DIRECTORS' REPORT

To,
The Members,
Welspun Tradings Limited

Your directors have pleasure in presenting their 18th Annual Report and audited standalone financial statement for the financial year ended 31st March, 2019.

FINANCIAL RESULTS

(Rs.in million)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Income	8,785.31	23,658.83
Expense	8,709.65	23,476.69
Profit /(Loss) before tax	75.66	182.14
Less: Provision tor tax Current Tax and Deferred Tax	26.59	63.45
Profit /(Loss) After Tax	49.07	118.69

PERFORMANCE

Performance highlights for the year under Report are as under:

Product	(Sales in MT)	
	FY 2018-19	FY 2017-18
Pipes / H. R. Plates & Coils	123,862	4,63,621

RESERVES AND DIVIDEND

Your Directors do not recommend any dividend for the year ended March 31, 2019.

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.

The subsidiary has no assets and liabilities as it is under process of voluntary closure and liquidation and the ultimate parent company has initiated the steps which are necessary to wind-up business operations of the Company.

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 and confirmation of qualification for re-appointment as the Statutory Auditors for the second term of appointment with effect from the close of the 18th Annual General Meeting. 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 2019-20.

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 RESPONSIBILITTY

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

Due to expiry of tenure of appointment of Mr. Krishnan Srinivasan before the ensuing annual general meeting, whose was liable to retire by rotation, none of the directors are liable to retire by rotation at the ensuing annual general meeting.

In place of Mr. Krishnan, Mr. Percy Birdy has been appointed as the Wholetime Director and the Chief Financial Officer of the Company with effect from May 13 2019.

Mr. Ramgopal Sharma resigned from the directorship with effect from November 26, 2018 due to indifferent health.

Mr. Deshraj Dogra has been appointed as an additional independent director with effect from December 20, 2018.

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 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 performance evaluation of the Directors was conducted by the entire Board (excluding the Director being evaluated) on the basis of a structured questionnaire which was prepared after taking into consideration inputs received from the Directors covering various aspects of the Board’s functioning viz. adequacy of the composition of the Board and its Committees, 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 and governance.

For the financial year 2018-19, 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 the required blend of Independent and Non-Independent Directors with considerable experience in diverse fields such as finance, accounts and general management and business strategy. Further, the Board has mix of executive and non-executive directors. 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 to them are given below:

Name of the Director	Category	Meetings Attended during the Year 2018-19	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	4/	No	1	Nil	3	-
(2) Mr. Deshraj Dogra^	NE, I	2/2	N.A.	5	1	-	4M, 3C
(3) Mr. K.H.Viswanathan	NE, I	5/5	Yes	6	-	-	3M, 5C
(4) Mr. Rajkumar Jain	NE, I	5/5	Yes	9	1	-	7M, 2C
(5) Ms. Revathy Ashok	NE, I	4/5	Yes	8	2	-	2M, 5C
(6) Mr. Ram Gopal Sharma#	NE, I	1/3	No	-	-	-	-

* ceased to be the wholetime director w.e.f. April 27, 2019
^ Appointed as a member of the Board w.e.f. December 20, 2018
# Resigned from the Board w.e.f. November 26, 2018

@ 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.

5 meetings of the Board of Directors were held during the year under review on the following dates: April 25, 2018, July 19, 2018, August 14, 2018, October 18, 2018 and January 24, 2019.

In addition to the above, a meeting of the Independent Directors was held on March 14, 2019 in compliance with the Section 149(8) read with Schedule V to the Companies Act, 2013. The said meeting was attended by Mr. Deshraj Dogra, Mr. K. H. Viswanathan, Mr. Rajkumar Jain and Ms. Revathy Ashok 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	7/7
Mr. Deshraj Dogra^	Member	2/2
Mr. K. H. Viswanathan	Member	7/7
Mr. Ram Gopal Sharma#	Member	1/5

^ Appointed as a member w.e.f. December 20, 2018
# Ceased to be a member w.e.f. November 26, 2018

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

7 meetings of the Audit Committee of the Board of Directors were held during the year under review on following dates: April 25, 2018, July 19, 2018, July 20, 2018, September 12, 2018, October 18, 2018, December 20, 2018 and January 24, 2019.

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. 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	4/4
Mr. Deshraj Dogra^	Member	1/1
Mr. K.H.Viswanathan	Member	4/4
Mr. Ram Gopal Sharma#	Member	2/2

^ Appointed as a member w.e.f. December 20, 2018
# Ceased to be a member w.e.f. November 26, 2018

During the year under review, 3 meetings of the Committee were held on 25.04.2018, 30.07.2018 and 20.12.2018 and 24.01.2019.

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

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	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	45	24/10/2016	10,217,460	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	51	08/01/2015	8,791,956	BE Mech	Man Industries (India) Ltd	Permanent	0%	No
Sourav Das	Senior Vice President	06/06/1968	51	01/10/2012	6,923,364	PGDBM/CA - Inter	The Tata Iron & Steel Co. Ltd.	Permanent	0%	No
Shalin Agrawal	Senior General Manager	07/01/1976	43	09/01/2015	5,149,476	PGDM/B.Tech	Gujarat State Petronet Ltd.	Permanent	0%	No
Ashish Guwalani	Associate Vice President	06/07/1978	41	08/01/2017	4,489,500	BE Mech/PGDBM Mktg	Welspun Corp Limited	Permanent	0%	No
Tushar Paranjape	General Manager	24/04/1976	43	11/01/2016	3,640,356	MBA Mktg	Zenith Birla India Ltd	Permanent	0%	No
Mantripragada Chakradhar	General Manager	16/05/1968	51	20/11/2017	3,119,148	MBA/PGDM	Seashell Logistics Pvt. Ltd.	Permanent	0%	No
Amol Adhye	General Manager	27/10/1981	37	01/10/2012	2,931,480	BE/PGDBM	Tata Strategic Magt Group	Permanent	0%	No
Umesh Dubey	Associate General Manager	17/01/1971	48	01/10/2012	2,652,600	M Tech	Man Industries (India) Ltd	Permanent	0%	No
Praveen Kumar	Associate General Manager	28/02/1983	36	01/10/2012	2,481,060	BE (Marine) / MBA Marketing & Finance	Infosys Technology 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 2018-19: 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. Deshraj Dogra^	111,000
2	Mr. K. H. Viswanathan	402,000
3	Mr. Rajkumar Jain	382,000
4	Ms. Revathy Ashok	154,000
5	Mr. Ram Gopal Sharma#	84,000

^ Appointed as a member of the Board w.e.f. December 20, 2018
# Resigned from the Board w.e.f. November 26, 2018

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, 2019 ARE AS UNDER:

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

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. 981.19 million,
Earned- Rs. 3561.89 million

INTERNAL CONTROLS & RISK MANAGEMENT

Your Company has adequate systems for risk management and internal control, which are commensurate with the size, scale and complexity of its operations. Your Company has a process in place to:–

(i) Continuously identify, evaluate and mitigate risks, which may threaten the existence of the Company. In the opinion of the Board key risks are Economic Risks, Legal & Compliance Risks and Risk of Competition.
(ii) Continuously monitor existing controls and identify gaps and implement new and / or improved controls wherever the effect of such gaps would have a material impact on your Company's operation. The controls were tested during the year under Report and no reportable material weaknesses either in their design or operations were observed.

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.

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.

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India (SS1 and SS2) respectively relating to Meetings of the Board and its Committees which have mandatory application.

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

	Sd/-	Sd/-
	Percy Birdy	**K.H.Viswanathan**
Mumbai	**Whole time Director**	**Director**
May 13, 2019	DIN – 07634795	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:	2.10
8. Total assets :	5.46
9. Total Liabilities :	Nil
10. Investments :	Nil
11. Turnover :	35.14
12. Profit / (Loss) before taxation :	(16.47)
13. Provision for taxation:	Nil
14. Profit / (Loss) after taxation:	(16.47)
15. Proposed Dividend:	Nil
16. % of shareholding	100%

* Closing rate US$1=INR 69.1550; Average Rate US$1=INR 69.8889

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/-	Sd/-	Sd/-
Percy Birdy	**Rajkumar Jain**	**Pradeep Joshi**
Whole time Director	**Director**	**Company Secretary**
DIN – 07634795	DIN: 00026544	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, 2019
[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, 2019 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, 2019 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:

(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. During the year under review Mr. Ram Gopal Sharma, Independent Director of the Company resigned with effect from November 26, 2018; Mr. Desh Raj Dogra was appointed as Additional (Independent) Director by the Board of Directors of the Company at their meeting held on December 20, 2018. The members of the Company at the Extra-Ordinary General Meeting held on March 7, 2019, re-appointed Mr. Rajkumar Jain and Mr. K. H. Vishwanathan for a second term as Independent Directors for five consecutive years with effect from April 1, 2019.

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, except in few cases where the meetings were convened at a shorter notice and the requisite consent was obtained, 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 undertaken following significant & material corporate events/actions having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

i. The Board of Directors gave their consent via circular resolution passed November 30, 2018; for closure business operation of Welspun Middle East DMCC, Subsidiary Company, operating in Dubai Multi Commodities Centre; and

ii. The Members at the Extra Ordinary General Meeting of the members held on March7, 2019, inter-alia, passed the following Special resolutions:

a) Re-Appointment of Mr. Rajkumar Jain (DIN 00026544), as an Independent Director Not Liable To Retire By Rotation; and

b) Re-Appointment of Mr. K. H. Viswanathan (DIN 00391263), as an Independent Director Not Liable To Retire By Rotation.

For M Siroya and Company
Company Secretaries

MukeshSiroya
Proprietor

FCS No.: 5682
CP No.: 4157

Date: 13th May, 2019
Place: Gangtok

Annexure A'

To,
The Members,
WelspunTradings 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: 13th May, 2019
Place: Gangtok

Annexure 3

Corporate Social Responsibility (CSR)

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

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

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

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

   These 3E's are implemented through:

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

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

2. The Composition of the CSR Committee.

   The Committee comprises of 3 non-executive directors as on date of this Report viz. 1) Mr. K.H. Viswanathan - an Independent Director as the Chairman; 2) Mr. Deshraj Dogra; and 3) Mr. Krishnan Srinivasan – Member. Mr. Pradeep Joshi-Company Secretary.
3. Average net profit of the Company for last three financial years: Rs. 150.19 million.
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) Rs.3.00 million.
5. Details of CSR spent during the financial year.
   a. Total amount to be spent for the financial year: Rs. 3.00 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)
Sr. No	*CSR Project / Activity undertaken*	*Sector in which the project is identified*	*State and District where project was undertaken*	*Amount of outlay budget*	*Direct Expenditure on program / Over Heads (Rs. in lakhs)*	*Cumulative expenditure up to **31.3.19** (Rs. in lakhs)*	*Amount spent Direct or through implementing agency*	*Whether qualified as per Sch VII Of Co's Act.*
1	Sujalam Sufalam Jal Abhiyaan	Ensuring environment sustainability	Gujarat – Anjar, Dahej and Vapi	-	9.87	9.87	Through implementing agency	YES
2	Swachhta Abhiyaan	Ensuring environment sustainability	Gujarat – Anjar, Dahej and Vapi	-	1.66	11.53	Through implementing agency	YES
3	Tree Plantation	Ensuring environment sustainability	Gujarat – Anjar, Dahej and Vapi	-	6.76	18.29	Through implementing agency	YES
4	Model Village Project – Amleshwar	Improvement of Socially Backward	Gujarat – Dahej	-	10.32	28.61	Through implementing agency	YES
5	Staff Salaries, Staff Welfare and Other administrative expenses	CSR Capacity Building of own personnel	Gujarat – Anjar, Dahej. Maharashtra-Mumbai	-	1.43	30.03	Through implementing agency	YES
			TOTAL		**30.03**	**30.03**		

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/-
K.H.Viswanathan
Director
DIN – 00391263

Sd/-
Percy Birdy
Whole time Director
DIN: 07634795

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	25.04.2018	Nil	1,421.77
2) Purchase of goods and services					
Welspun Corp Limited (Holding)	Ongoing	Based on transfer pricing guidelines	06.08.2014	Nil	8,356.17
3) Rent paid					
Welspun Realty Limited (Other Related Party)	3 Years	Based on transfer pricing guidelines	03.05.2016	Nil	4.60
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
4) **Corporate Social responsibility expenditure** Welspun Foundation For Health & Knowledge	Ongoing	Contribution under section 135 of the Companies Act, 2013	30.07.2018	Nil	3.00
5) **Commission on Sales** Welspun Middle East DMCC	Ongoing	Based on transfer pricing guidelines	01.11.2012	Nil	34.45

6) **Reimbursement** of expenses **Welspun Corp Limited**	Ongoing	Based on transfer pricing guidelines	28.04.2017	Nil	0.60

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

Sd/-
Percy Birdy
Wholetime Director
DIN: 07634795

Annexure- 5

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 Group2**									
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			
		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	% change in shareholding during the year
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	-

*** resigned w.e.f. November 26, 2018**
^ Ceased to be wholetime director w.e.f. 27.04.2019

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	0.27	Nil	Nil
ii. Interest due but not paid	-	-	-	
iii. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	Nil	0.27	Nil	Nil
Change in indebtedness during the financial year.				
• Addition	-	-	-	-
• Reduction	-	-	-	-
Net change	Nil	0.11	Nil	Nil
Indebtedness at the end of the financial year				
i. Principal Amount	-	0.16	-	-
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	Nil	0.16	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	
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act 1961.	Nil
	b) Value of perquisites u/s. 17(2) Income Tax Act, 1961	
	c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	Nil
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**	**DRD**	
	1. Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify	84,000	402,000	382,000	154,000	111,000	1,133,000
	Total (1)	**84,000**	**402,000**	**382,000**	**154,000**	**111,000**	**1,133,000**
	2. Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	-					
		Nil					
	Total (2)	Nil					
	Total (B) = (1 + 2)						**1,133,000**
	Total Managerial Remuneration						**1,133,000**
	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.)					

* Resigned we.f. November 26, 2018

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	**Company Secretary**	**CFO**	**Total**
1	Gross Salary a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 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 - As % of profit - Others, specify	Nil	Nil	Nil	Nil
5	Others, please specify				
	Total	**NIL**	**NIL**	**NIL**	**NIL**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

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

Price Waterhouse Chartered Accountants LLP

Independent Auditors' Report

To the Members of Welspun Tradings Limited

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Welspun Tradings Limited (the "Company"), which comprise the balance sheet as at March 31, 2019, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (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, 2019, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the financial statements and our auditors' report thereon.

   Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2016 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. 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 Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

(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 information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company has long-term contracts as at March 31, 2019 for which there were no material foreseeable losses. The Company did not have any long-term derivative contracts as at March 31, 2019.

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, 2019.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

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

Mehul Desai
Partner
Membership Number: 103211

Place: Mumbai
Date: May 13, 2019

Annexure A to Independent Auditors' Report

Referred to in paragraph 12(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, 2019

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, 2019, 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.

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.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

Annexure A to Independent Auditors' Report

Referred to in paragraph 12(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, 2019

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls 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 controls 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 control 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, 2019, 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 Number: 103211

Place: Mumbai
Date: May 13, 2019

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Welspun Tradings Limited on the financial statements as of and for the year ended March 31, 2019

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

(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The Company does not own any immovable properties as disclosed in Note 3 on fixed assets to the financial statements. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.

ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 36 to the financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax and goods and service tax which have not been deposited on account of any dispute.

viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

Price Waterhouse Chartered Accountants LLP
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Chartered Accountants
FRN 012754N/N500016
Mumbai

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

xi. The Company has not paid/ provided for managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with them within the meaning of Section 192 of the Act. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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

Mehul Desai
Partner
Membership Number: 103211

Place: Mumbai
Date: May 13, 2019

Welspun Tradings Limited
Financial statements - March 31, 2019

Financial statements

- Balance sheet as at March 31, 2019
- Statement of profit and loss for the year ended March 31, 2019
- Statement of changes in equity for the year ended March 31, 2019
- Statement of cash flows for the year ended March 31, 2019
- Notes comprising significant accounting policies and other explanatory information

Welspun Tradings Limited
Balance Sheet
(All amounts in Rupees million, unless otherwise stated)

	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	0.95	1.33
Intangible assets	4	-	-
Equity investment in subsidiary	5	-	3.36
Financial assets			
Other financial assets	6(a)	0.09	0.09
Deferred tax assets (net)	7	3.02	4.00
Other non-current assets	8(a)	-	3.04
Total non-current assets		**4.06**	**11.82**
Current assets			
Inventories	9	12.89	390.58
Financial assets			
Investments	10	124.40	83.03
Trade receivables	11	1,298.76	4,178.80
Cash and cash equivalents	12	6.30	452.80
Bank balances other than cash and cash equivalents	13	17.29	16.41
Loans	14	0.16	0.27
Other financial assets	6(b)	5.95	-
Current tax assets (net)	15(a)	-	1.06
Other current assets	8(b)	12.30	353.38
Asset held for disposal	16(a)	3.36	-
Total current assets		**1,481.41**	**5,476.33**
Total assets		**1,485.47**	**5,488.15**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17(a)	50.13	50.13
Other equity			
Reserves and surplus	17(b)	807.87	759.97
Other reserves	17(c)	2.33	-
Total equity		**860.33**	**810.10**
Liabilities			
Non-current liabilities			
Provisions	18(a)	2.76	0.38
Total non-current liabilities		**2.76**	**0.38**
Current liabilities			
Financial liabilities			
Trade payables			
total outstanding dues of micro and small enterprises	19	-	-
total outstanding dues other than above	19	598.54	3,897.15
Other financial liabilities	20	-	-
Provisions	18(b)	3.84	2.97
Current tax Liabilities (net)	15(b)	7.77	-
Other current liabilities	21	6.61	777.55
Liabilities associated towards assets held for disposal	16(b)	5.62	-
Total current liabilities		**622.38**	**4,677.67**
Total liabilities		**625.14**	**4,678.05**
Total equity and liabilities		**1,485.47**	**5,488.15**

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

K. H. Viswanathan
Director
DIN: 00391263

Percy Birdy
Whole Time Director
and CFO
DIN: 07634795

Pradeep Joshi
Company Secretary
FCS-4959

WELSPUN TRADINGS LIMITED

Place: Mumbai
Date: May 13, 2019

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

	Notes	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from operations	22 (a)	8,698.55	23,588.52
Other operating revenue	22 (b)	41.62	-
Other income	23	45.14	70.31
Total income		**8,785.31**	**23,658.83**
Expenses			
Purchases of stock-in-trade	24	7,551.08	21,824.76
Changes in inventories of stock-in-trade	25	377.69	(17.13)
Employee benefit expense	26	75.64	63.27
Depreciation expense	27	0.41	0.42
Other expenses	28	683.95	1,572.32
Finance costs	29	20.86	33.05
Total expenses		**8,709.63**	**23,476.69**
Profit before tax		**75.68**	**182.14**
Income tax expense			
Current tax	30 (a)	26.20	63.43
Deferred tax	30 (b)	0.40	0.02
Total income tax expense		**26.60**	**63.45**
Profit for the year (A)		**49.08**	**118.69**
Other comprehensive income			
Items that may be reclassified to profit or loss	17(c)		
Deferred gains/ (losses) on cash flow hedges (net)		3.50	(56.43)
Income tax relating to this item		(1.17)	19.53
		2.33	**(36.90)**
Items that will not be reclassified to profit or loss	17(b)		
Remeasurements of post employment benefit obligations		(1.77)	(0.02)
Income tax relating to this item		0.59	0.01
		(1.18)	**(0.01)**
Other comprehensive income for the year, net of tax (B)		**1.15**	**(36.91)**
Total comprehensive income for the year (A+B)		**50.23**	**81.78**
Earnings per equity share:			
Basic and diluted earnings per share (in Rupees)	39	9.79	23.67

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

K. H. Viswanathan
Director
DIN: 00391263

Percy Birdy
Whole Time Director
and CFO
DIN: 07634795

Pradeep Joshi
Company Secretary
FCS-4959

WELSPUN TRADINGS LIMITED

Place: Mumbai
Date: May 13, 2019

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

	For the year ended March 31, 2019	For the year ended March 31, 2018
Cash flow used in operating activities		
Profit before tax	75.68	182.14
Adjustments for:		
Depreciation expense	0.41	0.42
Interest expense	0.37	-
Interest income	(26.09)	(7.42)
Profit on sale of investments (net)	(13.78)	(16.65)
Bad and doubtful debts	0.01	2.35
Allowance for doubtful debts and advances written back (net)	(1.18)	-
Net exchange differences (unrealised)	9.81	23.80
Fair valuation gain on investments (net)	(0.09)	(0.45)
Fair value gain on derivatives not designated as hedges	(0.01)	-
Total	**45.13**	**184.19**
Changes in operating assets and liabilities		
Movement other non current assets	4.10	81.01
Movement in other financial assets	(2.44)	-
Movement in other current assets	341.08	402.35
Movement in inventories	377.69	(17.13)
Movement in trade receivables	2,869.78	2,183.27
Movement in non current provisions	0.61	(0.28)
Movement in current provisions	0.87	0.26
Movement in trade payables	(3,384.27)	(3,746.49)
Movement in other financial liabilities	86.09	-
Movement in liability associated towards assets held for disposal	5.62	-
Movement in other current liabilities	(770.94)	774.11
Cash outflow used in operations	**(426.68)**	**(138.71)**
Income taxes paid (net of refund)	(17.74)	(63.07)
Net cash outflow used in operating activities (A)	**(444.42)**	**(201.78)**
Cash flow used in investing activities		
Payments for property, plant and equipment	(0.03)	(0.03)
Interest received	25.33	15.91
Repayment of loan by subsidiary and employees (net)	0.11	129.85
Sale /(purchase) of current investments (net)	(27.49)	(15.92)
Proceeds from maturity of fixed deposits (net)	-	26.20
Net cash inflow used in investing activities (B)	**(2.08)**	**156.01**
Cash flow used in financing activities		
Interest paid	-	-
Repayment of borrowings	-	-
Net cash outflow used in financing activities (C)	**-**	**-**
Net decrease in cash and cash equivalents (A+B+C)	**(446.50)**	**(45.77)**
Cash and cash equivalents at the beginning of the financial year	452.80	498.57
Cash and cash equivalents at the end of the year	6.30	452.80
Net decrease in cash and cash equivalents	(446.50)	(45.77)

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

K. H. Viswanathan
Director
DIN: 00391263

Percy Birdy
Whole Time Director
and CFO
DIN: 07634795

Pradeep Joshi
Company Secretary
FCS-4959

WELSPUN TRADINGS LIMITED

Place: Mumbai
Date: May 13, 2019

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, 2017		**50.13**
Changes in equity share capital during the year	16(a)	-
Balance as at March 31, 2018		**50.13**
Changes in equity share capital during the year	16(a)	-
Balance as at March 31, 2019		**50.13**

B. Other equity

	Reserves and surplus	Other reserves	Total
	Retained earnings	Cash flow hedging reserve	
As at April 01, 2017	**641.29**	**36.90**	**678.19**
Profit for the year	118.69	-	**118.69**
Other comprehensive income	(0.01)	(36.90)	**(36.91)**
Total comprehensive income for the year	**118.68**	**(36.90)**	**81.78**
Balance as at March 31, 2018	**759.97**	**-**	**759.97**
Profit for the year	49.08	-	**49.08**
Other comprehensive income	(1.18)	2.33	**1.15**
Total comprehensive income for the year	**47.90**	**2.33**	**50.23**
Balance as at March 31, 2019	**807.87**	**2.33**	**810.20**

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

K. H. Viswanathan
Director
DIN: 00391263

Percy Birdy
Whole Time Director
and CFO
DIN: 07634795

Pradeep Joshi
Company Secretary
FCS-4959

WELSPUN TRADINGS LIMITED

Place: Mumbai
Date: May 13, 2019

Welspun Tradings Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2019 and the statement of profit and loss for the year ended March 31, 2019

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 May 13, 2019.

Adoption of new Accounting Standards

The Company has applied the following Accounting Standards and its amendments for the first time for annual reporting period commencing April 1, 2018:

- Ind AS 115, Revenue from Contracts with Customers
- Appendix B, Foreign Currency Transactions and Advance Consideration to Ind AS 21, The Effects of Change in Foreign Exchange Rate
- Amendment to Ind AS 12, Income Taxes

The Company had to change its accounting policies following the adoption of Ind AS 115. This is disclosed in note 41. Most of the other amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current and future periods.

The Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest two decimals of Millions unless otherwise stated.

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

WELSPUN TRADINGS LIMITED

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(b) Segment reporting

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

(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

(i) Sales of products

Effective April 1, 2018, the Company has adopted Ind AS 115, Revenue from contracts with customers using the modified retrospective transition approach, which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted.

The Company sells a range of pipes to its customers.

The Company recognizes revenue when it satisfies an identified performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Company has the present right to payment, all of which occurs at a point in time upon shipment or delivery of the product. The Company considers freight expenses as costs to fulfil the promise to transfer the related products and the customer payments for freight income are recorded as a component of revenue.

In certain customer contracts, freight charges are treated as a distinct separate performance obligation and the Company recognises revenue for such services when the performance obligation is completed.

Delivery occurs when the products have been shipped or delivered in accordance with the agreed delivery terms with the customer.

The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the Company expects to be entitled to in exchange for transferring of promised goods and services to the customer after deducting liquidated damages, included but not limited to, discounts, volume rebates etc.

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A receivable is recognised when the goods are delivered as per the agreed delivery terms with the customer as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Liquidated damages are damages that a customer deducts from the transaction price if the company fails to deliver the goods at a pre decided time as per delivery schedule. Liquidated damages are estimated based on enforcement of specific performance of contracts. In making these estimates, the Company considers predictive value of the amount that the Company expects to be liable for the transferred goods and services.

Revenue from sale of products are inclusive of excise duty and net of returns, trade allowances, rebates, value added tax, goods and service tax (GST) and amounts collected on behalf of third parties.

(ii) Sales of services

The Company also provides freight services to its customers.

Revenue from providing freight services is recognised in the accounting period in which the services are rendered.

The related freight costs incurred are included in freight expenses when the Company is acting as principal in the freight arrangement.

The Company does not have any contracts where in the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(iii) Contract assets and Contract Liabilities

When the Company performs a service or transfers a good in advance of receiving consideration, it recognises a contract asset or receivable.

A contract asset is a Company's right to consideration in exchange for goods or services that the Company has transferred to a customer. If the Company transfers control of goods or services to a customer before the customer pays consideration, the Company records a contract asset when the nature of the Company's right to consideration for its performance is other than passage of time. A contract asset will be classified as a receivable when the Company's right to consideration is unconditional (that is, when payment is due only on the passage of time).The Company shall assess a contract asset for impairment in accordance with Ind AS 109. Impairment of a contract asset is measured, presented and disclosed on similar basis as other financial asset in nature of trade receivable within the scope of Ind AS 109. The Company discloses contract assets under "Other Assets".

The Company recognises a contract liability if the customer's payment of consideration precedes the Company's performance. A contract liability is recognised if the Company receives consideration (or if it has the unconditional right to receive consideration) in advance of performance. The Company discloses contract liabilities under "Other Liabilities".

(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.

Welspun Tradings Limited

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Mumbai

Welspun Tradings Limited
Notes annexed to and forming part of the balance sheet as at March 31, 2019 and the statement of profit and loss for the year ended March 31, 2019

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 amounts due from customers for good sold or services performed in the ordinary course of business. Trade receivables are recognised initially at amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company hold the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowances.

(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.

WELSPUN TRADINGS LIMITED

Price Waterhouse Chartered Accountants LLP
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(k) Investments and other financial assets

(i) 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.

(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.

WELSPUN TRADINGS LIMITED

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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.

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(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 marked to market 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.

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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

These estimated useful lives are in accordance with those prescribed under Schedule II to the Companies Act, 2013.

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

This estimated useful lives is in accordance with that prescribed under Schedule II to the Companies Act, 2013

(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.

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(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.

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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.

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.

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(w) New standards/ amendments to existing standards issued but not yet adopted

Following are the amendments to existing standards which have been issued by The Ministry of Corporate Affairs ('MCA') that are not effective for the reporting period and have not been early adopted by the Company:

a) Amendments to Ind AS 116, Leases:
On March 30, 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, Leases as part of the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2019. Ind AS 116 replaces existing standard Ind AS 17, Leases with effect from accounting periods beginning on or after April 01, 2019

The new standard introduces a single model of lease accounting and eliminates the classification of leases as either finance leases or operating leases for a lessee as was required under Ind AS 17. Ind AS 116 requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. For all leases except as noted above, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments in its financial statement. Lessee will recognise depreciation of right of use assets and interest on lease liabilities in the statement of profit or loss. In the cash flow statement, operating cash flows will be higher as payment of the lease liability and related interest are to be classified within financing activities.

Requirements with regard to lessor accounting are substantially similar to accounting requirements contained in Ind AS 17. Accordingly, a lessor will continue to classify its leases as operating leases or finance leases, and account for those two types of leases differently.

The effective date for adoption of Ind AS 116 is financial year beginning on or after April 1, 2019. The standard permits two possible methods of transition:

(i) Fully retrospective- Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

(ii) Modified retrospective- Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:
1. Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
2. An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

The Company is currently assessing the potential impact of this amendment. These amendments are mandatory for the reporting period beginning on or after April 01, 2019.

b) Appendix C, Uncertainty over Income Tax Treatments, to Ind AS 12, 'Income Taxes':

The appendix explains how to recognize and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

(i) How to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty;

(ii) That the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored;

(iii) That the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment;

(iv) That the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty; and

(v) That the judgement and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgement.

The Company is currently assessing the potential impact of this amendment. These amendments are mandatory for the reporting period beginning on or after April 01, 2019.

c) Amendment to Ind AS 19, 'Employee Benefits' - Plan Amendment, Curtailment or Settlement:

The amendment to Ind AS 19 clarifies the accounting for defined benefit plan amendments, curtailments and settlements. It confirms that entities must:

(i) Calculate the current service cost and net interest for the remainder of the reporting period after a plan amendment, curtailment or settlement by using the updated assumptions from the date of the change;
(ii) Any reduction in a surplus should be recognised immediately in profit or loss either as part of past service cost, or as a gain or loss on settlement. In other words, a reduction in a surplus must be recognised in profit or loss even if that surplus was not previously recognised because of the impact of the asset ceiling; and
(iii) Separately recognise any changes in the asset ceiling through other comprehensive income.

The Company is currently assessing the potential impact of this amendment. These amendments are mandatory for the reporting period beginning on or after April 01, 2019.

d) Amendment to Ind AS 12, 'Income Taxes':

The amendment clarifies that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised. These requirements apply to all income tax consequences of dividends. Previously, it was unclear whether the income tax consequences of dividends should be recognised in profit or loss, or in equity, and the scope of the existing guidance was ambiguous.

The Company is currently assessing the potential impact of this amendment. These amendments are mandatory for the reporting period beginning on or after April 01, 2019.

The Company intends to adopt these amendments when it becomes effective.There are no other standards or amendments that are not yet effective and that would be expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

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.

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.

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Note 3: Property, plant and equipment

	Computers	Office and other equipments	Vehicles	Furniture and fixtures	Total
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**
Year ended March 31, 2019					
Gross carrying amount					
Opening gross carrying amount as at April 01, 2018	0.02	0.19	2.40	0.05	2.66
Additions	-	0.03	-	-	0.03
Closing gross carrying amount as at March 31, 2019	**0.02**	**0.22**	**2.40**	**0.05**	**2.69**
Accumulated depreciation					
Opening accumulated depreciation as at April 01, 2018	0.02	0.14	1.14	0.03	1.33
Depreciation charge during the year	-	0.02	0.38	0.01	0.41
Closing accumulated depreciation as at March 31, 2019	**0.02**	**0.16**	**1.52**	**0.04**	**1.74**
Net carrying amount as at March 31, 2019	-	**0.06**	**0.88**	**0.01**	**0.95**

* Amount is below the rounding norms adopted by the Company

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Note 4: Intangible assets

	Computer software	Total
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	-	-
Amortisation charge for the year	-	-
Closing accumulated amortisation as at March 31, 2018	**-**	**-**
Net carrying amount as at March 31, 2018*	-	-
Year ended March 31, 2019		
Gross carrying amount		
Opening gross carrying amount as at April 01, 2018	-	-
Closing gross carrying amount as at March 31, 2019	**-**	**-**
Accumulated amortisation		
Opening accumulated amortisation as at April 01, 2018	-	-
Closing accumulated amortisation as at March 31, 2019	**-**	**-**
Net carrying amount as at March 31, 2019*	-	-

*Amount is below the rounding norms adopted by the Company

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Note 5: Equity investment in subsidiary

	As at March 31, 2019	As at March 31, 2018
Investment in equity instruments of wholly owned subsidiary (fully paid-up)		
Unquoted		
Welspun Middle East DMCC		
200 (March 31, 2018: 200) equity shares of AED 1,000 each (refer notes (a) below)	3.36	3.36
Less: Transferred to asset held for disposal (refer note (b) below and 16(a))	(3.36)	-
Total equity investment in subsidiary	**-**	**3.36**
Aggregate amount of unquoted investments	-	3.36

Notes

a) **Interest in other entity:** The Company's subsidiary at March 31, 2019 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, 2019	100%
March 31, 2018	100%
Principal activities	Commission income

b) The Board of directors had passed a resolution dated November 27, 2018 to voluntarily wind up the business operation of the subsidiary company i.e. Welspun Middle East DMCC operating in Dubai- United Arab Emirates.The assets of subsidiary company are classified as Asset held for disposal and the liabilities are classified as Liability associated towards assets held for disposal. (Refer note 16 and 35)

Note 6: Other financial assets

	As at March 31, 2019	As at March 31, 2018
6(a) Non-current		
Security deposits		
Related parties (refer note 35)	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, not designated as hedges	0.01	-
Foreign exchange forward contracts, designated as hedges	3.50	-
Other receivables	2.44	-
Total current other financial assets	**5.95**	**-**
Total other financial assets	**6.04**	**0.09**

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Note 7: Deferred tax assets (net)

	As at March 31, 2019	As at March 31, 2018
The balance comprises temporary differences attributable to:		
Deferred tax asset		
Gratuity and leave obligations	2.20	1.72
Allowance for doubtful debts and advances	1.87	2.35
Property, plant and equipment	0.15	0.09
	4.22	4.16
Set-off of deferred tax liabilities pursuant to set-off provisions		
Deferred tax liability		
Cash flow hedging reserve	1.17	-
Fair valuation on investment	0.03	0.16
	1.20	0.16
Total deferred tax assets (net)	3.02	4.00

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, 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)
Charged/ (Credited)								
to profit and loss	-	(0.13)	(0.13)	0.06	(0.11)	(0.48)	(0.53)	0.40
to other comprehensive income	1.17	-	1.17		0.59	-	0.59	0.58
As at March 31, 2019	1.17	0.03	1.20	0.15	2.20	1.87	4.22	(3.02)

Note 8: Other assets

	As at March 31, 2019	As at March 31, 2018
8(a) Non-current		
Balance with statutory authorities	5.56	9.66
Less: Allowance for doubtful advances	(5.56)	(6.62)
Total other non-current assets	-	3.04
8(b) Current		
Balance with statutory authorities	7.51	324.44
Prepaid expenses	3.39	28.12
Advances to employees	0.10	0.57
Advances to suppliers	0.21	0.25
Others	1.09	-
Total other current assets	12.30	353.38
Total other assets	12.30	356.42

Note 9: Inventories

	As at March 31, 2019	As at March 31, 2018
Traded goods	12.89	390.58
Total inventories	12.89	390.58

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Note 10: Investments

	As at March 31, 2019	As at March 31, 2018
Investment in mutual funds		
Investment carried at fair value through profit and loss		
Unquoted:		
40,228 (March 31, 2018: Nil) units of SBI Overnight Fund Direct Growth	124.40	-
Nil (March 31, 2018: 17,851) units of Invesco India Liquid Fund - Growth	-	42.55
Nil (March 31, 2018: 11,712) units of Invesco Medium Term Bond Fund - Direct Plan Growth	-	21.31
Nil (March 31, 2018: 7,994) units of Invesco India Ultra Short Term Fund - Growth	-	19.17
Total current investments	124.40	83.03
Aggregate amount of unquoted investments	124.40	83.03

Note 11: Trade receivables

	As at March 31, 2019	As at March 31, 2018
Trade receivables from others	1,298.80	4,178.96
Less: Allowance for doubtful debts	0.04	0.16
Total receivables	1,298.76	4,178.80
Current	1,298.76	4,178.80
Break up of security details		
Unsecured, considered good	1,298.76	4,178.80
Unsecured, credit impaired	0.04	0.16
Total	1,298.80	4,178.96
Allowance for doubtful debts	0.04	0.16
Total trade receivables	1,298.76	4,178.80

Note 12: Cash and cash equivalents

	As at March 31, 2019	As at March 31, 2018
Balances with banks		
in current accounts	6.30	452.80
Total cash and cash equivalents	6.30	452.80

Note 13: Bank balances other than cash and cash equivalents

	As at March 31, 2019	As at March 31, 2018
Deposits with original maturity of more than three months but less than twelve months (including interest accrued)	17.29	16.41
Total bank balances other than cash and cash equivalents	17.29	16.41

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	As at March 31, 2019	As at March 31, 2018
Note 14: Loans		
Unsecured, considered good		
Loans to employees	0.16	0.27
Total current loans	**0.16**	**0.27**

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

15(a) Current tax assets (net)

	As at March 31, 2019	As at March 31, 2018
Opening balance	-	1.42
Less: Current tax payable for the year	-	(63.43)
Less: Refund received	-	-
Add: Taxes paid (including tax deducted at source)	-	63.07
Closing balance	**-**	**1.06**

15(b) Current tax liabilities (net)

	As at March 31, 2019	As at March 31, 2018
Opening balance	(1.06)	-
Add: Current tax payable for the year	26.57	-
Add: Refund received	0.92	-
Less: Taxes paid (including tax deducted at source)	(18.66)	-
Closing balance	7.77	-

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

Note 16: Assets held for disposal/ Liabilities associated towards assets held for disposal

	As at March 31, 2019	As at March 31, 2018
16(a) Assets held for disposal (refer note 5 and 35)		
Investment in equity instruments of wholly owned subsidiary		
Welspun Middle East DMCC		
200 (March 31, 2018: NIL) equity shares of AED 1,000 each	3.36	-
Total asset held for disposal	**3.36**	**-**
16(b) Liabilities associated towards assets held for disposal (refer note 5 and 35)		
Other payable	5.62	-
Total liabilities associated towards assets held for disposal	**5.62**	**-**

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Note 17: Equity share capital and other equity

17(a): Equity share capital

Authorised equity share capital

	Number of shares	Amount
As at April 01, 2017	**5,050,000**	**50.50**
Movement during the year	-	-
As at March 31, 2018	**5,050,000**	**50.50**
Movement during the year	-	-
As at March 31, 2019	**5,050,000**	**50.50**

(i) Movements in equity share capital

	Number of shares	Amount
As at April 01, 2017	**5,013,402**	**50.13**
Movement during the year	-	-
As at March 31, 2018	**5,013,402**	**50.13**
Movement during the year	-	-
As at March 31, 2019	**5,013,402**	**50.13**

Terms and rights attached to equity shares

Equity shares have a par value of INR 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, 2019		As at March 31, 2018	
	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, 2019		As at March 31, 2018	
	Number of shares	% holding	Number of shares	% holding
Welspun Corp Limited (the 'holding company'), including nominees	5,013,402	100%	5,013,402	100%

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Note 17: Equity share capital and other equity (Contd...)

17(b): Reserves and surplus

	As at March 31, 2019	As at March 31, 2018
Retained earnings (refer note below)	807.87	759.97
Total reserves and surplus	807.87	759.97

Note - Retained earnings:

	As at March 31, 2019	As at March 31, 2018
Opening balance	759.97	641.29
Profit for the year	49.08	118.69
Item of other comprehensive income recognised directly in retained earnings		
Remeasurements of post employment benefit obligations, net of tax	(1.18)	(0.01)
Closing balance	807.87	759.97

17(c): Other reserves

	As at March 31, 2019	As at March 31, 2018
Cash flow hedging reserve (refer note below)	2.33	-
Total other reserves	2.33	-

Note - Cash flow hedging reserve:

	As at March 31, 2019	As at March 31, 2018
Opening balance	-	36.90
Add: Gain recognised in cash flow hedging reserve during the year (net)	6.83	16.60
Less: Gain transferred to the statement of profit and loss	(3.33)	(73.03)
Income tax on amount recognised in cash flow hedging reserve	(1.17)	19.53
Closing Balance	2.33	-

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.

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Note 18: Provisions

	As at March 31, 2019	As at March 31, 2018
18(a) Non-current		
Gratuity (Refer notes (i) to (vi) below)	2.76	0.38
Total non-current provisions	2.76	0.38
18(b) Current		
Leave obligations (Refer note (vii) below)	3.80	2.96
Gratuity (Refer notes (i) to (vi) below)	0.04	0.01
Total current provisions	3.84	2.97
Total provisions	6.60	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, 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

	Present value of obligation	Fair value of plan assets	Net amount
April 01, 2018	5.42	(5.03)	0.39
Current service cost	1.01	-	1.01
Interest expense/ (income)	0.42	(0.40)	0.02
Total amount recognised in profit or loss	1.43	(0.40)	1.03
Remeasurements			
Experience (gains)/ losses	1.76	0.01	1.77
Loss from change in financial assumptions	-	-	-
Total amount recognised in other comprehensive income	1.76	0.01	1.77
Employer contribution	-	(0.39)	(0.39)
Benefit payments	(0.19)	0.19	-
March 31, 2019	8.42	(5.62)	2.80

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

	March 31, 2019	March 31, 2018
Present value of funded obligations	8.42	5.42
Fair value of plan assets	(5.62)	(5.03)
Deficit/ (excess) of funded plan	2.80	0.39
Non-current	2.76	0.38
Current	0.04	0.01

(iii) Significant actuarial assumptions are as follows:

	March 31, 2019	March 31, 2018
Discount rate	7.68%	7.81%
Salary growth rate	6.00%	6.00%

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Note 18: 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, 2019	March 31, 2018		March 31, 2019	March 31, 2018		March 31, 2019	March 31, 2018
Discount rate	0.50%	0.50%	Decrease by	0.62	0.03	Increase by	0.57	0.03
Salary growth rate	0.50%	0.50%	Increase by	0.63	0.02	Decrease by	0.58	0.02

(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, 2020 is Rs. 1.32 (March 31, 2019: Rs. 0.96).

The weighted average duration of the defined benefit obligation is 5 years (2019 - 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, 2019	0.20	0.21	0.78	1.19
March 31, 2018	0.13	0.16	0.58	0.87

(vii) Leave obligations

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

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Note 19: Trade payables (refer note 40)	**As at March 31, 2019**	**As at March 31, 2018**
Trade payables to micro and small enterprises	-	-
Trade payables to related parties (refer note 35)	485.76	3,840.30
Trade payables to others	112.78	56.85
Total trade payables	**598.54**	**3,897.15**

Note 20: Other financial liabilities	**As at March 31, 2019**	**As at March 31, 2018**
Other payables	- *	-
Total other financial liabilities	**-**	**-**

* Amount is below the rounding norms adopted by the Company

Note 21: Other current liabilities

	As at March 31, 2019	**As at March 31, 2018**
Trade advances (refer note 41)		
From Related parties (refer note 35)	-	579.82
Others	0.23	191.26
Statutory dues including provident fund and tax deducted at source	2.18	5.90
Employee dues payable	2.02	0.57
Others (refer note 36)	2.18	-
Total other current liabilities	**6.61**	**777.55**

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Note 22 (a): Revenue from operations	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from contracts with customers		
Sale of products	8,355.90	22,009.92
Sale of services	342.65	1,578.60
Total revenue from operations	**8,698.55**	**23,588.52**

The Company has only one major product which is sale of pipes and revenue derived from transfer of pipes at a point in time aggregated to INR 8,355.90 million for the year ended March 31, 2019 (March 31, 2018: INR 22,009.92 million).

Reconciliation of revenue recognised with contract price

	Year ended March 31, 2019	Year ended March 31, 2018
Contract price	8,699.45	23,588.52
Adjustments for:		
Less: Liquidated damages	0.90	-
Revenue from operations	8,698.55	23,588.52

Note 22 (b): Other operating revenue	Year ended March 31, 2019	Year ended March 31, 2018
Other operating revenue	41.62	-
Total revenue from operations	**41.62**	**-**

Note 23: Other income	Year ended March 31, 2019	Year ended March 31, 2018
Interest income on:		
Fixed deposits	0.96	5.77
Loan given to subsidiary (refer note 35)	-	1.65
Others	25.13	-
Profit on sale of investments (net)	13.78	16.65
Fair valuation gain on investments (net)	0.09	0.45
Fair value gain on derivatives not designated as hedges	0.01	-
Exchange difference (net)	-	44.87
Allowance for doubtful debts and advances written back (net)	1.18	-
Miscellaneous income	3.99	0.92
Total other income	**45.14**	**70.31**

Note 24: Purchases of stock-in-trade	Year ended March 31, 2019	Year ended March 31, 2018
Purchases of stock-in-trade	7,551.08	21,824.76
Total purchases of stock-in-trade	**7,551.08**	**21,824.76**

Note 25: Changes in inventories of stock-in-trade	Year ended March 31, 2019	Year ended March 31, 2018
Opening balance		
Traded goods	390.58	373.45
Total opening balance	**390.58**	**373.45**
Closing Balance		
Traded goods	12.89	390.58
Total closing balance	**12.89**	**390.58**
Total changes in inventories of stock-in-trade	**377.69**	**(17.13)**

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Note 26: Employee benefit expense	Year ended March 31, 2019	Year ended March 31, 2018
Salaries, wages and bonus	70.17	58.85
Contribution to provident and other funds (refer note below)	4.30	3.42
Gratuity expenses (refer note 18)	1.03	0.84
Staff welfare expenses	0.14	0.16
Total employee benefit expense	**75.64**	**63.27**

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, 2019	Year Ended March 31, 2018
Employer's Contribution to Provident Fund and Employee's Pension Scheme	4.10	3.23
Superannuation fund	0.20	0.19
Total expenses recognised in the statement of profit and loss	**4.30**	**3.42**

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Note 27: Depreciation expense (refer notes 3)

	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation of property, plant and equipment	0.41	0.42
Total depreciation expense	**0.41**	**0.42**

Note 28: Other expenses

	Year ended March 31, 2019	Year ended March 31, 2018
Coating and other job charges	1.15	8.72
Freight, material handling and transportation	539.11	1,366.54
Rental charges (refer note (iii) below and note 35)	3.94	4.07
Rates and taxes	- *	0.95
Travel and conveyance	13.70	11.00
Communication expenses	0.28	0.39
Professional and consultancy fees	10.18	11.24
Insurance	1.97	0.72
Directors' sitting fees (refer note 35)	1.12	1.20
Membership and subscription	0.70	0.47
Exchange differences (net)	19.52	-
Payment to auditors (refer note (i) below)	2.63	2.70
Commission on sales to agents (refer note 35)	85.63	158.24
Allowance for doubtful debts and advances (net)	-	0.12
Bad debts written off	0.01	2.23
Expenditure towards corporate social responsibility (refer note (ii) below and note 35)	3.00	2.52
Miscellaneous expenses	1.01	1.21
Total other expenses	**683.95**	**1,572.32**

* Amount is below the rounding norms adopted by the Company

Note:
(i) Details of payments to auditors

	Year ended March 31, 2019	Year ended March 31, 2018
Payment to auditors		
As auditor:		
Audit fee	2.00	2.00
Tax audit fee	0.30	0.30
In other capacities:		
Certification fees	0.29	0.32
Reimbursement of expenses	0.04	0.08
Total payment to auditors	**2.63**	**2.70**

(ii) Expenditure towards corporate social responsibility	Year ended March 31, 2019	Year ended March 31, 2018
Contribution to Welspun Foundation for Health & Knowledge	3.00	2.52
Total	**3.00**	**2.52**
Amount required to be spent as per Section 135 of the Companies Act, 2013	3.00	2.52
Amount spent during the year:		
Construction/ acquisition of an asset	-	-
On purposes other than above	3.00	2.52

(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.The lease arrangements range for a period within one year to three year. Rent for operating leases included in the statement of profit and loss for the year is Rs.3.94 (March 31, 2018: Rs. 4.07).

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Note 29: Finance costs

	Year ended March 31, 2019	Year ended March 31, 2018
Interest on delayed payment of Income Tax	0.37	-
Other finance charges	20.49	33.05
Total finance costs	**20.86**	**33.05**

Note 30: Income tax expenses

(i) Income tax expenses recognised in profit and loss

Note 30 (a): Current tax	Year ended March 31, 2019	Year ended March 31, 2018
Current tax on profit for the year	26.20	63.43
Total current tax expense	**26.20**	**63.43**

Note 30 (b): Deferred tax	Year ended March 31, 2019	Year ended March 31, 2018
Increase in deferred tax assets	0.53	(0.06)
(Decrease)/ increase in deferred tax liabilities	(0.13)	0.08
Total deferred tax expense	**0.40**	**0.02**
Total income tax expense	**26.60**	**63.45**

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

	Year ended March 31, 2019	Year ended March 31, 2018
Profit before tax	75.68	182.14
Tax rate	33.38%	34.61%
Tax at normal rate	**25.27**	**63.04**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
50% of donations disallowed under section 80 G of The Income tax Act,1961	0.50	0.44
Change in tax rate (basis adjustment)	0.18	(0.03)
Interest u/s 234B disallowances	0.15	-
Other items	0.50	-
Total Income tax expense	**26.60**	**63.45**

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Note 31: Fair value measurements

Financial instruments by category

	As at March 31, 2019		As at March 31, 2018	
	FVPL	Amortised Cost	FVPL	Amortised Cost
Financial assets				
Investments				
Mutual funds	124.40	-	83.03	-
Loans	-	0.16	-	0.27
Trade receivables	-	1,298.76	-	4,178.80
Cash and cash equivalents	-	6.30	-	452.80
Bank balances other than cash and cash equivalents	-	17.29	-	16.41
Other financial assets				
Security deposits	-	0.09	-	0.09
Foreign exchange forward contracts, not designated as hedges	0.01	-	-	-
Foreign exchange forward contracts, designated as hedges	3.50	-	-	-
Others	-	2.44	-	-
Total financial assets	**127.91**	**1,325.04**	**83.03**	**4,648.37**
Financial liabilities				
Trade payables	-	598.54	-	3,897.15
Other financial liabilities	-	-	-	-
Total financial liabilities	**-**	**598.54**	**-**	**3,897.15**

(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, 2019

	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
Mutual funds	-	124.40	-	124.40
Other financial assets				-
Derivatives				
Foreign exchange forward contracts, not designated as hedges	-	0.01	-	0.01
Foreign exchange forward contracts, designated as hedges	-	3.50	-	3.50
Total financial assets	**-**	**127.91**	**-**	**127.91**

Assets which are measured at amortised cost for which fair value are disclosed at March 31, 2019

	Level 1	Level 2	Level 3	Total
Financial assets				
Loans	-	-	0.16	0.16
Other financial assets				
Security deposits	-	-	0.09	0.09
Others	-	-	2.44	2.44
Financial Liabilities				
Other financial Liabilities				
Others	-	-	-	-
Total financial assets	**-**	**-**	**2.69**	**2.69**

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**

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Note 31: 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 (FEDAI) 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 techniques 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, 2019		March 31, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Loans	0.16	0.16	0.27	0.27
Other financial assets				
Security deposits	0.09	0.09	0.09	0.09
Others	2.44	2.44	-	-
Total financial assets	**2.69**	**2.69**	**0.36**	**0.36**

The carrying amounts of trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, loans, other financial assets, trade payables and other financial liabilities 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 and other (other than those covered in above note) are materially the same.

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Note 32: Financial risk management

The Company's principal financial liabilities represents only trade payables, other payables and financial assets represents investments, trade receivables, 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:

	0-120 Days	More than 120 Days	Total
March 31, 2019	1,298.76	-	**1,298.76**
March 31, 2018	4,178.76	0.04	**4,178.80**

(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, 2019

Contractual maturities of financial liabilities	< 1 Year	1-3 years	3-5 years	> 5 years	Total
Trade payables	598.54	-	-	-	598.54
Other payables	-	-	-	-	-
Total liabilities	**598.54**	-	-	-	**598.54**

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
Other payables	-	-	-	-	-
Total liabilities	**3,897.15**	-	-	-	**3,897.15**

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Note 32: 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:

	As at March 31, 2019			As at March 31, 2018		
	USD	EUR	CAD	USD	EUR	CAD
Financial assets						
Trade receivables	1,070.22	-	47.63	293.49	-	-
Derivatives designated as hedge						
Forward contracts	(231.29)	-	-	-	-	-
Derivatives not designated as hedges						
Forward contracts	(69.49)	-	-	-	-	-
Net exposure to foreign currency risk (assets)	769.44	-	47.63	293.49	-	-
Financial liabilities						
Trade payables	1.04	2.59	94.43	167.44	0.41	10.86
Net exposure to foreign currency risk (liabilities)	1.04	2.59	94.43	167.44	0.41	10.86
Total Net exposure to foreign currency risk	768.40	(2.59)	(46.80)	126.05	(0.41)	(10.86)
Net Derivatives designated as hedges	(231.29)	-	-	-	-	-

(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:

(in millions)

	Amount in Rupees		Equivalent amount in USD	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Assets				
Investment in equity share	-	3.36	-	0.05
Trade receivables	1,117.85	293.49	16.16	4.50
	1,117.85	296.85	16.16	4.55
Liabilities				
Trade payables	98.06	178.71	1.42	2.74
Trade advance	-	766.73	-	11.77
	98.06	945.44	1.42	14.51
Less: Forward contracts (USD-INR)	(69.49)	-	(1.00)	-
Net unhedge foreign currency exposure	(950.30)	648.59	(13.74)	9.96

(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, 2019	March 31, 2018	March 31, 2019	March 31, 2018
USD sensitivity				
INR/USD - Increase by 1% (March 31, 2018 - 1%) #	7.68	1.26	(2.31)	-
INR/USD - Decrease by 1% (March 31, 2018 - 1%) #	(7.68)	(1.26)	2.31	-
EURO sensitivity				
INR/EURO - Increase by 1% (March 31, 2018 - 1%) #	(0.03)	- *	-	-
INR/EURO - Decrease by 1% (March 31, 2018 - 1%) #	0.03	- *	-	-
CAD sensitivity				
INR/CAD - Increase by 1% (March 31, 2018 - 1%) #	(0.47)	(0.11)	-	-
INR/CAD - Decrease by 1% (March 31, 2018 - 1%) #	0.47	0.11	-	-

Holding all other variables constant

* Amount is below the rounding norms adopted by the Company

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Note 32: 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, 2019 and March 31, 2018, 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	
	As at March 31, 2019	As at March 31, 2018
Increase in price 0.25% (March 31, 2018 - 0.25%)	0.31	0.21
Decrease in price 0.25% (March 31, 2018 - 0.25%)	(0.31)	(0.21)

(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, 2019

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	231.29	-	3.50	-	19-Jul-19	1:1

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	-	-	-	-	-	-

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, 2019 and March 31, 2018.

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Note 32: 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, 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	-
Add: Gain recognised in cash flow hedging reserve during the year (net)	6.83
Less: Gain transferred to the statement of profit and loss	(3.33)
Income tax on amount recognised in cash flow hedging reserve	(1.17)
As at March 31, 2019	**2.33**

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Note 33: 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, 2019 and March 31, 2018.

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 34: Segment reporting

(i) Description of segments and principle activities

The Company's chief operating decision maker consists of the whole time directors 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, 2019	4	6,965.83	80.08%
March 31, 2018	3	19,004.55	80.57%

(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 31, 2019	Year ended March 31, 2018
Export	4,800.73	16,362.59
Domestic	3,897.82	7,225.93
Total	**8,698.55**	**23,588.52**

(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, 2019 and March 31, 2018.

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Note 35: Related party transactions

(a) Entities having significant influence

Name	Type	Ownership interest	
		March 31, 2019	March 31, 2018
Welspun Pipes Limited	Significant influence	41.64%	41.64%
Welspun Group Master Trust	Significant influence	-	-

(b) List of related parties:

Name	Type	Place of Incorporation	Ownership interest	
			March 31, 2019	March 31, 2018
Welspun Corp Limited	Holding Company	India	100%	100%
Welspun Middle East DMCC	Wholly owned subsidiary	United Arab Emirates (UAE)	100%	100%

(c) 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 upto November 26, 2018
Ms. Revathy Ashok	Director
Mr. Des Raj Dogra	Director w.e.f December 21, 2018
Mr. Pradeep Joshi	Company Secretary

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

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

(e) Transactions with related parties

	For year ended March 31, 2019	For year ended March 31, 2018
Transactions with Welspun Corp Limited		
Purchases of stock-in-trade	8,356.17	23,733.62
Reimbursement of expenses (payable)/ receivable	0.60	(53.40)
Transactions with Welspun Wasco Coatings Private Limited		
Purchases of stock-in-trade	-	1,541.97
Transactions with Welspun Global Brands Limited		
Staff welfare expenses	0.09	-
Transactions with Welspun Middle East DMCC		
Commission on sales to agents	34.45	10.87
Interest income on loan given to subsidiary	-	1.65
Repayment of Loans	-	(136.41)
Transactions with Welspun Global Trade LLC		
Commission on sales to agents	-	97.65
Transactions with Welspun Tubular LLC		
Revenue from contracts with customer	1,421.77	12,011.21
Trade advance received	-	579.82
Transactions with Welspun Realty Private Limited		
Rental charges	4.60	4.57
Transactions with MGN Agro Properties Private Limited		
Rental charges	0.04	0.04

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Note 35: Related Party Transactions (Contd...)

	For year ended March 31, 2019	For year ended March 31, 2018
Transactions with Welspun Foundation For Health & Knowledge		
Expenditure towards corporate social responsibility	3.00	2.52
Transactions with Mr. K. H. Viswanathan		
Directors' sitting fees	0.40	0.36
Transactions with Mr. Raj Kumar Jain		
Directors' sitting fees	0.38	0.34
Transactions with Mr. Ram Gopal Sharma		
Directors' sitting fees	0.08	0.35
Transactions with Ms. Revathy Ashok		
Directors' sitting fees	0.15	0.15
Transactions with Mr. Desraj Dogra	0.11	-
Directors' sitting fees		

Note: Amount is inclusive of applicable taxes

(f) Outstanding balances

	As at March 31, 2019	As at March 31, 2018
Trade Advances		
Welspun Tubular LLC	-	579.82
Total trade advances	**-**	**579.82**
Trade payables		
Welspun Corp Limited	485.67	3,681.68
Welspun Middle East DMCC	-	6.74
Welspun Global Trade LLC	-	151.88
Welspun Global Brands Limited	0.09	-
Total trade payables	**485.76**	**3,840.30**

(g) Equity investment in subsidiary

	As at March 31, 2019	As at March 31, 2018
Welspun Middle East DMCC	-	3.36

(h) Outstanding balances of security deposits given

	As at March 31, 2019	As at March 31, 2018
MGN Agro Properties Private Limited	0.01	0.01

(i) Asset held for disposal/ Liability associated towards assets held for disposal

	As at March 31, 2019	As at March 31, 2018
Assets held for disposal		
Welspun Middle East DMCC		
Investment in equity instruments of wholly owned subsidiary	3.36	-
Liabilities associated towards assets held for disposal		
Welspun Middle East DMCC	5.62	-

(j) 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.

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Note 36: The Company has estimated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. Accordingly, the Company has made the provision of Rs. 2.18 million which is disclosed under the head 'Other current liabilities'.

Note 37: Contingent liabilities

There are no contingent liabilities as at March 31, 2019 and March 31, 2018.

Note 38: Commitments

There are no capital or other commitments as at March 31, 2019 and March 31, 2018.

Note 39: Earnings per equity share

	Year ended March 31, 2019	Year ended March 31, 2018
Profit after tax attributable to the equity holders of the Company	49.08	118.69
Weighted average number of equity shares	5,013,402	5,013,402
Basic and diluted earnings per share	9.79	23.67
Nominal value of an equity share	10.00	10.00

Note 40: 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, 2019 and March 31, 2018.

Note 41
(a): Changes in accounting policies

This note explains the impact of the adoption of Ind AS 115 'Revenue from Contracts with Customers' on the Company's financial statements. Effective April 1, 2018, the Group adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The adoption of Ind AS 115 did not have any material impact on the financial performance of the Company.
As a result of the changes in the entity's accounting policies, comparative information for prior period has neither been restated nor remeasured.

(b): Revenue recognised in relation to contract liabilities
Contract liabilities relating to sale of products as at March 31, 2019 aggregated to 0.23 million. This has been included under 'Other current liabilities' as Trade advances. Contract liabilities outstanding as at March 31, 2019 shall be recognised as revenue in the subsequent reporting period.

Note 42: The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019 and March 31, 2018

Note 43: The figures for the previous year have been regrouped wherever necessary.

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

K. H. Viswanathan
Director
DIN: 00391263

Percy Birdy
Whole Time Director
and CFO
DIN: 07634795

Pradeep Joshi
Company Secretary
FCS-4959

WELSPUN TRADINGS LIMITED

Place: Mumbai
Date: May 13, 2019