Limited

**Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018**

(All amounts in Rupees million, unless otherwise stated)

Note 4: Intangible assets

	Computer software	Total
Year ended March 31, 2017		
Gross carrying amount		
Opening gross carrying amount as at April 01, 2016	0.02	0.02
Closing gross carrying amount as at March 31, 2017	0.02	0.02
Accumulated amortisation		
Opening accumulated amortisation as at April 01, 2016	0.01	0.01
Amortisation charge for the year	0.01	0.01
Closing accumulated amortisation as at March 31, 2017	0.02	0.02
Net carrying amount as at March 31, 2017	-	-
Year ended March 31, 2018		
Gross carrying amount		
Opening gross carrying amount as at April 01, 2017	-	-
Closing gross carrying amount as at March 31, 2018	-	-
Accumulated amortisation		
Opening accumulated amortisation as at April 01, 2017	-	-
Closing accumulated amortisation as at March 31, 2018	-	-
Net carrying amount as at March 31, 2018	-	-



Welspun Tradings Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018
(All amounts in Rupees million, unless otherwise stated)

Note 5: Equity investment in subsidiary (refer note 34)

	As at March 31, 2018	As at March 31, 2017
Investment in equity instruments of wholly owned subsidiary (fully paid-up)		
Unquoted		
Welspun Middle East DMCC		
200 (March 31, 2017: 200) equity shares of AED 1,000 each (refer note below)	3.36	3.36
Total equity investment in subsidiary	3.36	3.36
Aggregate amount of unquoted investments	3.36	3.36

Note - Interest in other entity:

The Company's subsidiary at March 31, 2018 is set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Company, and the proportion of ownership interests held equals the voting rights held by the Company. The country of incorporation or registration is also their principal place of business.

	Welspun Middle East DMCC
Place of business and country of incorporation	Dubai- United Arab Emirates
Ownership interest held by the Company	
March 31, 2018	100%
March 31, 2017	100%
Principal activities	Commission income

Note 6: Other financial assets

	As at March 31, 2018	As at March 31, 2017
6(a) Non-current		
Security deposits		
Related parties (refer note 34)	0.01	0.01
Others	0.08	0.08
Total non-current other financial assets	0.09	0.09
6(b) Current		
Derivatives		
Foreign exchange forward contracts, designated as hedges	-	56.44
Total current other financial assets	-	56.44
Total other financial assets	0.09	56.53



Welspun Tradings Limited

Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018
(All amounts in Rupees million, unless otherwise stated)

Note 7: Deferred tax assets (net)

	As at March 31, 2018	As at March 31, 2017
The balance comprises temporary differences attributable to:		
Deferred tax asset		
Gratuity and leave obligations	1.72	-
Allowance for doubtful debts and advances	2.35	-
Property, plant and equipment	0.09	-
	<u>4.16</u>	<u>-</u>
Set-off of deferred tax liabilities pursuant to set-off provisions		
Deferred tax liability		
Fair valuation on investment	0.16	-
	<u>0.16</u>	<u>-</u>
Total deferred tax assets (net)	<u>4.00</u>	<u>-</u>
For movement in deferred tax assets (net) (refer note 18)		

Note 8: Other assets

	As at March 31, 2018	As at March 31, 2017
8(a) Non-current		
Balance with statutory authorities	9.66	84.05
Less: Allowance for doubtful advances	(6.62)	-
Total other non-current assets	<u>3.04</u>	<u>84.05</u>
8(b) Current		
Balance with statutory authorities	324.44	753.17
Less: Allowance for doubtful advances	-	(6.62)
	<u>324.44</u>	<u>746.55</u>
Prepaid expenses	28.12	8.05
Advances to employees	0.57	0.80
Advances to suppliers	0.25	0.31
Total other current assets	<u>353.38</u>	<u>755.71</u>
Total other assets	<u>356.42</u>	<u>839.76</u>

Note 9: Inventories

	As at March 31, 2018	As at March 31, 2017
Traded goods	390.58	373.45
Total inventories	<u>390.58</u>	<u>373.45</u>



Welspun Tradings Limited

Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018

(All amounts in Rupees million, unless otherwise stated)

Note 10: Investments

	As at March 31, 2018	As at March 31, 2017
Investment in mutual funds		
Investment carried at fair value through profit and loss		
Unquoted:		
Nil (March 31, 2017: 26,851) units of Baroda Pioneer Liquid Fund - Plan A Growth	-	50.01
17,851 (March 31, 2017: Nil) units of Invesco India Liquid Fund - Growth	42.55	-
11,712 (March 31, 2017: Nil) units of Invesco Medium Term Bond Fund - Direct Plan Growth	21.31	-
7,994 (March 31, 2017: Nil) units of Invesco India Ultra Short Term Fund - Growth	19.17	-
Total current investments	83.03	50.01
Aggregate amount of unquoted investments	83.03	50.01

Note 11: Trade receivables

	As at March 31, 2018	As at March 31, 2017
Trade receivables from others	4,178.96	1,210.24
Trade receivables from related parties (refer note 34)	-	5,154.20
Less: Allowance for doubtful debts	0.16	0.04
Total receivables	4,178.80	6,364.40
Current	4,178.80	6,364.40
Break up of security details		
Unsecured, considered good	4,178.80	6,364.40
Doubtful	0.16	0.04
Total	4,178.96	6,364.44
Allowance for doubtful debts	0.16	0.04
Total trade receivables	4,178.80	6,364.40

Note 12: Cash and cash equivalents

	As at March 31, 2018	As at March 31, 2017
Balances with banks		
in current accounts	452.80	18.08
Deposits with maturity of less than three months	-	480.45
Cash on hand	-	0.04
Total cash and cash equivalents	452.80	498.57

Note 13: Bank balances other than cash and cash equivalents

	As at March 31, 2018	As at March 31, 2017
Deposits with original maturity of more than three months but less than twelve months (including interest accrued)	16.41	44.62
Total bank balances other than cash and cash equivalents	16.41	44.62



Welspun Tradings Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018
(All amounts in Rupees million, unless otherwise stated)

Note 14: Loans

	As at March 31, 2018	As at March 31, 2017
Unsecured, considered good		
Loans to wholly owned subsidiary (including interest) (refer note below and note 34)	-	136.41
Loans to employees	0.27	0.20
Total current loans	0.27	136.61

Note:

The loan pertains to Welspun Middle East DMCC, wholly owned subsidiary of the Company. The interest rate is 5% per annum. The loan has been paid during the year ended March 31, 2018.

Note 15: Current tax assets/ (liabilities) (net)

	As at March 31, 2018	As at March 31, 2017
Opening balance	1.42	(9.49)
Less: Current tax payable for the year	(63.43)	(50.66)
Less: Refund received	-	(1.39)
Add: Taxes paid (including tax deducted at source)	63.07	62.96
Closing balance	1.06	1.42

Note:

It is not practicable for the Company to estimate the timings of cashflows, if any, in respect of above (liabilities)/ assets.



Welspun Tradings Limited

Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018

(All amounts in Rupees million, unless otherwise stated)

Note 16: Equity share capital and other equity**16(a): Equity share capital**

Authorised equity share capital

	Number of shares	Amount
As at April 01, 2016	5,050,000	50.50
Movement during the year	-	-
As at March 31, 2017	5,050,000	50.50
Movement during the year	-	-
As at March 31, 2018	5,050,000	50.50

(i) Movements in equity share capital

	Number of shares	Amount
As at April 01, 2016	5,013,402	50.13
Movement during the year	-	-
As at March 31, 2017	5,013,402	50.13
Movement during the year	-	-
As at March 31, 2018	5,013,402	50.13

Terms and rights attached to equity shares

Equity shares have a par value of Rs. 10 each. They entitle the holder to participate in dividends, and to share in the proceeds of winding up of the Company in proportion to the number of and amounts paid on the shares held.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote

(ii) Shares of the Company held by holding company

	As at March 31, 2018		As at March 31, 2017	
	Number of shares	% holding	Number of shares	% holding
Welspun Corp Limited, including nominees	5,013,402	100%	5,013,402	100%

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

	As at March 31, 2018		As at March 31, 2017	
	Number of shares	% holding	Number of shares	% holding
Welspun Corp Limited (the 'holding company'), including nominees	5,013,402	100%	5,013,402	100%



Welspun Tradings Limited

**Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018**
(All amounts in Rupees million, unless otherwise stated)

Note 16: Equity share capital and other equity (Contd...)

16(b): Reserves and surplus

	As at March 31, 2018	As at March 31, 2017
Retained earnings (refer note below)	759.97	641.29
Total reserves and surplus	759.97	641.29

Note - Retained earnings:

	As at March 31, 2018	As at March 31, 2017
Opening balance	641.29	551.99
Profit for the year	118.69	89.82
Item of other comprehensive income recognised directly in retained earnings Remeasurements of post employment benefit obligations, net of tax	(0.01)	(0.52)
Closing balance	759.97	641.29

16(c): Other reserves

	As at March 31, 2018	As at March 31, 2017
Cash flow hedging reserve (refer note below)	-	36.90
Total other reserves	-	36.90

Note - Cash flow hedging reserve:

	As at March 31, 2018	As at March 31, 2017
Opening balance	36.90	(19.37)
Add: Gain recognised in cash flow hedging reserve during the year (net)	16.60	88.35
Less: Gain transferred to the statement of profit and loss	(73.03)	(2.30)
Income tax on amount recognised in cash flow hedging reserve	19.53	(29.78)
Closing Balance	-	36.90

Cash flow hedging reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flows reserve will be reclassified to statement of profit and loss only when the hedged transaction affects the profit or loss or included as a basis adjustment to the non-financial hedged item.



Welspun Tradings Limited

Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018

(All amounts in Rupees million, unless otherwise stated)

Note 17: Provisions

	As at March 31, 2018	As at March 31, 2017
17(a) Non-current		
Gratuity (Refer notes (i) to (vi) below)	0.39	0.65
Total non-current provisions	0.39	0.65
17(b) Current		
Leave obligations (Refer note (vii) below)	2.96	2.62
Gratuity (Refer notes (i) to (vi) below)	-	0.08
Total current provisions	2.96	2.70
Total provisions	3.35	3.35

(i) Post-employment obligations - Gratuity

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. The plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen day wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. This defined benefit plans exposes the Company to actuarial risks, such as interest rate risk and market (investment) risk.

(ii) Balance sheet amounts - Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligations over the year are as follows:

	Present value of obligation	Fair value of plan assets	Net amount
April 01, 2016	3.81	(4.48)	(0.67)
Current service cost	0.65	-	0.65
Interest expense/ (income)	0.31	(0.36)	(0.05)
Total amount recognised in profit or loss	0.96	(0.36)	0.60
Remeasurements			
Experience (gains)/ losses	0.57	(0.07)	0.50
Loss from change in financial assumptions	0.30	-	0.30
Total amount recognised in other comprehensive income	0.87	(0.07)	0.80
Benefit payments	(0.17)	0.17	-
March 31, 2017	5.47	(4.74)	0.73
	Present value of obligation	Fair value of plan assets	Net amount
April 01, 2017	5.47	(4.74)	0.73
Current service cost	0.78	-	0.78
Interest expense/ (income)	0.41	(0.35)	0.06
Total amount recognised in profit or loss	1.19	(0.35)	0.84
Remeasurements			
Experience (gains)/ losses	(0.05)	0.06	0.01
Loss from change in financial assumptions	0.01	-	0.01
Total amount recognised in other comprehensive income	(0.04)	0.06	0.02
Employer contribution	-	(1.20)	(1.20)
Benefit payments	(1.20)	1.20	-
March 31, 2018	5.42	(5.03)	0.39

The net liability disclosed above relating to funded and unfunded plans are as follows:

	March 31, 2018	March 31, 2017
Present value of funded obligations	5.42	5.47
Fair value of plan assets	(5.03)	(4.74)
Deficit/ (excess) of funded plan	0.39	0.73
Non-current	0.39	0.65
Current	-	0.08

(iii) Significant actuarial assumptions are as follows:

	March 31, 2018	March 31, 2017
Discount rate	7.81%	7.55%
Salary growth rate	6.00%	6.00%



Welspun Tradings Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018

(All amounts in Rupees million, unless otherwise stated)

Note 17: Provisions (Contd...)

(iv) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Assumptions	Impact on defined benefit obligation							
	Change in assumption (%)		Increase in assumption (Rs.)				Decrease in assumption (Rs.)	
	March 31, 2018	March 31, 2017		March 31, 2018	March 31, 2017		March 31, 2018	March 31, 2017
Discount rate	0.50%	1.00%	Decrease by	0.03	0.06	Increase by	0.03	0.06
Salary growth rate	0.50%	1.00%	Increase by	0.02	0.05	Decrease by	0.02	0.05

(v) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which is asset volatility. The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The plan assets are invested by the company in Kotak Group Gratuity Fund managed by Kotak Life Insurance. The Company intends to maintain this investment in the continuing years.

(vi) Defined benefit liability and employer contributions

Expected contribution to post-employment benefit plans for the year ended March 31, 2019 is Rs. 0.96 (March 31, 2018: Rs. 1.62).

The weighted average duration of the defined benefit obligation is 5 years (2018 - 5 years). The expected maturity analysis of undiscounted gratuity benefits is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Total
March 31, 2018	0.13	0.16	0.58	0.87
March 31, 2017	0.11	0.31	1.04	1.46

(vii) Leave obligations

The leave obligations cover the Company's liability for earned leave.



Welspun Tradings Limited

Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018
(All amounts in Rupees million, unless otherwise stated)

Note 18: Deferred tax liabilities (net)

As at
March 31, 2018 As at
March 31, 2017

The balance comprises temporary differences attributable to:

Deferred tax liabilities

Cash flow hedging reserve	-	19.53
Fair valuation on investment	-	0.08
	-	19.61

Set-off of deferred tax assets pursuant to set-off provisions

Deferred tax asset

Property, plant and equipment	-	0.10
Gratuity and leave obligations	-	1.71
Allowance for doubtful debts and advances	-	2.28
	-	4.09

Net deferred tax liabilities (net)

- 15.52

Movement in deferred tax liabilities and deferred tax assets:

	Deferred tax liabilities			Deferred tax assets				Net deferred tax liabilities/ (assets)
	Cash flow hedging reserve	Fair valuation on investment	Total deferred tax liabilities/ (assets)	Property, plant and equipment	Gratuity and leave obligations	Allowance for doubtful debts and advances	Total deferred tax assets	
As at April 01, 2016	(10.25)	0.08	(10.17)	-	0.76	0.67	1.43	(11.60)
Charged/ (Credited) to profit and loss	-	-	-	0.10	0.67	1.61	2.38	(2.38)
to other comprehensive income	29.78	-	29.78	-	0.28	-	0.28	29.50
As at March 31, 2017	19.53	0.08	19.61	0.10	1.71	2.28	4.09	15.52
Charged/ (Credited) to profit and loss	-	0.08	0.08	(0.01)	(0.00)	0.07	0.06	0.02
to other comprehensive income	(19.53)	-	(19.53)		0.01	-	0.01	(19.54)
As at March 31, 2018	-	0.16	0.16	0.09	1.72	2.35	4.16	(4.00)

Note 19: Trade payables (refer note 38)

As at
March 31, 2018 As at
March 31, 2017

Trade payables to others	56.85	191.87
Trade payables to related parties (refer note 34)	3,840.30	7,427.96
Total trade payables	3,897.15	7,619.83

Note 20: Other current liabilities

As at
March 31, 2018 As at
March 31, 2017

Trade Advances		
From Related parties (refer note 34)	579.82	-
Others	191.26	0.31
Statutory dues including provident fund and tax deducted at source	5.90	2.83
Employee dues payable	0.57	0.29
Total other current liabilities	777.55	3.43



Welspun Tradings Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018
(All amounts in Rupees million, unless otherwise stated)

Note 21 (a): Revenue from operations	Year ended March 31, 2018	Year ended March 31, 2017
Sale of products	23,588.52	19,894.08
Total revenue from operations	23,588.52	19,894.08

Note 21 (b): Other operating revenue	Year ended March 31, 2018	Year ended March 31, 2017
Other operating revenue	-	3.97
Total revenue from operations	-	3.97

Note 22: Other income	Year ended March 31, 2018	Year ended March 31, 2017
Interest income on:		
Fixed deposits	5.77	161.78
Loan given to subsidiary (refer note 34)	1.65	6.67
Others	-	7.32
Profit on sale of investments (net)	16.65	6.94
Fair valuation gain on investments (net)	0.45	-
Exchange difference (net)	44.87	-
Miscellaneous income	0.92	11.58
Total other income	70.31	194.29

Note 23: Purchases of stock-in-trade	Year ended March 31, 2018	Year ended March 31, 2017
Purchases of stock-in-trade	21,824.76	18,318.14
Total purchases of stock-in-trade	21,824.76	18,318.14

Note 24: Changes in inventories of stock-in-trade	Year ended March 31, 2018	Year ended March 31, 2017
Opening balance		
Traded goods	373.45	-
Total opening balance	373.45	-
Closing Balance		
Traded goods	390.58	373.45
Total closing balance	390.58	373.45
Total changes in inventories of stock-in-trade	(17.13)	(373.45)

Note 25: Employee benefit expense	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, wages and bonus	58.85	46.92
Contribution to provident and other funds (refer note below)	3.42	3.25
Gratuity expenses	0.84	0.60
Staff welfare expenses	0.16	0.20
Total employee benefit expense	63.27	50.97

Note:

Defined contribution plans:

- a. Employers' contribution to Provident Fund and Employee's Pension Scheme, 1995
- b. Superannuation fund

During the year, the Company has incurred and recognised the following amounts in the statement of profit and loss:

	Year Ended March 31, 2018	Year Ended March 31, 2017
Employers' Contribution to Provident Fund and Employee's Pension Scheme	3.23	2.91
Superannuation fund	0.19	0.34
Total expenses recognised in the statement of profit and loss	3.42	3.25



Welspun Tradings Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018
(All amounts in Rupees million, unless otherwise stated)

Note 26: Depreciation and amortisation expense (refer notes 3 and 4)

	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation of property, plant and equipment	0.42	0.44
Amortisation of intangible assets	-	0.01
Total depreciation and amortisation expense	0.42	0.45

Note 27: Other expenses

	Year ended March 31, 2018	Year ended March 31, 2017
Coating and other job charges	8.72	35.96
Freight, material handling and transportation	1,366.54	1,312.08
Rental charges (refer note (iii) below and note 34)	4.07	4.51
Rates and taxes	0.95	1.71
Travel and conveyance	11.00	9.28
Communication expenses	0.39	0.56
Professional and consultancy fees	11.24	6.55
Insurance	0.72	0.72
Directors' sitting fees (refer note 34)	1.20	1.18
Membership and subscription	0.47	0.50
Exchange differences (net)	-	111.10
Payment to auditors (refer note (i) below)	2.70	2.30
Commission on sales to agents	158.24	388.23
Allowance for doubtful advances (net)	0.12	4.72
Bad debts written off	2.23	-
Expenditure towards corporate social responsibility (refer note (ii) below and note 34)	2.52	2.33
Miscellaneous expenses	1.21	6.02
Total other expenses	1,572.32	1,887.75

Note:

(i) Details of payments to auditors

	Year ended March 31, 2018	Year ended March 31, 2017
Payment to auditors		
As auditor:		
Audit fee	2.00	1.70
Tax audit fee	0.30	0.30
In other capacities:		
Certification fees	0.32	0.24
Reimbursement of expenses	0.08	0.06
Total payment to auditors	2.70	2.30

(ii) Expenditure towards corporate social responsibility

	Year ended March 31, 2018	Year ended March 31, 2017
Contribution to Welspun Foundation for Health & Knowledge	2.52	2.33
Total	2.52	2.33
Amount required to be spent as per Section 135 of the Companies Act, 2013	2.52	2.33
Amount spent during the year on:		
Construction/ acquisition of an asset	-	-
On purposes other than above	2.52	2.33

(iii) Operating lease transactions:

The Company has entered into leasing arrangements under operating lease:

For lease expenses relating to office premises that are renewable on a periodic basis and cancellable in nature. Rent for operating leases included in the statement of profit and loss for the year is Rs. 4.07 (March 31, 2017: Rs. 4.51).



Welspun Tradings Limited

Notes annexed to and forming part of the balance sheet as at March 31, 2018

and the statement of profit and loss for the year ended March 31, 2018

(All amounts in Rupees million, unless otherwise stated)

Note 28: Finance costs

	Year ended March 31, 2018	Year ended March 31, 2017
Interest on:		
Pre-shipment credit In foreign currency (PCFC) loan	-	12.83
Other finance charges	33.05	57.55
Total finance costs	33.05	70.38

Note 29: Income tax expenses**(i) Income tax expenses recognised in profit and loss**

Note 29 (a): Current tax		
	Year ended March 31, 2018	Year ended March 31, 2017
Current tax on profit for the year	63.43	50.66
Total current tax expense	63.43	50.66
Note 29 (b): Deferred tax		
	Year ended March 31, 2018	Year ended March 31, 2017
Increase in deferred tax assets	(0.06)	(2.38)
(Decrease)/ increase in deferred tax liabilities	0.08	-
Total deferred tax expense/ (benefit)	0.02	(2.38)
Total income tax expense	63.45	48.28

(ii) Reconciliation of income tax expense and the accounting profit multiplied by India's tax rate:

	Year ended March 31, 2018	Year ended March 31, 2017
Profit before tax	182.14	138.10
Tax rate	34.608%	34.608%
Tax at normal rate	63.04	47.79
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
50% of donations disallowed under section 80 G of Income tax Act, 1961	0.44	0.40
Change in tax rate (basis adjustment)	(0.03)	-
Other items	-	0.09
Total Income tax expense	63.45	48.28



Note 30: Fair value measurements

Financial instruments by category

	March 31, 2018		March 31, 2017	
	FVPL	Amortised Cost	FVPL	Amortised Cost
Financial assets				
Investments				
Mutual funds	83.03	-	50.01	-
Loans	-	0.27	-	136.61
Trade receivables	-	4,178.80	-	6,364.40
Cash and cash equivalents	-	452.80	-	498.57
Bank balances other than cash and cash equivalents	-	16.41	-	44.62
Other financial assets				
Security deposits	-	0.09	-	0.09
Derivatives for foreign exchange forward contracts, designated as hedges	-	-	56.44	-
Total financial assets	83.03	4,648.37	106.45	7,044.29
Financial liabilities				
Trade payables	-	3,897.15	-	7,619.83
Total financial liabilities	-	3,897.15	-	7,619.83

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets measured at fair value - recurring fair value measurements at March 31, 2018

	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
Mutual funds	-	83.03	-	83.03
Total financial assets	-	83.03	-	83.03

Assets which are measured at amortised cost for which fair value are disclosed at March 31, 2018

	Level 1	Level 2	Level 3	Total
Financial assets				
Loans	-	-	0.27	0.27
Other financial assets				
Security deposits	-	-	0.09	0.09
Total financial assets	-	-	0.36	0.36

Financial assets measured at fair value - recurring fair value measurements at March 31, 2017

	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
Mutual funds	-	50.01	-	50.01
Other financial assets				
Derivatives for foreign exchange forward contracts, designated as hedges	-	56.44	-	56.44
Total financial assets	-	106.45	-	106.45

Assets which are measured at amortised cost for which fair value are disclosed at March 31, 2017

	Level 1	Level 2	Level 3	Total
Financial assets				
Loans	-	-	136.61	136.61
Other financial assets				
Security deposits	-	-	0.09	0.09
Total financial assets	-	-	136.70	136.70



Note 30: Fair Value Measurements (Contd...)

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below.

Level 1: This hierarchy includes financial instruments measured using quoted prices. The Company does not have any investment under this category.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. The Company has derivatives which are designated as hedge, where in the price is determined using Foreign Exchange Dealers' Association of India (FEDA) inputs and investments in mutual funds for which all significant inputs required to fair value an instrument are observable and hence, the same falls under level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments under level 2 include:

- the use of Net Assets Value ('NAV') for valuation of mutual fund investment. NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.
- the fair value of forward foreign exchange contracts is determined using forward exchange rates prevailing with Authorised Dealers dealing in foreign exchange.

(iii) Fair value of financial assets and liabilities measured at amortised cost

	March 31, 2018		March 31, 2017	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Loans	0.27	0.27	136.61	136.61
Other financial assets				
Security deposits	0.09	0.09	0.09	0.09
Total financial assets	0.36	0.36	136.70	136.70

The carrying amounts of trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents and trade payables are considered to be the same as their fair values, due to their short-term nature.

The fair values and carrying values of security deposits (other than those covered in above note) are materially the same.



Welspun Tradings Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018

(All amounts in Rupees million, unless otherwise stated)

Note 31: Financial risk management

The Company's principal financial liabilities represents only trade payables and financial assets represents investments, loans, cash and cash equivalents and deposits with banks. The Company's activities exposes it to credit risk, liquidity risk, interest risk and investment risk.

In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to minimise certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not for trading or speculative instruments.

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with bank and financial institution, foreign exchange transactions and other financial instruments.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

Trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Past exposure suggest a low/ minimum credit risk or allowances of debtors. Exposures of trade receivable (net of allowance) broken into ageing bucket is given below:

	0-180 Days	More than 180	Total
March 31, 2018	4,178.76	0.04	4,178.80
March 31, 2017	6,287.23	77.17	6,364.40

(B) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

(i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- (a) all non-derivative financial liabilities
- (b) net settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

For the year ended March 31, 2018

Contractual maturities of financial liabilities	< 1 Year	1- 3 years	3- 5 years	> 5 years	Total
Trade payables	3,897.15	-	-	-	3,897.15
Total liabilities	3,897.15	-	-	-	3,897.15

For the year ended March 31, 2017

Contractual maturities of financial liabilities	< 1 Year	1- 3 years	3- 5 years	> 5 years	Total
Trade payables	7,619.83	-	-	-	7,619.83
Total liabilities	7,619.83	-	-	-	7,619.83



Note 31: Financial risk management (Contd...)

(C) Market risk

(i) Foreign currency risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's exposure to the risk of changes in foreign exchange rates relates to the Company's investing activities in exports, imports and loan. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments, highly probable forecast transactions and foreign currency required at the settlement date of certain receivables/payables. The use of foreign currency forward contracts is governed by the Company's strategy approved by the board of directors, which provide principles on the use of such forward contracts consistent with the Company's risk management policy and procedures.

(a) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in equivalent in INR Rupees is as follows:

	March 31, 2018			March 31, 2017		
	USD	EUR	CAD	USD	EUR	CAD
Financial assets						
Trade receivables	293.49	-	-	6,364.40	-	-
Loans to wholly owned subsidiary (including interest)	-	-	-	136.41	-	-
Derivatives designated as hedge						
Forward contracts	-	-	-	(968.16)	-	-
Net exposure to foreign currency risk (assets)	293.49	-	-	5,532.65	-	-
Financial liabilities						
Trade payables	167.44	0.41	10.86	820.44	2.31	38.43
Net exposure to foreign currency risk (liabilities)	167.44	0.41	10.86	820.44	2.31	38.43
Total Net exposure to foreign currency risk	126.05	(0.41)	(10.86)	4,712.21	(2.31)	(38.43)
Net Derivatives designated as hedges	-	-	-	(968.16)	-	-

(b) As at the balance sheet date, following foreign currency exposure (including non financial assets and liabilities) is not hedged by a derivative instrument or otherwise:

	Amount in Rupees		Equivalent amount in USD (in millions)	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Assets				
Investment in equity share	3.36	3.36	0.05	0.05
Trade receivables	293.49	6,364.40	4.50	98.14
Loans to wholly owned subsidiary (including interest)	-	136.41	-	2.10
	296.85	6,504.17	4.55	100.29
Liabilities				
Trade payables	178.71	861.18	2.74	13.28
Trade advance	766.73	0.31	11.77	0.01
	945.44	861.49	14.51	13.29
Net unhedge foreign currency exposure	648.59	(5,642.68)	9.96	(87.00)

(c) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and impact on other components of equity arises mainly from foreign forward exchange contracts designated as cash flow hedges.

	Impact on profit after tax		Impact on other components of equity	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
USD sensitivity				
INR/USD - Increase by 1% (March 31, 2017 - 1%)*	1.26	56.80	-	(9.68)
INR/USD - Decrease by 1% (March 31, 2017 - 1%)*	(1.26)	(56.80)	-	9.68
EURO sensitivity				
INR/EURO - Increase by 1% (March 31, 2017 - 1%)*	- #	(0.02)	-	-
INR/EURO - Decrease by 1% (March 31, 2017 - 1%)*	- #	0.02	-	-
CAD sensitivity				
INR/CAD - Increase by 1% (March 31, 2017 - 1%)*	(0.11)	(0.38)	-	-
INR/CAD - Decrease by 1% (March 31, 2017 - 1%)*	0.11	0.38	-	-

* Holding all other variables constant

Amount is below the rounding norms adopted by the Company



Note 31: Financial risk management (Contd...)

(ii) Interest rate risk

The Company did not have any exposure to interest rate changes at the end of the reporting period March 31, 2018 and March 31, 2017 respectively.

(iii) Investment risk

(a) Exposure

The Company is mainly exposed to the price risk due to its investment in mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies.

(b) Sensitivity

The table below summarises the impact of increases/decreases of 0.25% increase in price of mutual fund.

	Impact on profit before tax	
	March 31, 2018	March 31, 2017
Increase in price 0.25% (March 31, 2017 - 0.25%)	0.21	0.13
Decrease in price 0.25% (March 31, 2017 - 0.25%)	(0.21)	(0.13)

(iv) Impact of hedging activities

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing foreign exchange forward contracts.

(a) Disclosure of effects of hedge accounting on financial position:

For the year ended March 31, 2018

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge ratio
	Assets	Liabilities	Assets	Liabilities		
Cash flow hedge Foreign exchange risk Foreign exchange forward contracts	-	-	-	-	-	-

For the year ended March 31, 2017

Type of hedge and risks	Nominal value		Carrying amount of hedging instrument		Maturity date	Hedge ratio
	Assets	Liabilities	Assets	Liabilities		
Cash flow hedge Foreign exchange risk Foreign exchange forward contracts	968.16	-	56.44	-	April 17 - May 17	1:1

The Company uses forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments, highly probable forecast transactions and foreign currency required at the settlement date of certain receivables/payables. The use of forward contracts is governed by the Company's strategy approved by the board of directors, which provide principles on the use of such forward contracts consistent with the Company's risk management policy.

The Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Company uses the hypothetical derivative method to assess effectiveness. Ineffectiveness is recognised on a cash flow hedge where the cumulative change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In hedges of foreign currency forecast sale transactions this may arise if:

- (i) The critical terms of the hedging instrument and the hedged item differ (i.e. nominal amounts, timing of the forecast transaction), or
- (ii) Differences arise between the credit risk inherent within the hedged item and the hedging instrument. There were no ineffectiveness recognised in the statement of profit and loss during the year ended March 31, 2018 and March 31, 2017.



Welspun Tradings Limited

Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018

(All amounts in Rupees million, unless otherwise stated)

Note 31: Financial risk management (Contd...)

(b) Movements in cash flow hedging reserve

Risk category	Foreign currency risk
Derivative instruments	Foreign exchange forward contracts
Cash flow hedging reserve	
As at April 01, 2016	(19.37)
Add: Gain recognised in cash flow hedging reserve during the year (net)	88.35
Less: Gain transferred to the statement of profit and loss	(2.30)
Income tax on amount recognised in cash flow hedging reserve	(29.78)
As at March 31, 2017	36.90
Add: Gain recognised in cash flow hedging reserve during the year (net)	16.60
Less: Gain transferred to the statement of profit and loss	(73.03)
Income tax on amount recognised in cash flow hedging reserve	19.53
As at March 31, 2018	-



Welspun Tradings Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018
(All amounts in Rupees million, unless otherwise stated)

Note 32: Capital management

(a) Risk management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves.

The Company's objectives when managing capital are to:

safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

maintain an optimal capital structure to reduce cost of capital.

The Company did not have any borrowings as at March 31, 2018 and March 31, 2017.

Loan covenants

The Company had no borrowings as at the end of the reporting period, hence there are no covenants.

(b) Dividends

The Company has not declared dividends in the current reporting year as well as prior year.

Note 33: Segment reporting

(i) Description of segments and principle activities

The Company's chief operating decision maker consists of the President of the Company who examines the Company's performance only from the product perspective and has accordingly, identified only one reportable segment which is trading in coated and uncoated pipes.

(ii) The chief operating decision maker primarily uses a measure of profit before tax as included in the internal management report to assess the performance of the operating segment which is measured consistently with profit or loss in the financial statements.

(iii) Revenue from major external customers is as follows:

For the year ended	Number of customers	Amount	% to revenue from operations
March 31, 2018	3	19,004.55	80.57%
March 31, 2017	3	18,658.44	93.79%

(iv) The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

Revenue from external customers	Year ended March	Year ended March
	31, 2018	31, 2017
Export	16,362.59	19,894.08
Domestic	7,225.93	-
Total	23,588.52	19,894.08

(v) The total of the non-current assets other than financial instruments, equity investment in subsidiary and deferred tax assets (net) are located only in India as at March 31, 2018 and March 31, 2017.



Welspun Tradings Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018
(All amounts in Rupees million, unless otherwise stated)

Note 34: Related party transactions

(a) List of related parties:

Name	Type	Place of Incorporation	Ownership interest	
			March 31, 2018	March 31, 2017
Welspun Corp Limited	Holding Company	India	100%	100%
Welspun Middle East DMCC	Wholly owned subsidiary	United Arab Emirates (UAE)	100%	100%

(b) Key management personnel

Name	Nature of relationship
Mr. S. Krishnan	Whole Time Director
Mr. K.H.Viswanathan	Director
Mr. Rajkumar Jain	Director
Mr. Ram Gopal Sharma	Director
Mrs. Revathy Ashok	Director
Mr. Pradeep Joshi	Company Secretary

(c) List of others over which key management personnel or relatives of such personnel exercise significant influence or control and with whom transaction have taken place during the year:

Welspun Wasco Coatings Private Limited
Welspun Middle East Pipes Company LLC
Welspun Global Trade LLC
Welspun Tubular LLC
Welspun Realty Private Limited
MGN Agro Properties Private Limited (formerly Welspun Fintrade Private Limited)
Welspun Foundation for Health and Knowledge

(d) Transactions with related parties

	Type of relationship	For year ended March 31, 2018	For year ended March 31, 2017
Transactions with Welspun Corp Limited	Holding company		
Purchase of traded goods		20,517.59	13,607.99
Corporate guarantee commission paid		-	8.13
Reimbursement of expenses (payable)/ receivable		(53.40)	(157.35)
Transactions with Welspun Wasco Coatings Private Limited	Entity under common control		
Purchase of traded goods		1,307.17	-
Transactions with Welspun Middle East Pipes Company LLC	Entity under common control		
Purchase of traded goods		-	4,710.15
Transactions with Welspun Middle East DMCC	Wholly owned subsidiary		
Commission on sales to agents		10.87	181.78
Interest income on loan		1.65	6.67
Reimbursement of expenses (payable)/ receivable		-	0.07
Repayment of Loans		(136.41)	-
Transactions with Welspun Global Trade LLC	Fellow subsidiary		
Commission on sales to agents		97.65	167.15
Transactions with Welspun Tubular LLC	Fellow subsidiary		
Sale of traded goods		12,011.21	9,928.83
Trade advance received		579.82	-
Transactions with Welspun Realty Private Limited	Entity under common control		
Rental charges		4.57	4.47
Transactions with MGN Agro Properties Private Limited	Entity under common control		
Rental charges		0.04	0.04



Welspun Tradings Limited

Notes annexed to and forming part of the balance sheet as at March 31, 2018

and the statement of profit and loss for the year ended March 31, 2018

(All amounts in Rupees million, unless otherwise stated)

Note 34: Related Party Transactions (Contd...)

	Type of relationship	For year ended March 31, 2018	For year ended March 31, 2017
Transactions with Welspun Foundation For Health & Knowledge Expenditure towards corporate social responsibility	Entity under common control	2.52	2.33
Transactions with Mr. K. H. Viswanathan Sitting fees	Director	0.36	0.37
Transactions with Mr. Raj Kumar Jain Sitting fees	Director	0.34	0.36
Transactions with Mr. Ram Gopal Sharma Sitting fees	Director	0.35	0.37
Transactions with Mr. Revathy Ashok Sitting fees	Director	0.15	0.08

Note: Amount is inclusive of applicable taxes

(e) Outstanding balances

	Type of relationship	As at March 31, 2018	As at March 31, 2017
Trade receivables Welspun Tubular LLC	Fellow subsidiary	-	5,154.20
Trade advances payables Welspun Tubular LLC	Fellow subsidiary	579.82	-
Trade payables Welspun Corp Limited	Holding company	3,681.68	6,665.39
Welspun Middle East DMCC	Wholly owned subsidiary	6.74	143.81
Welspun Middle East Pipes Company LLC	Entity under common control	-	454.55
Welspun Global Trade LLC	Fellow subsidiary	151.88	163.86
Welspun Tubular LLC	Fellow subsidiary	-	0.35
Total trade payable		3,840.30	7,427.96

(f) Investment in subsidiary

	Type of relationship	As at March 31, 2018	As at March 31, 2017
Welspun Middle East DMCC	Wholly owned subsidiary	3.36	3.36

(g) Outstanding balances of loans given

	Type of relationship	As at March 31, 2018	As at March 31, 2017
Welspun Middle East DMCC	Wholly owned subsidiary	-	136.41

(h) Outstanding balances of security deposits given

	Type of relationship	As at March 31, 2018	As at March 31, 2017
Welspun Developers and Infrastructure Private Limited	Entities under common control	0.01	0.01

(i) Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

All outstanding balances are unsecured and are payable in cash.



Welspun Tradings Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2017
(All amounts in Rupees million, unless otherwise stated)

Note 35: Contingent liabilities

	As at March 31, 2018	As at March 31, 2017
Disputed indirect taxes	-	1.56

Note:

- (i) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of above pending resolution of the respective proceedings.
(ii) The Company does not expect any reimbursements in respect of the above contingent liabilities.

Note 36: Commitments

There are no capital or other commitments as at March 31, 2018 and March 31, 2017.

Note 37: Earnings per share

	Year ended March 31, 2018	Year ended March 31, 2017
Profit after tax attributable to the equity holders of the Company	118.69	89.82
Weighted average number of equity shares	5,013,402	5,013,402
Basic and diluted earnings per share	23.67	17.92
Nominal value of an equity share	10.00	10.00

Note 38: Micro, Small and Medium Enterprises Development Act, 2006

According to information available with the Management, on the basis of information received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the Company has no amount due to Micro, Small and Medium Enterprises under the said MSMED Act as at March 31, 2018 and March 31, 2017.

Note 39: Disclosure pursuant to section 186 of the Companies Act, 2013 for loans given (refer note 34):

Nature of the transaction (loans given)	Purpose for which the loans given	As at March 31, 2018	As at March 31, 2017
Loans given (refer note 14): Welspun Middle East DMCC	Working capital	-	136.41



Welspun Tradings Limited

**Notes annexed to and forming part of the balance sheet as at March 31, 2018
and the statement of profit and loss for the year ended March 31, 2018**
(All amounts in Rupees million, unless otherwise stated)

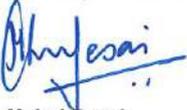
Note 40: Specified bank notes

- i) The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.
ii) Following are the details of holdings as well as dealings in Specified Bank Notes for the previous year ended March 31, 2017.

	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	-	0.001	0.001
Add: Permitted receipts	-	-	-
Less: Permitted payments	-	-	-
Less: Amount deposited in banks	-	-	-
Closing cash in hand as on December 30, 2016	-	0.001	0.001

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

For and on behalf of the Board



S. Krishnan
Whole Time Director
DIN: 06829167



Rajkumar Jain
Director
DIN: 00026544



Pradeep Joshi
Company Secretary
FCS-4959

Place: Mumbai
Date: April 25, 2018

