

DIRECTORS' REPORT

To,
The Members,
Welspun Tradings Limited

Your directors have pleasure in presenting their 13th Annual Report and audited statement of accounts for the financial year ended 31st March, 2014.

FINANCIAL RESULTS

(Amount in Rs.)

Particulars	Standalone		Consolidated	
	For the year ended		For the year ended	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Income	21,662,065,857	27,509,133,572	21,662,065,857	--
Expense	21,554,538,111	27,411,509,822	21,585,740,946	--
Profit (Loss) before tax	107,527,746	97,623,750	76,324,911	--
Less: Provision for tax Current Tax	35,634,720	32,099,775	35,634,720	--
Profit (Loss) After Tax	71,893,026	65,523,975	40,690,192	--
Tax Paid For Earlier Years	--	1,553,294	--	--
Profit Loss For The Year Carried to Balance Sheet	71,893,026	63,970,680	40,690,192	--

PERFORMANCE

During the financial year sales decreased in terms of rupee by 22.15% (Rs. 608.46 Crore) & quantity by 43.27% (203516 MT) compared to previous year. Major order executed during the year are Dodsall Engg, TCPL and Cunado.

DIVIDEND

Your Directors do not recommend any dividend for the year ended March 31, 2014.

DIRECTORS

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

- Mr. Brijgopal Jaju resigned from the directorship w.e.f. March 5, 2014.
- Mr. S. Krishnan was appointed as an additional director (Nominee of Welspun Corp Limited) w.e.f. March 7, 2014 and as Whole Time Director w.e.f. April 28, 2014.
- Ms. Khushboo Mandawewla was appointed as additional director w.e.f. August 6, 2014

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

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Mr. Krishnan's appointment as Whole-time Director is subject to approval of the shareholders at the forthcoming Annual General Meeting. Further, the term of appointment of Ms. Khushboo Mandawewla as additional director expires at the forthcoming Annual General Meeting. A notice under Section 160 of the Companies Act, 2013 has been received from shareholders of the Company recommending their appointment.

Pursuant to the provisions of Section 150(2) read with Section 149(10) of the Companies Act, 2013, shareholders' approval is sought for the appointment of Mr. Rajkumar Jain, Mr. K.H.Viswanathan, Mr. Ramgopal Sharma and, Mr. Utsav Bajjal as Independent Directors of the Company for a term of five consecutive years, at the forthcoming annual general meeting.

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

COMPANY SECRETARY

During the year -

Mr. Nilesh Javker resigned from the post of Company Secretary w.e.f. February 11, 2014 and with effect from the same date Ms. Priya Pakhare was appointed as the Company Secretary.

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

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 271(2AA) of the Companies Act, 1956, your directors hereby confirm that:

- (i) in the preparation of the accounts for the financial year ended March 31, 2014, the applicable accounting standards have been followed and there are no material departures from the same;
- (ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit of the Company for the year under review;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the directors have prepared the accounts for the financial year ended March 31, 2014 on a going concern basis;

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AUDITORS

M/s. Sureka Associates, Chartered Accountants, the Auditors retire at the conclusion of the forthcoming Annual General Meeting and have expressed their unwillingness to be reappointed for a further term.

Hence, the Board of Directors, based on the recommendations of the Audit Committee, propose the appointment of M/s. Price Waterhouse, Chartered Accountants (Firm Reg. No. (012754M), as the Statutory Auditors of the Company to hold office upto the conclusion of the 18th Annual General Meeting in place of the retiring Auditors, M/s. Sureka Associates, Chartered Accountants, to audit the accounts of the Company subject to ratification by the Members of the Company at every Annual General Meeting.

M/s. Price Waterhouse has confirmed that if appointed, then their said appointment would be in pursuance to the provisions of Section 139 of the Companies Act, 2013.

AUDITORS' REPORT

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

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. 2,975,228,558

Earned : Rs. 19,593,400,607

PARTICULARS OF EMPLOYEES

There are no details to be mentioned as per the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rule, 1975

SUBSIDIARY COMPANIES

The Ministry of Corporate Affairs vide its General Circular No. 2 / 2011 dated February 8, 2011 (the "Circular") granted general exemption to the companies from attaching a copy of the Balance Sheet, the Profit and Loss Account and other documents of its subsidiary companies as required to be attached under Section 212 of the Companies Act, 1956 to the Balance Sheet of the holding company subject to fulfillment of conditions stipulated in the Circular.





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Therefore, the said documents of the Welspun Middle East DMCC, a subsidiary company is not attached to the Annual Report. However, the aforesaid documents relating to the subsidiary company and the related detailed information will be made available upon request by any member or investor of the Company. Further, the Annual Accounts of the subsidiary company will be kept open for inspection by a member or an investor at the Registered Office of the Company or the subsidiary company.

As required under the Circular, a statement containing the requisite information for subsidiary is attached with this Report.

PUBLIC DEPOSITS

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

CONSOLIDATED FINANCIAL STATEMENTS


As stipulated by the Circular No. 2/2011 dated February 8, 2011 issued by the Ministry of Corporate Affairs under Section 212(8) of the Companies Act, 1956 (as applicable for the Financial Year 2013-14 vide the General Circular No. 8/2014 dated April 4, 2014), the Consolidated Financial Statements have been prepared by the Company in accordance with the applicable Accounting Standards issued by the ICAI. The Audited Consolidated Financial Statements together with Auditors' Report thereon forms a part of the Report.


ACKNOWLEDGEMENT

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

Mumbai
August 6, 2014




S. Krishnan
Director
DIN - 06829167


Abhishek Mandawewala
Director
DIN - 00737785

Corporate Office

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SUREKA ASSOCIATES
CHARTERED ACCOUNTANTS

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

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Welspun Tradings Limited

1. We have audited the accompanying consolidated financial statements of **Welspun Tradings Limited** ("the Company"), and its subsidiary, which comprise the consolidated Balance Sheet as at March 31, 2014, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

3. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirement of Accounting Standard (AS) 21-Consolidated Financial Statements, notified under the Companies Act, 1956 of India read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.



SUREKA ASSOCIATES
CHARTERED ACCOUNTANTS

4. Based on our audit and on consideration of report of other auditor on separate financial statements as referred in paragraph 5 below and to the best of our information and according to the explanations given to us, in our opinion, the accompanying consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
 - (b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matter

5. We did not audit the financial statements of the subsidiary included in the consolidated financial statements, which constitute total assets of Rs 148.19 lacs as at 31st March 2014; total revenue of Rs Nil. Net loss of Rs 493.22 lacs and net cash flow amounting to Rs 27.35 lacs for the year then ended. These financial statements and other financial information have been audited by other auditor whose report has been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

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


Suresh Sureka
Partner




Membership No. 34132
Place : Mumbai
Date : 28 APR 2014

Welspun Tradings Limited
Consolidated Balance Sheet as at 31st March 2014

(Rs.)

Particulars	Note No.	As at 31 March 2014
I. EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	2	5,01,34,020
(b) Reserves and Surplus	3	35,63,70,693
2 Non-Current liabilities		
(a) Deferred tax liabilities (net)	4	49,974
(b) Long term provisions	5	16,76,480
3 Current liabilities		
(a) Short Term Borrowing	6	2,45,35,87,022
(b) Trade Payables	7	34,76,19,353
(c) Other current liabilities	8	99,26,65,921
(d) Short-term provisions	9	88,15,684
TOTAL		4,21,09,19,147
II. ASSETS		
1 Non-current assets		
(a) Fixed assets		
(i) Tangible assets	10	80,16,020
(ii) Intangible assets	10	22,069
(iii) Goodwill on Consolidation		4,58,01,192
2 Non-current assets		
(a) Long-term loans and advances	11	20,90,025
3 Current assets		
(a) Inventories	12	26,40,45,022
(b) Trade receivables	13	1,55,25,00,539
(c) Cash and bank balances	14	9,39,36,816
(d) Short-term loans and advances	15	2,15,63,90,749
(e) Other current assets	16	8,81,16,714
TOTAL		4,21,09,19,147
Notes Forming Part of Consolidated Financial Statements	1-30	

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


SURESH SUREKA
Partner
Membership No 34132
Place: Mumbai
Date: '28 April 2014

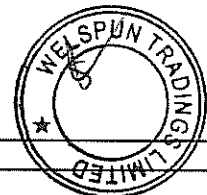


FOR AND ON BEHALF OF THE BOARD


DIRECTOR


DIRECTOR


COMPANY SECRETARY





Welspun Tradings Limited
Consolidated Statement of Profit and loss for the Year ended 31 March 2014

(Rs.)

Particulars	Note No.	Year ended 31 March, 2014
I. Revenue from Operations	17	21,38,61,07,481
II. Other Income	18	27,59,58,377
III. Total Revenue		21,66,20,65,857
IV. Expenses:		
Purchase of Stock-in-trade	19	18,26,81,50,213
Changes in inventories of Stock-in -trade	20	6,35,17,201
Employee benefits expense	21	6,77,29,031
Finance Cost	22	16,23,99,104
Depreciation and amortization expense	10	11,13,188
Other Expenses	23	3,02,28,32,209
Total Expenses		21,58,57,40,946
V. Profit before tax		7,63,24,911
VI. Tax expense:		
(1) Current Tax		3,56,55,240
(2) Deferred tax		(20,520)
(3) Excess Tax Provision For Earlier Year Written Off/(Written Back)		
VII. Profit (Loss) for the period from continuing operations		4,06,90,192
VIII. Profit/(loss) from discontinuing operations		-
IX. Tax expense of discontinuing operations		-
X. Profit/(loss) from Discontinuing operations (after tax)		-
XI. Profit (Loss) for the year		4,06,90,192
XII. Earnings per equity share of 10 each fully paid up. Basic and Diluted	24	8.12
Notes Forming Part of Consolidated Financial Statements	1-30	

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

SURESH SUREKA
Partner
Membership No 34132
Place :Mumbai,
Date: '28 April 2014



FOR AND ON BEHALF OF THE BOARD

[Signature]
DIRECTOR

[Signature]
DIRECTOR

[Signature]
COMPANY SECRETARY



[Signature]

Note 1 Corporate Information

Welspun Tradings Limited (hereinafter referred to as "the Parent Company" or "the Company") together with its subsidiary, (collectively referred to as "the Group") are engaged in the business of trading of High grade Submerged Arc Welded Pipes, Hot Rolled Steel Plates and Coils.

Significant Accounting Policies**I Basis of Consolidation**

- a) The Consolidated Financial Statements (CFS) of the Group are prepared under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles in India and Accounting Standard-21 on "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India (ICAI), to the extent possible in the same manner as that adopted by the Parent Company for its separate financial statements by regrouping, recasting or rearranging figures, wherever considered necessary.
- b) The consolidation of the financial statements of the parent company and its subsidiaries is done on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the Group Financial Statements. All significant inter-group transactions, unrealized inter-company profits and balances have been eliminated in the process of consolidation. Minority interest in subsidiaries represents the minority shareholders proportionate share of the net assets and net income.
- c) The CFS are prepared to the extent possible using uniform accounting policies for transactions and other events in similar circumstances except for policy differences for which no adjustment made in the accounts are disclosed as under:-
- i) In case of subsidiary, tangible fixed assets are depreciated on written down value method representing 9.41% of the tangible fixed assets of the Group at the year end.
- d) The CFS includes the Financial Statements of the Parent Company and the subsidiaries (as listed in the table below). Subsidiaries are consolidated from the date on which effective control is acquired and are excluded from the date of transfer / disposal.

Name of the Subsidiaries	Nature of Business	Country of Incorporation	Extent of Holding
Direct Subsidiaries			
Welspun Middle East DMCC	Marketing Company	Dubai, UAE	100% (-)

e) Use of estimates

The preparation of the consolidated financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the consolidated financial statements and the reported amount of revenue and expenses of the year. The estimates and assumptions used in the accompanying consolidated financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. The examples of such estimates include the useful life of the tangible and intangible assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plan etc. Actual results could differ from those estimates and in such case the difference is recognised in the period when known or materialised.

II Tangible and intangible assets

- a) Tangible fixed assets are stated at Original cost of acquisition / installation net of accumulated depreciation, amortization, and impairment loss. The cost of tangible assets includes cost of acquisition and other incidental expenses related to the acquisition and installation including trial run expense (net of revenue) and borrowing cost incurred during preoperational period.
- b) Intangible assets acquired are measured on initial recognition at cost. Intangible assets are carried at cost less accumulated amortization and impairment loss, if any.

III Borrowing costs

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



IV Depreciation/Amortization on tangible and intangible assets

- a) Depreciation on tangible fixed assets is provided on straight line method at the rates prescribed in Schedule XIV to the Companies Act, 1956 except computers and office equipments which are depreciated on the basis of estimated useful life of 4 years and 3 years respectively. Software is amortized over 5 years. All assets costing below Rs.5000/- are depreciated entirely in the year of purchase.
- b) Goodwill arising out of acquisition is amortized over a period of three years from the year of acquisition. Goodwill on consolidation is not amortized. However, the same is tested for impairment as at reporting date.

V Investments

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

VI Revenue Recognition

- a) Revenue from sales is recognized when significant risks and rewards of ownership are transferred to customer, which is generally on dispatch. Export Sales are accounted for on the basis of date of Bill of Lading/ Airway bill.
- b) Export Benefits: Status Holder Incentive Scheme and Incremental Incentive are accounted on accrual basis.
- c) Dividend income is recognized when the right to receive the dividend is established.
- d) Interest income is recognized at the agreed rate on time proportion basis.

VII Inventories

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

VIII Foreign currency transactions

- a) Foreign Currency transactions are recognized at the rate of exchange on the date of transaction. Foreign Currency assets and liabilities at the year end to the extent not covered by forward contracts are realigned at the year end exchange rates and any difference on realignment is recognized in the Statement of Profit and Loss , except in cases where they relate to fixed assets.
- b) Financial Statements of overseas non- integral operations are translated as under:
 - i) Assets and Liabilities are translated at the exchange rate prevailing at the year end. Depreciation at the same rate at which assets are converted.
 - ii) Revenues and expenses at yearly average rates (except inventories at opening/ closing rates as the case may be.) Off Balance Sheet items at year-end rates.
 - iii) Exchange differences arising on translation of non- integral foreign operations are accumulated in the Foreign Currency Translation Reserve until the disposal of such operations.

IX Employee benefits

- a) Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related services are rendered.
- b) Post employment and other long-term benefits are recognized as an expense in the statement of profit and loss of the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques except in case of few overseas subsidiaries, liability for leave encashment and gratuity is provided on estimated basis. Actuarial gains and losses in respect of post employment and other long-term benefits recognized in the statement of profit and loss.
- c) Payments to defined contribution retirement benefit schemes are charged as an expense as and when they fall due.



X Accounting for taxes on income

- a) Current income tax is calculated on the results of individual companies in accordance with local tax regulations.
- b) Deferred tax is recognized subject to consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and measured using prevailing enacted or substantively enacted tax rates.

XI Leases

a) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments/revenue under operating leases are recognized as an expense/income on accrual basis in accordance with the respective lease agreements.

XII Provisions, contingent liabilities and contingent assets

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation. Contingent liabilities, if material, are disclosed in the financial accounts. Contingent assets are not recognized or disclosed in the financial statements

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

XIII Earnings per share

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



Note 2 Notes Forming Part of Financial Statements
Share Capital

Share Capital		(Rs.)
Particulars	As at 31st March, 2014	
Authorised		
5,050,000 (Previous Year 5,050,000) Equity Shares of Rs. 10 each	5,05,00,000	
Issued, Subscribed and Fully paid up		
5,013,402 (Previous Year 5,013,402) Equity Shares of Rs. 10 each fully paid up.	5,01,34,020	
Total	5,01,34,020	

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

Particulars	As at 31st March, 2014	
	Number	Amount in Rs.
Equity shares outstanding at the beginning of the year	50,13,402	5,01,34,020
Equity shares outstanding at the end of the year	50,13,402	5,01,34,020

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

Name of shareholder	As at 31st March, 2014	
	No. of Equity shares held	% of holding
Holding Company		
Welspun Corp Limited	50,13,402	100
Total	50,13,402	100

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

Name of Shareholders	As at 31st March, 2014	
	No. of Shares held	% of Holding
Welspun Corp Limited (Holding Company)	50,13,402	100
TOTAL	50,13,402	100

(e) Terms/right attached to Equity shares

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

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

Note 3 Reserves And Surplus

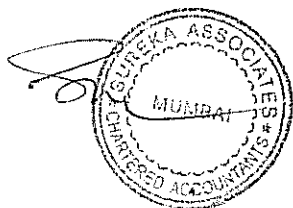
Particulars		(Rs.)
		As at 31st March, 2014
Surplus in the the Statement of Profit and Loss		
Balance As per Last Balance Sheet		31,39,53,302
Add: Net Profit/(Net Loss) For the current period		4,06,90,192
Net Surplus in the statement of profit and Loss		35,46,43,494
Foreign Currency Translation Reserve		
As per Last Balance Sheet		-
Add: Addition during the year		17,27,200
		17,27,200
Total		35,63,70,693

Note 4 Deferred Tax Liabilities (net)

Particulars		(Rs.)
		As at 31st March, 2014
Deferred Tax Liabilities(Net)		49,974
Fiscal Allowance on fixed Assets		
Total		49,974

Note 5 Long-term provisions

Particulars		(Rs.)
		As at 31st March, 2014
Provision for Employee Benefits		
Leave encashment		11,02,614
Provision for Gratuity		5,73,866
Total		16,76,480



Notes Forming Part of Financial Statements

Note 6 Short-term Borrowings

(Rs.)	
Particulars	As at 31st March, 2014
Unsecured Loans Repayable on demand From Bank (The above loan is backed by Corporate Guarantee given by Welspun Corp Limited)	2,39,66,00,000
Advances from related parties	5,69,87,022
Total	2,45,35,87,022

Note 7 Trade Payables

(Rs.)	
Particulars	As at 31st March, 2014
Trade Payables Sundry Creditors (Other than Acceptances)	34,76,19,353
Total	34,76,19,353

Note 8 Other Current Liabilities

(Rs.)	
Particulars	As at 31st March, 2014
Statutory dues	63,81,785
Advances from customers	58,70,13,583
Payable to Staff	4,11,304
Creditors for expenses	39,88,59,249
Total	99,26,65,921

Note 9 Short-term Provisions

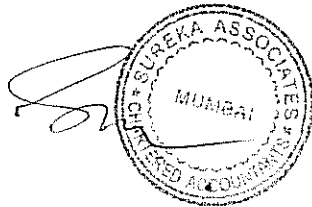
(Rs.)	
Particulars	As at 31st March, 2014
Provision for Employee Benefits Leave encashment	12,302
Other Provision Audit fees payable	7,53,443
Provision for Taxation (Net of Advance Tax)	80,49,939
Total	88,15,684

Note 11 Long Term Loans and Advances

(Rs.)	
Particulars	As at 31st March, 2014
(Unsecured, considered good) (a) Security Deposits	20,10,000
(b) Other loans and advances Sales Tax Deposit	80,025
Total	20,90,025

Note 12 Inventories

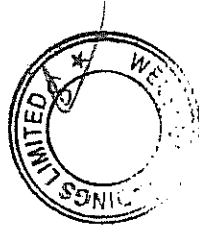
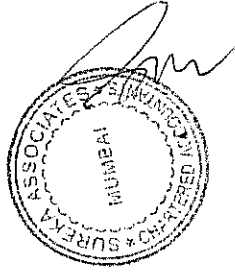
(Rs.)	
Particulars	As at 31st March, 2014
Stock in trade	26,40,45,022
Total	26,40,45,022



Note- 10 FIXED ASSETS - (AT COST)

Welspun Tridings Limited- Consolidated

Particulars	Gross Block						Depreciation / Amortisation/Impairment				Net Block		
	As At 01.04.2013	Acquired on Acquisition	Additions	Addition Due to Revaluation	Foreign Currency Fluctuations	Deductions	As At 31.03.2014	For the Year	Foreign Currency Fluctuations	Deductions	Impairment (see note 3)	As At 31.03.2014	Up to 31.03.13
a) Tangible Assets													
Furniture and Fixtures	79,737	8,63,088	24,29,288	-	89,500	-	34,61,623	5,03,409	36,770	-	24,56,332	65,236	
Vehicles	31,20,195	-	-	-	-	-	31,20,195	2,86,418	-	-	27,79,111	30,75,529	
Office and other Equipments	53,759	-	29,58,749	-	-	-	30,12,509	2,83,320	-	-	27,26,643	51,214	
Computers	83,414	-	-	-	-	-	83,414	23,886	-	-	53,934	77,821	
b) Intangible Assets													
Goodwill	30,769	4,58,01,192	-	-	-	-	4,58,01,192	6,154	-	-	4,58,01,192	-	
Software	-	-	-	2,546	-	-	30,769	-	-	-	22,069	28,223	
Total	33,87,874	4,66,64,280	53,08,047	-	89,500	-	5,55,09,701	11,13,188	36,770	-	5,38,39,281	32,90,023	



Notes Forming Part of Financial Statements

Note 13 Trade Receivables

(Rs.)	
Particulars	As at 31st March, 2014
Trade Receivables (Unsecured, Considered Good)	
More than six months	1,52,08,837
Less than six months	1,53,72,91,702
Total	1,55,25,00,539

Note 14 Cash and Bank balances

(Rs.)	
Particulars	As at 31st March, 2014
(a) Cash and cash equivalents	
Balance with banks - in current accounts	43,54,833
Deposits having original maturity period of less than three months	
Cash on hand	3,36,798
(b) Other Bank Balances	
Deposits having maturity period of more than three month but less than twelve month	5,18,81,677
Margin Money Deposits	3,73,63,508
Total	9,39,36,816

Note 15 Short Term Loans and Advances

(Rs.)	
Particulars	As at 31st March, 2014
(Unsecured considered good unless otherwise stated)	
Deposits	6,07,944
Loans and Advances to Welspun Corp Limited (Holding Company)	73,39,01,652
Other loans and advances (Unsecured, considered good)	
Advance to Employees	70,40,889
Prepaid Expense	8,71,508
Balances with Government Authorities	95,99,33,947
Loans and Advances to Others	45,40,34,809
Total	2,15,63,90,749

Note 16 Other current assets

(Rs.)	
Particulars	As at 31st March, 2014
Interest Receivable	3,68,439
Export Benefit receivable	8,77,48,275
Total	8,81,16,714

Note 17 Revenue from Operations

(Rs.)	
Particulars	As at 31st March, 2014
(a) Sale of products	
Finished Goods	20,77,17,20,181
(b) Other Operating Revenue	61,43,87,300
Total	21,38,61,07,481

Note 18 Other Income

(Rs.)	
Particulars	As at 31st March, 2014
Interest Income	27,03,21,402
Dividend Income	49,46,742
Miscellaneous Income	6,90,233
Total	27,59,58,377

Note 19 Purchase of Goods

(Rs.)	
Particulars	As at 31st March, 2014
Stock in Trade	18,26,81,50,213
Total	18,26,81,50,213

Note 20 Changes in Inventories of Stock-in-trade

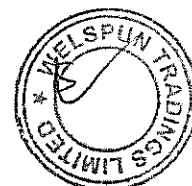
(Rs.)	
Particulars	As at 31st March, 2014
Opening Stock	32,75,62,224
Less: Closing Stock	26,40,45,022
Total	6,35,17,201

Note 21 Employee benefits expense

(Rs.)	
Particulars	As at 31st March, 2014
Salaries and Waages	6,66,28,412
Contribution to Provident and other Funds	9,37,155
Staff Welfare Expenses	1,63,464
Total	6,77,29,031

Note 22 Finance Costs

(Rs.)	
Particulars	As at 31st March, 2014
Interest	5,49,612
Other Borrowing Cost	16,18,49,492
Total	16,23,99,104



Note 23 Notes Forming Part of Financial Statements
Other Expenses

Particulars	(Rs.) As at 31st March, 2014
Auditors Remuneration	13,63,513
Director's Sitting Fees	3,42,900
Coating and Other Job Charges	58,00,79,045
Commission and Discount on Sales	16,06,62,016
Donation	6,00,000
Freight, Material handling and Transportation	2,21,54,20,914
Legal and Professional fees	44,66,913
Foreign Exchange Difference (net)	11,06,066
Membership and Subscription	8,40,831
Office Expense	62,59,246
Power and Fuel Charges	1,02,718
Rent	84,09,826
Rates and Taxes	17,27,662
Insurance Premium	22,83,514
Communication expenses	29,54,382
Travelling and Conveyance Expenses	2,14,44,559
Vehicle Expenses	13,16,427
Miscellaneous Expenses	43,83,635
Survey Fees	90,68,041
Total	3,02,28,32,209

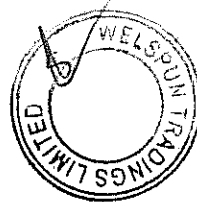
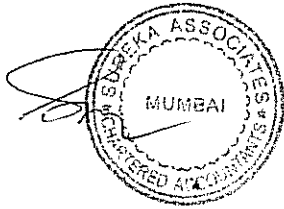
Note 24 Basic and Diluted Earning Per Share

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

Particulars		As at 31st March, 2014
Basic Earnings Per Share		
Net Profit after tax (A)		4,06,90,192
Weighted average number of equity shares (Nos.) (B)		50,13,402
Basic Earnings Per Share of face value of Rs.10/- each (A) / (B)		8.12
Diluted Earnings Per Share		
Amount available for calculation of Diluted EPS (A)		4,06,90,192
Weighted average number of equity shares (Nos.) (B)		50,13,402
Number of Shares used for calculating Diluted EPS (B)		50,13,402
Diluted Earnings Per Share of face value of Rs.10/- each (A) / (B)		8.12

Note 25 Contingent Liabilities and Commitments (To the extent not provided for)

Particulars	(Rs.) As at 31st Mar, 2014
(a) Other Commitments :	
Other Long Term Commitment	1,90,25,495
Total	1,90,25,495



Welspun Tradings Limited
Notes forming part of the consolidated financial statements

Note 26 Foreign exchange differences

Loss on account of difference in foreign exchange on realignment/realization of Rs.11,06,066 is accounted in other expenses.

Note 27 Operating lease

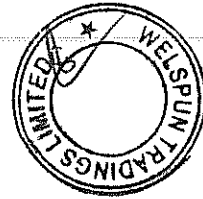
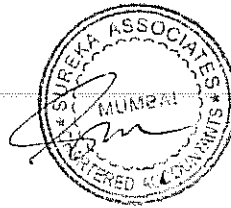
i) The Group leases office, residential facilities, equipment etc. under operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. The initial tenure of lease is generally for eleven months to thirty three months.

(Rs.)

	2014
Lease rental charges for the year	84,09,826
Future lease rental obligations payable (under non-cancellable leases)	
Not later than one year	45,07,906
Later than one year but not later than five years	35,955
Later than five years	-

Note 28 Segment reporting

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



- a) List of Parties where control exists: The list of Subsidiaries is disclosed in Note 1, I (c) above.
- b) Related parties with whom transactions have taken place during the year and balances outstanding as on the last day of the year.
Welspun Corp Ltd (Holding Company), Welspun Tubular LLC, Welspun Steel Ltd, Welspun Developers and Infrastructure Pvt. Ltd., Welspun India Ltd, Welspun Realty Pvt Ltd, Welspun Middle East Pipes LLC., Welspun Global Brand Ltd, Welspun Foundation for Health & Knowledge, Welspun Mauritius Holding Ltd

c) Directors /Key Management Personnel

Name of the Related Party	Nature of Relationship
Mr. Abhishek Mandawewala	Director
Mr. S. Krishnan	Director
Mr. Rajkumar Jain	Director
Mr. K.H.Viswanathan	Director
Mr. Utsav Bajjal	Director
Mr. Ram Gopal Sharma	Director

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

- Purchase of Goods from Welspun Corp Ltd Rs.18,133,292,391
- Purchase of Goods,Coating and other Charges Payable to Welspun Tubular LLC Rs.867,389,980
- Sales of Goods & EXIM Licenses to Welspun Corp Ltd. Rs 30,365,855
- Sales of EXIM Licenses to Welspun India Ltd. Rs.34,666,671
- Rent paid during the year to Welspun India Limited Rs.107,866
- Rent paid during the year to Welspun Infrastructure and Development Limited Rs.36,000
- Rent paid during the year to Welspun Corp Ltd Rs.4,382,040
- Security Deposit paid during the year to Welspun Corp Ltd Rs.2,000,000
- Donation paid to Welspun Foundation for Health & Knowledge Rs. 600,000
- Advances received from Welspun Mauritius Holding Ltd .Rs. 31754950
- Advances received from Welspun Corp Ltd Rs. 547084

Disclosures of closing Balance as at 31st March, 2014

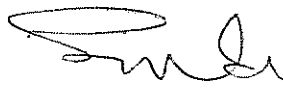
- Sundry Creditors includes - Welspun Tubular LLC Rs 30,731,124 , Welspun Steel Ltd. Rs 1,536,747
- Short Term Advances received from Welspun Corp Ltd.Rs.547,084, Welspun Mauritius Holding Ltd Rs. 56,439,930
- Short Term Advances given to Welspun Corp Ltd.Rs.733,901,652

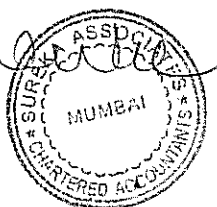
Note: The above transactions with Related Parties are at Arm's Length in view and as disclosed by the Management and relied upon by the auditors.

Note 30 Comparatives

This being first year of consolidation,figures of previous year are not given.

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


SURESH SUREKA
Partner
Membership No 34132
Place :Mumbai,
Date: 28 April 2014



For and on behalf of the Board
FOR AND ON BEHALF OF THE BOARD


DIRECTOR

COMPANY SECRETARY


DIRECTOR



WELSPUN TRADINGS LIMITED
CONSOLIDATED CASH FLOW STATEMENT
ANNEXED TO THE BALANCE SHEET FOR THE PERIOD ENDED 31.03.2014

Particulars	31.03.2014 (RS.)
CASH FLOW FROM OPERATING ACTIVITIES	
Net Profit before tax and exceptional items	76,324,911
Adjustments for:	
Depreciation	1,113,188
Dividend income	(4,946,742)
Interest expenses	549,612
Foreign Currency Loss	1,727,200
Interest Income	(270,321,402)
	-
Operating Profit before working capital changes	(195,553,233)
Miscellaneous expenditure	
Trade and other receivables	2,393,571,552
Inventories	63,517,201
Trade and other payables	(5,129,764,126)
	(2,672,675,373)
Cash generated from operations	(2,868,228,606)
Taxes paid (net)	(35,655,240)
NET CASH GENERATED FROM OPERATING ACTIVITIES	(2,903,883,846)
CASH FLOW FROM INVESTING ACTIVITIES	
Purchase of fixed assets (Including capital work in progress)	(5,370,759)
Interest received	270,321,402
Dividend received	4,946,742
Investment in Subsidiary	(3,361,177)
NET CASH USED IN INVESTING ACTIVITY	266,536,208
CASH FLOW FROM FINANCING ACTIVITIES	
Interest paid (Net)	(549,612)
Proceeds from Bank (Short Term Borrowings)	2,453,587,022
NET CASH FROM FINANCING ACTIVITY	2,453,037,410
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALANTS	(184,310,227)
Cash and cash equivalent aquired on acquisition	7,945,734
Cash and cash equivalent Opening balance	270,301,310
Cash and cash equivalent Closing balance	93,936,817

Notes:

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

FOR SUREKA ASSOCIATES
CHARTERED ACCOUNTANTS
 Firm Registration No 110640W

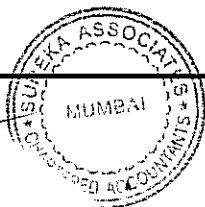


(SURESH SUREKA)
 PARTNER

Membership No. FCA 34132

Place : Mumbai

Date : 28 April 2014



FOR AND ON BEHALF OF THE BOARD



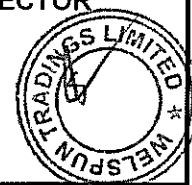
DIRECTOR


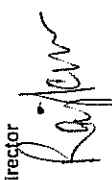



DIRECTOR



COMPANY SECRETARY



		(In Rs.)											
Sr. No.	Name of the Subsidiary Company	Reporting Currency	Capital and Share Application Money Pending Allotment	Reserves	Total Gross Assets	Total Gross Liabilities	Investment other than Investment in Subsidiary	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	Country
1	Welpsun Middle East DMCC #	USD	33,61,177	(7,52,76,825)	1,48,19,217	8,67,34,865	-	-	(4,93,22,005)	-	(4,93,22,005)		Dubai
<p># the financial statements of the foreign subsidiary has been converted into Indian Rupees at the 31st March 2014 exchange rate (1 USD = Rs. 59.915)</p> <p>For and on behalf of the Board</p> <p> S. Krishnan Director</p> <p> Raj Kumar Jain Director</p> <p> Priya Pakhare Company Secretary</p> <p>Mumbai, 28th April 2014</p>													
